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# Introduction to the book 'A Critical Analysis of UBI Experiments: The Devils' in the Caveats'

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# **Introduction to *A Critical Analysis of Basic Income***

## ***Experiments for Researchers, Policymakers, and Citizens: The***

### ***Devil's in the Caveats***

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An early draft for discussion

## **Chapter 1: Introduction**

*The devil's in the details* is a common saying about policy *proposals*. Perhaps we need a similar saying for policy *research*, something like *the devil's in the caveats*. I say this because specialists (academics and others who conduct policy research) nonspecialists (journalists, policymakers, and the citizens who are ultimately responsible for policy in a democracy) often have great difficulty understanding each other. Researchers often do not understand what citizens and policymakers expect from research while citizens and policymakers often do not understand the inherent difficulties of policy research or the difference between what research shows and what they most want to know.

Specialists usually include a list of caveats covering the limitations of their research, but caveats are incapable of doing the work researchers typically rely on them to do. Caveats do not bridge the enormous gaps in understanding between specialists and nonspecialists. A dense, dull, and lengthy list of caveats seldom enables nonspecialists to obtain a firm grasp of what research does and does not imply about the policy at issue. Therefore, even the best scientific policy research can leave nonspecialists with an oversimplified, or simply wrong, impression of its implications for policy.

Problems like this exist for all scientific research, especially politically oriented research such as social science experiments. But this looks only at how these sorts of problems (and the inherent difficulty of social science experimentation) affect the Universal Basic Income (UBI) experiments that are now getting underway in several countries around the world. As this book will show, UBI has many complex economic, political, social, and cultural effects, many of which cannot be observed in any small-scale, controlled experiment. Therefore, even the best UBI experiment makes only a small (although potentially important) contribution to the body of knowledge on the policy in question and leaves many important questions unanswered.

Citizens and policymakers considering introducing UBI are understandably interested in the big questions, such as does UBI work as intended, and should we introduce it on a national level? The gap between what an experiment can show and the answers to these big questions is enormous. This gap would not be a problem if citizens, journalists, policymakers, and researchers had a good shared understanding of the limitations of research and accepted the tentative and limited implications that UBI experiments have for the big policy questions.

Unfortunately, this shared understanding is extremely difficult to achieve between such diverse groups of people. When research is conducted of, by, and for specialists within the same field, mutual understanding of the limits of research might require no more than a simple list of caveats, many of which can go without mentioning in a group with a great deal of shared, specialized knowledge. UBI experiments, like most social science experiments, have implications across a wide number of fields. Specialists in different fields might fall farther short of mutual understanding than many people are aware, and those with less or no particularly relevant expertise will have little of that shared understanding. Policymakers and citizens are poorly placed to understand the complexities of social science experiments and researchers are not necessarily well placed to explain it to them or to understand the needs and wants of citizens and policymakers.

The process that brought the experiments about, as later sections of this book discuss in more detail, is one that is vulnerable to great misunderstandings. For the most part, people did not see that they had questions about aspects x, y, and z of UBI; they did not examine experimental procedures to see whether experiments can provide accurate estimates of these aspects; and they did not conclude, therefore, that an experiment would produce a good estimate of the aspects of UBI that they have questions about.

The demand for experiments seems to be driven most by the desire to have a UBI experiment than by the desire to test anything specific about it. Interest in UBI is growing, but the policy remains too controversial to command immediate implementation. And so, sympathetic policymakers and non-governmental organizations have decided to run tests apparently in hopes that learning whatever we can about the policy from a test will help resolve the controversy. This process does not indicate that most citizens and policymakers initiated this effort with a good understanding of what experiments can and cannot say about the national implementation of UBI.

By asking simply for a test of UBI rather than asking more specific questions (such as would a national UBI do x, y, and z), policymakers put researchers in the position to learn whatever they can from an experiment whether or not it is closely connected to what citizens and policymakers most want to know. The vast majority of research specialists who conduct experiments are not fools or fakers; they will look for evidence that makes a positive and useful contribution to the body of knowledge about UBI. But the effort to translate that contribution into a better public understanding of the body of evidence about UBI is far more difficult than many people conducting and reporting on past experiments have recognized. This book will argue that this communications problem badly affected many past experiments and is in danger of happening to current experiments.

To understand the difficulty of the task, imagine a puzzle strewn out over the floor of a large, dark, locked room. A map of the entire puzzle, assembled together, provides an answer to the big questions—does it work, and should we implement it. The experiment opens up one new window into the room. Researchers shine a light through that window at as many pieces as they can, attempting to map how they might fit together. They can easily map the pieces near the window, but as you go further away, their view gets dimmer, and many pieces remain unobserved in dark corners of the room.

Normally, the goal of scientific research is to increase the sum of human knowledge available to the scientific community. Of course, scientists would like to solve puzzles if they can. But when that is impossible, mapping even one new piece of

the puzzle succeeds in that basic goal. This basic goal of researchers is fundamentally different than the big questions citizens and policymakers most want answer.

Many people assume that that a social science experiment is like a science test—the goal is to decide whether the policy passes or fails. That is, far too often many people expect researchers reporting the findings of experiments to produce their best estimate of whether UBI works or whether the country should introduce it.

If researchers present their findings in the way that is normal for social scientists, they present something fundamentally different from what citizens and policymakers most want and might be expecting. Research reports say something to the effect of, *here are the parts of the puzzle we were able to map*, while citizens and policymakers are looking for something to the effect of *here is our best estimate of the solution to the entire puzzle*.

Even the caveats tend to focus, not on the goal the difference in goals, but on trying to help people understand the research on its own terms. That is, on only how reliable their maps are of the areas in question. The relationship between the areas mapped and the solution to the whole puzzle is often covered by one big caveat, so seemingly simple that it often remains unwritten: obviously the areas we mapped are far from any overall evaluation of UBI as a policy.

As obvious as that caveat might be to researchers, it is not at all obvious to many nonspecialists even to some one would expect to have a reasonable level of expertise. For example, an article post December 19<sup>th</sup> in *MIT Technology Review* was headlined, “In 2017, We Will Find Out If a Basic Income Makes Sense.”<sup>i</sup> *MIT Technology Review* was founded at the Massachusetts Institute of Technology in 1899 and its website promises “intelligent, lucid, and authoritative,” “serious journalism” “by a knowledgeable editorial staff, governed by a policy of accuracy and independence.” Although their expertise is in technology, it is the kind of publication one would expect to be well placed to fight misunderstanding, spin, and sensationalism. Yet, according to them, the entire puzzle should have been solved last year.<sup>ii</sup>

If citizens and policymakers overlook this caveat, they will tend to look for the answers to the big questions in any study, providing a great opportunity for spin and sensationalism by people willing to seize on small findings that sound positive or negative as proof that the program as be proven to be a success or a failure. I will argue below as I have in previous work that previous UBI experiments have been misused in use this way.<sup>iii</sup> People have tended to overestimate the study’s implications about those big questions. If researchers present a few negative-sounding things about UBI, nonspecialists tend to think researchers are saying a national UBI won’t work. If they present a few positive-sounding-things, nonspecialists tend to think they are saying introduce a national UBI. Of course, nonspecialists know there are some caveats about the reliability of the experiment, but there are always caveats, and the researchers are saying that they are giving us their best estimate of the overall solution to the puzzle (whether “Basic Income Makes Sense”<sup>iv</sup>), right?

As if this process wasn’t difficult enough already, this puzzle is a very special kind, made so that the pieces fit together in more than one way depending on one’s moral beliefs. As long as a policy is sustainable, achieves some goal, and has some side effects, people who disagree about how good or bad the goals and side effects are, the very same evidence can lead reasonable people to disagree about whether it works and whether the community should introduce it. Many people, including many specialists, are less than fully aware of the extent to which their beliefs on these issues are driven by their moral position or the empirical evidence about the size of the program’s positive and negative effects. Not everyone is honest about this either. Some will try to

spin the results by hiding the extent to which their evaluation of the evidence is driven by their moral position and portray it as the only objective reality.

Into this morass falls the dense and difficult research report of the experiment's findings with an often tedious and easily ignorable list of caveats about the research's limitations. Therefore, no one should be surprised that social science experiments often fall victim to misunderstanding, spin, sensationalism, and oversimplification. Perhaps we should expect these problems to happen more often than not because it is easier to understand an oversimplification than genuine complexity.

I wish I could say that researchers could resolve this issue by adopting the goal of answering the big questions, but extrapolating from experimental findings to answers about whether UBI "works" or "should" be introduced would require bringing in a great deal of evidence from other sources (some good, some highly uncertain) and making controversial moral judgments. Whatever answers they found would be driven as much or more by that other evidence and by those moral judgments as by the experimental findings. It would not eliminate the need for a long and difficult set of caveats; it would merely change the nature of the caveats involved from caveats about the limited applicability of the experimental findings to caveats about the limited contribution of experimental data to the research reports findings.

Therefore, I suggest the following goal for UBI experiments, and throughout this book I will presume that all UBI experiments are at least partly motivated by it: the goal of UBI experiments is to enlighten public discussion by increasing public understanding of evidence about UBI. Perhaps the main message of this book is that UBI experiments seldom if ever succeed in that goal merely by trying to get nonspecialists to understand experimental findings on their own. It's not enough to say, here are the pieces of the puzzle managed to map. It's not enough to explain what experimental group is what a control group is and what the differences were between the two groups in the study. Researchers have to attempt to find the information that will be of most value to the public discussion, and someone—not necessarily the researcher conducting the study—has to attempt the difficult task of communicating those results in a way that people involved in the public discussion of the issue will understand. The difficulty of these tasks is what this book is all about.

This book discusses the difficulty of conducting UBI experiments and communicating their results given both the inherent limits of experimental techniques and the many barriers that make it difficult for researchers, journalists, policymakers, citizens, and anyone else interested in UBI or UBI experiments to understand each other. The book's goals are to improve both the experiments and public understanding of them. Therefore, with the experiments' goal of enlightening public discussion in mind, this book asks two distinct but closely related questions: 1. How do you do a good experiment given the difficulties involved? 2. How can citizens, policymakers, researchers, journalists, and others interested in UBI and UBI experiments communicate in ways that will lead to better public understanding of the implications of UBI experiments for the public discussion of UBI?

Many of the problems discussed here are not unique to UBI experiments; many will apply to all social science experiments, and some will apply to any policy-related research.<sup>v</sup> This book is an applied examination of the problems *specific* to UBI experiments with no claim that these problems are necessarily *unique* to UBI experiments. I will not explore whether the problems involved in UBI experiments are as bad or worse than those involved in other social science experiments. But this book is, to the best of my knowledge, the first book to apply this kind of analysis specifically to UBI experiments.

I have attempted to make this book equally useful for anyone interested in UBI experiments and UBI as a policy—it is for researchers, journalists, policymakers, citizens, and people who are a little in one group and a little in another. It might occasionally sound a little too technical for nonspecialists or too chatty for specialists, but bear with me, because the board audience is necessary for the book’s purpose. Dangers of misunderstanding exist between everyone involved; everyone involved can help solve them; no single group can easily fix them on their own; and hopefully we can all benefit from thinking through all the problems this book examines.

Policymakers, journalists, and citizens who understand the place of experiments in the political economy of the UBI discussion will be able to communicate their desire for experiments that are more relevant to that discussion. They will learn more from any experiments that are conducted. And they will be better equipped to counter spin, misuse, sensationalism, or oversimplification of experimental findings.

Researchers who understand the place of experiments in the political economy of the UBI discussion can obviously communicate their results more effectively. But it is equally important that researchers who understand and respect the public discussion can design better experiments.

It would be a mistake to believe the researchers conducting the experiments can resolve all these communications issues on their own. Although research specialists are professionals at communicating with other specialists, the vast majority of them are amateurs at communicating with nonspecialists—and I am no exception. Very often specialists don’t know what evidence would be most valuable to citizens or policymakers or how best to help citizens and policymakers understand the value of the evidence that researchers are able to find. This communications component of the effort to enlighten public debate requires knowledge and skills that researchers have no special training to do and creates risks that less politically oriented research does not have, including the vulnerability to spin, misuse, sensationalism, or oversimplification.

The risks are so great that past UBI-related experiments—despite almost always being good science—have a mixed record at raising the level of debate among nonspecialists. As this book argues below, some experiments have and some have not. As more experiments get underway and present their findings, it’s important to consider lessons in how to improve the chances that experiments will successfully enlighten the public discussion of UBI.

It would also be a mistake for researchers to believe that they can safely ignore the goal of communicating their results in a way that enlightens public debate. Researchers and perhaps so of the policymakers that they are free to focus on goals of examining a few narrow technical issues and/or producing research only for research. They might think that they have little need to communicate with nonspecialists or to be concerned with the big questions this book argues are important in all public policy debates. Or they might hope they can leave the communication issue to whoever might have expertise in explaining research to non-specialists. Unfortunately, UBI experiments are too closely tied to the political process and their results are too easily misunderstood for researchers to ignore the experiments role in the political economy of the UBI debate.

Although UBI experiments are scientific endeavors, they are both an outcome of and an input into the political process. The current experiments are—directly or indirectly—a response to the growth of the UBI movement in recent years. UBI or similar experiments are enormous undertakings—usually too big to be funded by a simple grant from a science foundation. The 1970s experiments were commissioned, not by science foundations, but by acts of national legislatures that were seriously

considering the policy. The same is true for the new government-funded experiments, such as those in Finland and Canada. The experiments in Namibia, India, Kenya, and one in the United States are all led by private organizations with a strong interest in the UBI debate, if some mix of private and public funding is involved.

Even if policymakers who commission UBI experiments and researchers who conduct them are most interested in a few narrowly focused technical questions, they ignore the place of those experiments in the UBI discussion at their peril. Whether researchers like it or not, people on all sides of the UBI discussion all over the world will look to UBI experiments for information about UBI and sometimes for ammunition to use in that debate. The experiments will affect the public discussion of UBI. People will seize on findings and say it implies X about whether UBI is cost-effective or whether we should introduce it. The data will be used this way. The question is whether it will be understood and used appropriately or misunderstood and abused.

To achieve the goal of bridging communication gaps, this book has to focus extensively on how limited UBI experiments are in answering the big questions about UBI. And it has to explain the many significant barriers there are to communicating their results in a way that successfully raises the level of debate. Therefore, this book has a lot of negative things to say that might cause some UBI-supporters to reject experiments altogether. This message is not what I want to communicate in this book. I will discuss the pros and cons of the decision to have experiments later in the book, but the more important message is how best to conduct a UBI experiment and communicate its results once the decision to conduct an experiment is made. To readers who are convinced that experiments are a mistake, I say, experiments are coming anyway; it's important to make the best of them. We make the best of them when they are done well and when specialists and nonspecialists understand each other.

The nature of this book requires me to say a little something about my perspective. I am an academic researcher. I have PhDs in economics and in political theory, and my job title is associate professor of philosophy. I've supported UBI and related policies since 1980. I started writing about it in 1996 and publishing on it in 1999. I'm convinced by existing evidence that the advantages of UBI are so much greater than the disadvantages that most nations should introduce UBI as soon as possible. I also believe strongly in honest argument and evidence-based reasoning. Thus, I'm a committed supporter who tries also to be a dispassionate researcher. I have good knowledge of the topic, but I'm vulnerable to confirmation bias. Also, I might not always know whether I'm framing things in the most accurate way or in a way that spins them toward my preconceived conclusions. I'll try to take that into account as I write, and you should too as you read. I believe this book will be equally useful to people on all sides of the public discussion of UBI, if readers look skeptically at the argument and the evidence.

Although I bring a wide interdisciplinary perspective to this project (having written about UBI as a philosopher, an economist, a political theorist, an applied public policy researcher, and an amateur journalist), my experience is still far narrower than would be ideal for the effort at hand. I don't believe anyone could claim expertise in all the fields relevant to this book. UBI experiments themselves cross all of the social sciences, many of the health sciences, as well as some technical fields like statistics, mathematics, and computer programming. To understand the political economy of the public discussion of UBI experiments, one would need practical experience in activism, journalism, science communication, grass-roots organizing, political campaigns, and high-level public decision making across numerous countries. And so, this book will necessarily cover many topics for which I cannot claim any expertise.

The book makes many specific recommendations, including strategies for conducting an effective test and for combatting spin and misunderstanding. I'll preview only three of them here:

1. **Work back and forth from the public discussion to the experiment.** Researchers, decision makers, and journalists should respect the national or regional public discussion of UBI. Although the belief that experiments can answer the biggest questions about UBI is naïve, the desire for an answer is not. Find out what you can about what people most want to know. Relate all information the experiments do find to the questions people are actually discussing. This strategy requires calling attention to all of the experiment's limitations and bringing in nonexperimental data, but it is necessary to help people appreciate the true value of the experiment.
2. **Focus on the effects rather than the side effects of UBI.** The costs of UBI are important, but the most important question about UBI is whether it has the many positive effects on people's wellbeing that supporters claim.
3. **Focus on the bottom line.** Although the public discussion varies enormously place-to-place, the desire for an answer to the big questions is ubiquitous, and so I suggest focusing on what I call the bottom line: an overall evaluation of UBI as a long-term, national policy.<sup>vi</sup> Experiments alone cannot provide enough evidence to answer a bottom-line question, but researchers can relate all of their findings to it. Virtually all UBI research has some relevance to that bottom-line evaluation, but citizens, journalists, and policymakers, often need a great deal of help understanding those implications meaningfully. Why the bottom line is so important and how to focus on it are major subjects of this book.

With these goals in mind, this book is divided into three parts. Part one (comprising chapters 1-8) provides necessary background about UBI, experimental techniques, and lessons from experience, beginning with the introductory chapter your reading now.

Chapter 2 explains what UBI is and how it works. It also explains the workings of UBI's more easily testable cousin, the Negative Income Tax (NIT), leaving the explanation of why NIT is more testable for later.

Chapter 3 discusses some necessary definitions and the pros and cons of the available testing techniques: randomized controlled trials (RCTs), saturation studies, and combinations of the two.

Chapter 4 discusses several general problems that virtually any UBI experiment will have to deal with: the virtual impossibility of observing community effects, the difficulty of predicting long-term effects, the Hawthorne effect, the difficulty in separating the effects of the size and type of program being studied, and the streetlight effect.

Chapter 5 discusses one big difficulty: the impossibility of testing UBI under most practical circumstances and the problems created by using NIT as an approximation of UBI.

Chapter 6 discusses the five NIT experiments conducted in the 1970s in the United States and Canada, summarizes their findings, and shows how badly those findings were misunderstood in the public debate at the time. It argues that although the experiments succeeded in the goal of obtaining useful data, they badly failed in the goal of enlightening the public debate at the time.



Chapter 7 discusses more recent experimental findings from two experiments conducted in the late 2000s and early 2010s and from newly released data from one of the 1970s experiments. It argues that these findings had a much more positive impact on the level of debate.

Chapter 8 briefly discusses some of the now ongoing UBI experiments, proposed UBI experiments, and experiments in policies similar to UBI. I do reference these experiments occasionally, but discussing them is not a major goal of this book. I do not want to criticize them, only to offer some hopefully useful analysis to the people commissioning, designing, conducting, reporting on, and reading about them.

Part Two (Chapters 9-11) focuses on the role of experiments in the political economy of the UBI debate. It discusses why specialists and nonspecialists have such a hard time understanding each other's perspectives on UBI and UBI experiments, what kind of problems this misunderstanding can cause, and how to reduce it.

Chapter 9 explains why UBI experiments cannot resolve much of the public disagreement about UBI. It argues that a great deal of evidence is already available. Experiments can only make a small contribution to that body of evidence, and the debate turns most crucially not on remaining unknowns about UBI's effects but on the controversy over the ethical desirability of UBI and its known effects.

Chapter 10 discusses the political economy of the strategic decision to have a UBI experiment in light of the limits experimental techniques have in answering the questions we really want to know. It argues that experiments are a risky strategy for the UBI movement because of their vulnerability to misunderstanding and misuse.

Chapter 11 examines why the results of experiments are so easily misunderstood, and therefore, vulnerable to misuse. These problems happen because of the inherent complexity of the material and the differences in background knowledge of the people involved. The nonspecialist who create the demand for experiments and who need to understand the results to make public policy decisions are separated from the specialists who conduct the experiments by a long and difficult communication chain.

Part Three (Chapters 12-18) discusses conducting a UBI experiment in a way capable of raising the level of discussion in light both of the difficult political economy outlined in Part Two and of the inherent difficulty of reproducing the relevant aspects of UBI on an experimental level.

Chapter 12 begins this effort by suggesting that UBI experiments should relate all findings to what I call the "bottom-line question," the overall cost-effectiveness of a fully implemented national UBI. It also suggests possible wording of a cost-effectiveness question.

Chapter 13 proposes a list of important empirical claims made by supporters and opponents of UBI in an effort to identify what empirical questions are important to the public discussion of UBI.

The next three chapters consider how well experiments can address those claims. Chapter 13 considers several claims that can be analytically shown to be true without the need for a test.

Chapter 14 identifies several empirical claims that should not be ignored but that cannot be tested on an experimental scale. Evidence about these claims will have to come from other sources, which will have to be combined with experimental evidence to connect it to the bottom line.

Chapter 15 identifies several claims that can be tested on an experimental scale but shows how each one can only be tested partially, indirectly, and/or inconclusively.

It suggests research questions to address the issues and how to relate experimental findings to the questions people most want answered.

Chapter 16 discusses claims that can be examined by UBI tests but shows that each of them can only be tested partially, indirectly, or inconclusively.

Chapter 17 discusses possible ways to test UBI in light of these issues, working down from the dream test that solves all testing problems to tests that might be possible within the experiment's budget.

Chapter 18 concludes with a discussion of how to work forward again, from the experimental results to the public discussion in ways that hopefully begin to overcome communication barriers and reduce the problems associated with them. It argues that it is not enough to communicate the findings of experiments on their own terms, but people also need to be made aware of the role experiments play in the political economy of the UBI debate.

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<sup>i</sup> {Condliffe, 2016 #1406}

<sup>ii</sup> {MIT-Technology-Review, 2018 #1423}

<sup>iii</sup> {Widerquist, 2005 #208}

<sup>iv</sup> {Condliffe, 2016 #1406}

<sup>v</sup> Similar work in other fields includes {Deaton, 2016 #1421} and {Teele, 2014 #1422}

<sup>vi</sup> UBI can, of course, be a regional policy. The rest of the book let's that go without saying to keep the language simple.