

# Work and labor

## Objectives

- Evaluate the impact of the gig economy on the labor market
- Identify potential benefits and harms of automation on the workforce
- Consider methods for mitigating the impact of automation on job loss
- Define basic income
- Evaluate the effectiveness of basic income schemes
- Discuss whether basic income is a viable approach to mitigating job loss from automation

## Assigned readings

- De Stefano, V. (2015). The rise of the just-in-time workforce: On-demand work, crowdwork, and labor protection in the gig-economy. *Comp. Lab. L. & Pol'y J.*, 37, 471.
- Cook, C., Diamond, R., Hall, J., List, J. A., & Oyer, P. (2018). The gender earnings gap in the gig economy: Evidence from over a million rideshare drivers (No. w24732). *National Bureau of Economic Research*.
- Muro, M., Maxim, R., & Whiton, J. (2019). Automation and artificial intelligence: How machines are affecting people and places.
- De Wispelaere, J., & Stirton, L. (2004). The many faces of universal basic income. *The Political Quarterly*, 75(3), 266-274.
- Kangas, O., Jauhiainen, S., Simanainen, M., & Ylikännö, M. (2019). The basic income experiment 2017–2018 in Finland: Preliminary results.
  - Finnish basic income pilot improved wellbeing, study finds
  - If you happen to speak Finnish, you can read the full report

## Optional readings

- If you did not read these articles in MACS 30000 (Perspectives on Computational Analysis), skim them
  - Edelman, B. G., & Luca, M. (2014). Digital discrimination: The case of airbnb.com. *Harvard Business School NOM Unit Working Paper*, (14-054).
  - Edelman, B., Luca, M., & Svirsky, D. (2017). Racial discrimination in the sharing economy: Evidence from a field experiment. *American Economic Journal: Applied Economics*, 9(2), 1-22.

## Response paper prompt

Many progressives in the United States have promoted **universal basic income** (UBI) as a solution to income inequality and the deterioration of the labor force. In fact, it served as the key policy proposal for one Democratic candidate for the presidency. Evaluate the Yang plan, both in terms of the ethics of income redistribution as well as the effectiveness of such a policy.