The Universal Basic Income: Newly Contentious

The Universal Basic Income (UBI) was the topic of my other "Contentious Issues in Classical Liberalism" presentation. Here, at least, I can see the superficial appeal for the typical member of the Mont Pelerin Society. Unlike the conventional welfare state, the UBI doesn't try to micro-manage human behavior. It doesn't claim to know how anyone – no matter how poor – should live their lives. It gives bureaucrats near-zero discretion. And it preserves recipients' marginal incentives to work. The UBI gives money to everyone, then lets the free market work.

What do these arguments overlook? For starters, since taxpayers have to support the UBI whether they like it or not, the moral presumption in favor of recipients' "choice" is more than a little muddy. Voluntary donors get to decide how their money gets spent; why shouldn't involuntary donors have the same right?

On reflection, moreover, there are strong reasons for taxpayers to exercise this right. Most obviously, because their first priority is to take care of children. "You can't use food stamps for alcohol" need not be paternalistic; maybe it's just a pragmatic way to feed the hungry children of alcoholic parents.

Poor parenting aside, the very fact that an adult needs government help is good reason to question their personal responsibility. If you want to sleep on my couch while you search for a job, I refuse to "just trust your best judgment" about how to get your life in order. Anyone who wants my help has to strive to find a job, not sit around drinking my wine. It's hard to see why taxpayers should be more relaxed (though due to the tragedy of the fiscal commons, they almost always are).

The main reason why classical liberals smile upon the UBI, I fear, is its elegant simplicity. If we adopt one straightforward poverty program, we can rid ourselves of all the rest. Unfortunately, as my presentation explains, the UBI's cost is exorbitant, the side effects are awful, and the moral justification is ultimately flimsy. The right moderate reform for classical liberals to push is not the UBI, but Austerity for Liberty.