

# Something for Everyone

The Tech Elite Gets Behind Universal Basic Income

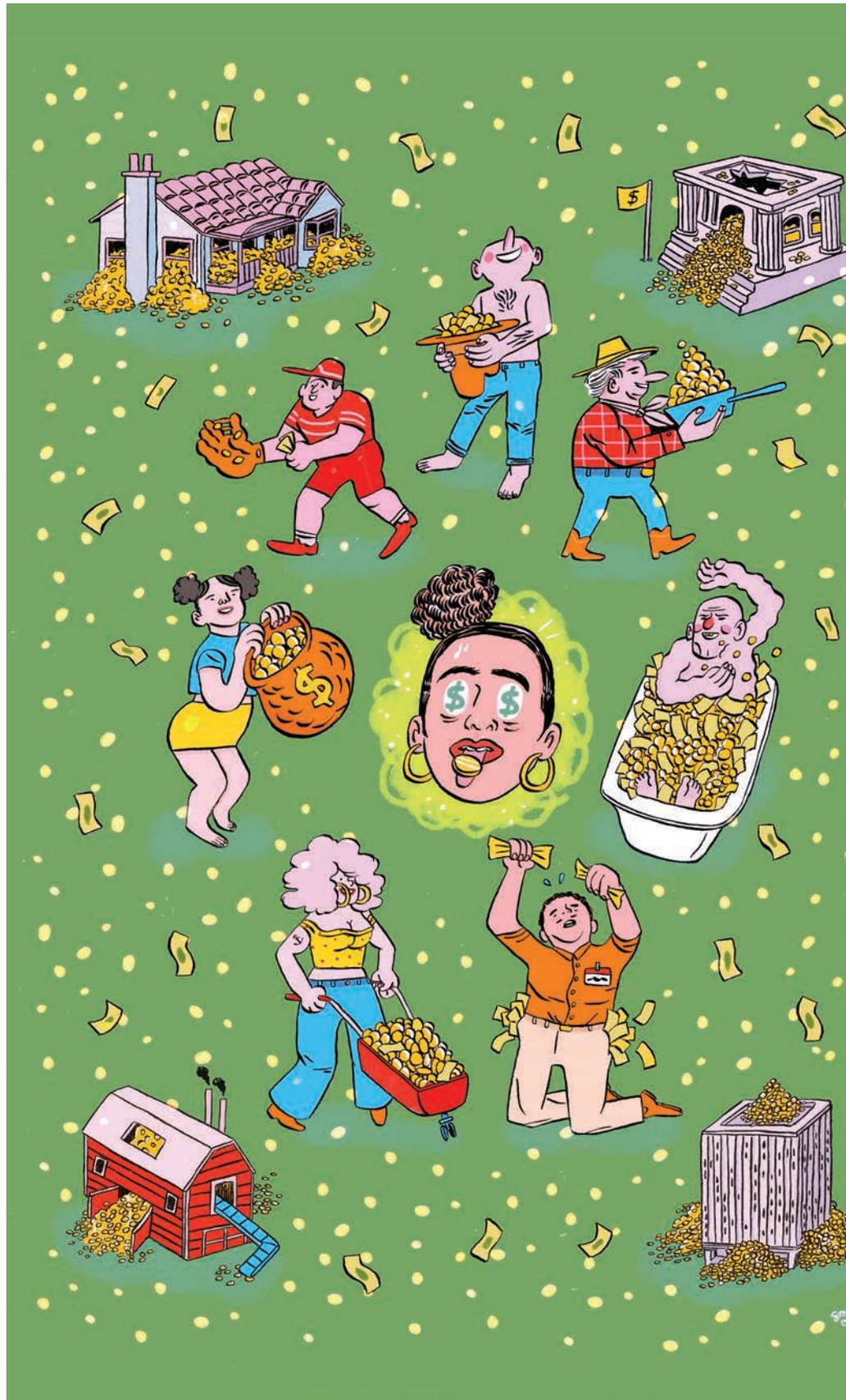
BY **NATHAN SCHNEIDER**  
ILLUSTRATION BY **STEPHEN MAURICE GRAHAM**

As if Silicon Valley hasn't given us enough already, it may have to start giving us all money. The first indication I got of this came one evening last summer, when I sat in on a meet-up of virtual-currency enthusiasts at a hackerspace a few miles from the Googleplex, in Mountain View, California. After one speaker enumerated the security problems of a promising successor to Bitcoin, the economics blogger Steve Randy Waldman got up to speak about "engineering economic security." Somewhere in his prefatory remarks he noted that he is an advocate of universal basic income—the idea that everyone should get a regular and substantial paycheck, no matter what. The currency hackers arrayed before him glanced up from their laptops at the thought of it, and afterward they didn't look back down. Though Waldman's talk was on an entirely different subject, basic income kept coming up during a Q&A period—the difficulties of implementing it and whether anyone would work ever again.

Around that time I had been hearing calls for basic income from more predictable sources on the East Coast—followers of the anarchist anthropologist David Graeber and the editors of the socialist magazine *Jacobin*, among others. The idea certainly has a leftist ring to it: an expansion of the social-welfare system to cover everyone. A hard-cash thank-you just for being alive. A way to quit the job you despise and—to take the haters' favorite example—surf.

Basic income, it turns out, is in the peculiar class of political notions that can warm Leninist and libertarian hearts alike. Though it's an essentially low-tech proposal, it appeals to Silicon Valley's longing for simple, elegant algorithms to solve everything. Supporters list the possible results: It can end poverty and inequality with hardly any bureaucracy. With more money and less work to do, we might even spew less climate-disrupting carbon.

The idea of basic income has been appearing among the tech-bro elite a lot lately. Mega-investor and Netscape creator Marc Andreessen recently



told *New York* magazine that he considers it “a very interesting idea,” and Sam Altman of the boutique incubator Y Combinator calls its implementation an “obvious conclusion.” Albert Wenger, a New York–based venture capitalist at Union Square Ventures, has been blogging about basic income since 2013. He’s worried about the clever apps his company is funding, which do things like teach languages and hail cars, displacing jobs with every download.

“We are at the beginning of the time where machines will do a lot of the things humans have traditionally done,” Wenger told me in October. “How do you avoid a massive bifurcation of society into those who have wealth and those who don’t?” He has proposed holding a basic-income experiment in the dystopian fantasyland of Detroit.

**S**ingularity University is a kind of seminary in Silicon Valley where the metaphysical conviction that machines are, or soon will be, essentially superior to human beings is nourished among those involved in profiting from that eventuality. Last June, the institution’s co-founder and chairman, Peter Diamandis, a space-tourism executive, convened a gathering of fellow industry luminaries to discuss the conundrum of technology-driven unemployment.

“Tell me something that you think robots cannot do, and I will tell you a time frame in which they can actually do it,” a young Italian entrepreneur named Federico Pistono challenged me. Among other accomplishments, Pistono has written a book called *Robots Will Steal Your Job, but That’s OK*. At the Singularity meeting he was the chief proponent of basic income. He cited recent experiments in India that showed promise for combating poverty among people the tech economy has left behind. Diamandis later reported having been “amazed” by the potential.

One might not expect such enthusiasm for no-strings-attached money in a room full of libertarian-leaning investors. But for entrepreneurial sorts like these, welfare doesn’t necessarily require a welfare state. One of the attendees at the Singularity meeting was HowStuffWorks.com founder Marshall Brain, who had outlined his vision for basic income in a novella published on his website called *Manna*. The book tells the story of a man who loses his fast-food job to software, only to find salvation in a basic-income utopia carved out of the Australian Outback by a visionary startup CEO. There, basic income means people have the free time to tinker with the kinds of projects that

might be worthy of venture capital, creating the society of rogue entrepreneurs that tech culture has in mind. Waldman refers to basic income as “VC for the people.”

Chris Hawkins, a 30-year-old investor who made his money building software that automates office work, credits *Manna* as an influence. On his company’s website he has taken to blogging about basic income, which he looks to as a bureaucracy killer. “Shut down government programs as you fund redistribution,” he told me. Mothball public housing, food assistance, Medicaid, and the rest, and replace them with a single check. It turns out that the tech investors promoting basic income, by and large, aren’t proposing to fund the payouts themselves; they’d prefer that the needy foot the bill for everyone else.

“The cost has to come from somewhere,” Hawkins explained, “and I think the most logical place to take it from is government-provided services.”

This kind of reasoning has started to find a constituency in Washington. The Cato Institute, Charles Koch’s think tank for corporate-friendly libertarianism, published a series of essays last August debating the pros and cons of basic income. That same week, an article appeared in the *Atlantic* making a “conservative case for a guaranteed basic income.” It suggested that basic income is actually a logical extension of Paul Ryan’s scheme to replace federal welfare programs with cash grants to states—the Republican Party’s latest bid to crown itself “the party of ideas.” Basic income is still not quite yet speakable in the halls of power, but Republicans may be bringing it closer than they realize.

**K**arl Widerquist, a professor of political philosophy at Georgetown University’s School of Foreign Service in Qatar, has been preaching basic income since he was in high school in the early 1980s. He says that we are now in the third wave of American basic-income activism. The first was during the economic crises between the world wars. The second was in the 1960s and 70s, when libertarian heroes like Milton Friedman were advocating for a negative income tax and when ensuring a minimum income for the poor was just about the only thing Martin Luther King Jr. and Richard Nixon could agree about. (Nixon’s Family Assistance Plan, which bears some resemblance to basic income, passed the House but died in the Senate.) The present wave seems to have picked up in late 2013, as the news went viral about a mounting campaign in Switzerland

to put basic income to a vote. Widerquist is glad to see the renewed interest, but he’s cautious about what the libertarians and techies have in mind.

“I don’t think we want to wait for technological unemployment before having basic income,” he says. For him the plan is not about averting the next disaster—it’s about curbing the exploitation of the property system.

Riding way on the left side of the current wave of enthusiasm is Kathi Weeks. She’s a good old-fashioned-in-certain-ways feminist Marxist who made basic income a central proposal in her recent book *The Problem with Work*. She advocates it cautiously, however: If a basic income were too low, people wouldn’t be able to quit their jobs, but employers would still lower their wages. It could incline more businesses to act like Walmart, letting their workers scrape by on government programs while they pay a pittance. Workers might get money for nothing, but they’d also find themselves with dwindling leverage in their workplaces.

If we were to fund basic income only by gutting existing welfare, and not by taxing the rich, it would do the opposite of fixing inequality; money once reserved for the poor would end up going to those who need it less. Instead of being a formidable bulwark against poverty, a poorly funded basic-income program could produce a vast underclass more dependent on whoever cuts the checks. And as out-there as the idea can seem, Weeks’s leftist critics complain that it’s still a tweak, a reform. “It’s not going to signal the end of capitalism,” she recognizes.

Like pretty much all the shortcut solutions Silicon Valley offers, basic income would have its perks, but it isn’t enough to solve our real problems on its own. There’s still no substitute for organizing more power in more communities—the power to shape society, not just to fiddle with someone else’s app. Social Security, for instance, came to be thanks to the popular struggles of the 1930s, and it carried huge swaths of old people out of poverty. Obamacare, a set of reforms mostly written by the industry it was meant to regulate, has turned out to be a far more mixed bag.

A basic income designed by venture capitalists in Silicon Valley is more likely to reinforce their power than to strengthen the poor. But a basic income arrived at through the vision and the struggle of those who need it most would help ensure that it meets their needs first. If we’re looking for a way through the robot apocalypse, we can do better than turn to the people who are causing it. *WCE*



#### UNIVERSAL BASIC INCOME

The idea that everyone should get a regular and substantial paycheck, no matter what