

Automation & The Case for Universal Basic Income

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Introduction

Recent advancements in fields such as Machine Learning and Robotics have put a significant number of jobs at risk of automation.

The erasure of jobs by automation is not new, although the current wave of automation may be different. However, the important question is.

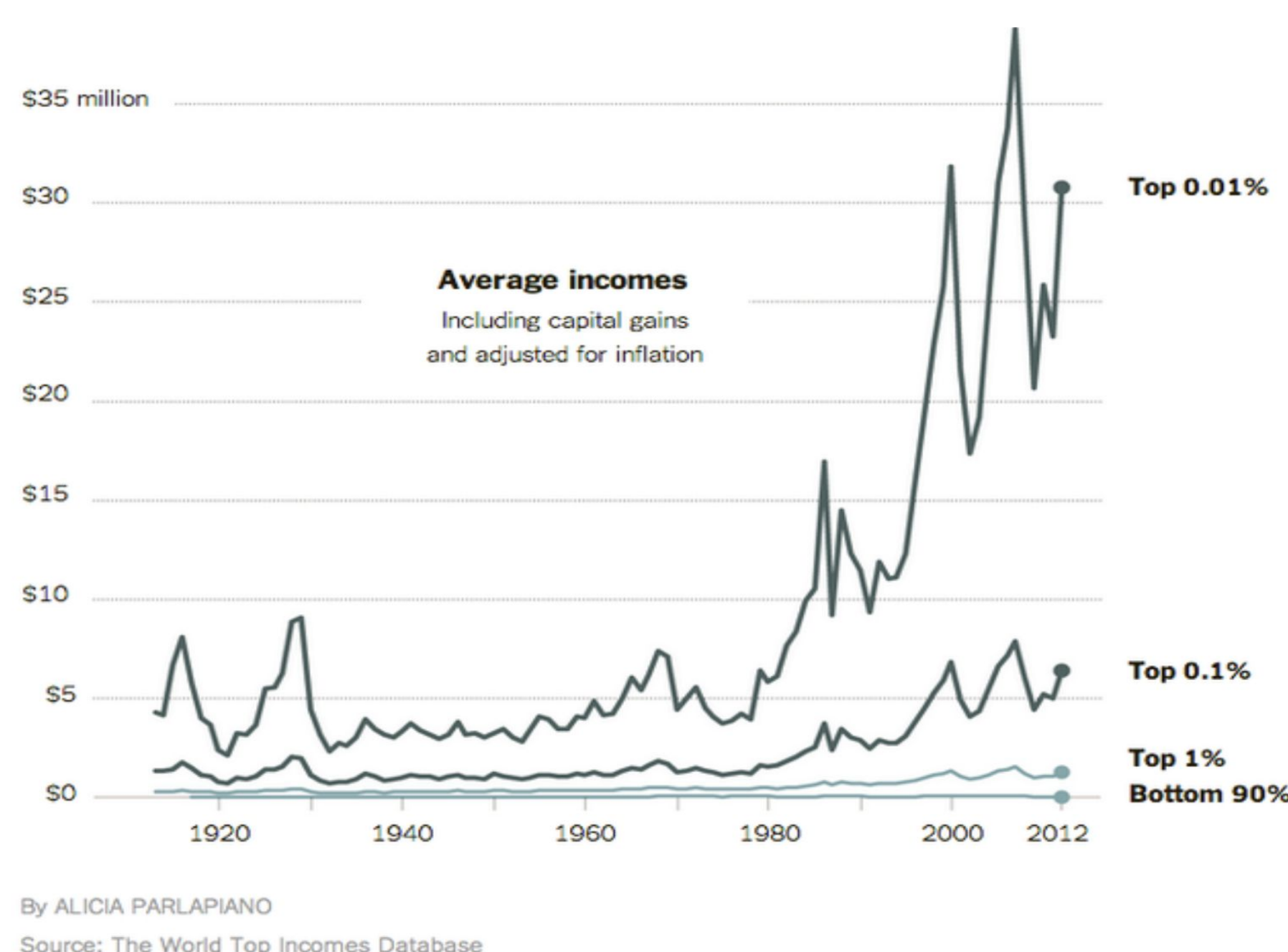
How will automation affect people?

Amazon has a fleet of robots to perform tasks formerly assigned to human laborers in shipping facilities.



Driverless cars have the potential to disrupt the transportation industry and trucking.

Additionally, white-collar jobs are also at risk with robot-surgeons and computer trading becoming a reality.



Given that automation consolidates income to those who have the capital to invest in the robots/technology necessary, it exacerbates income inequality.

How can we mitigate the adverse effects of automation?

The Options

Universal Basic Income

implementing a universal income for all individuals, regardless of need

No Change Required

no change to the current system, with a wealth gap increasing exorbitantly

A la Carte Legislation

reduce automation in certain sectors, or add to our existing welfare programs

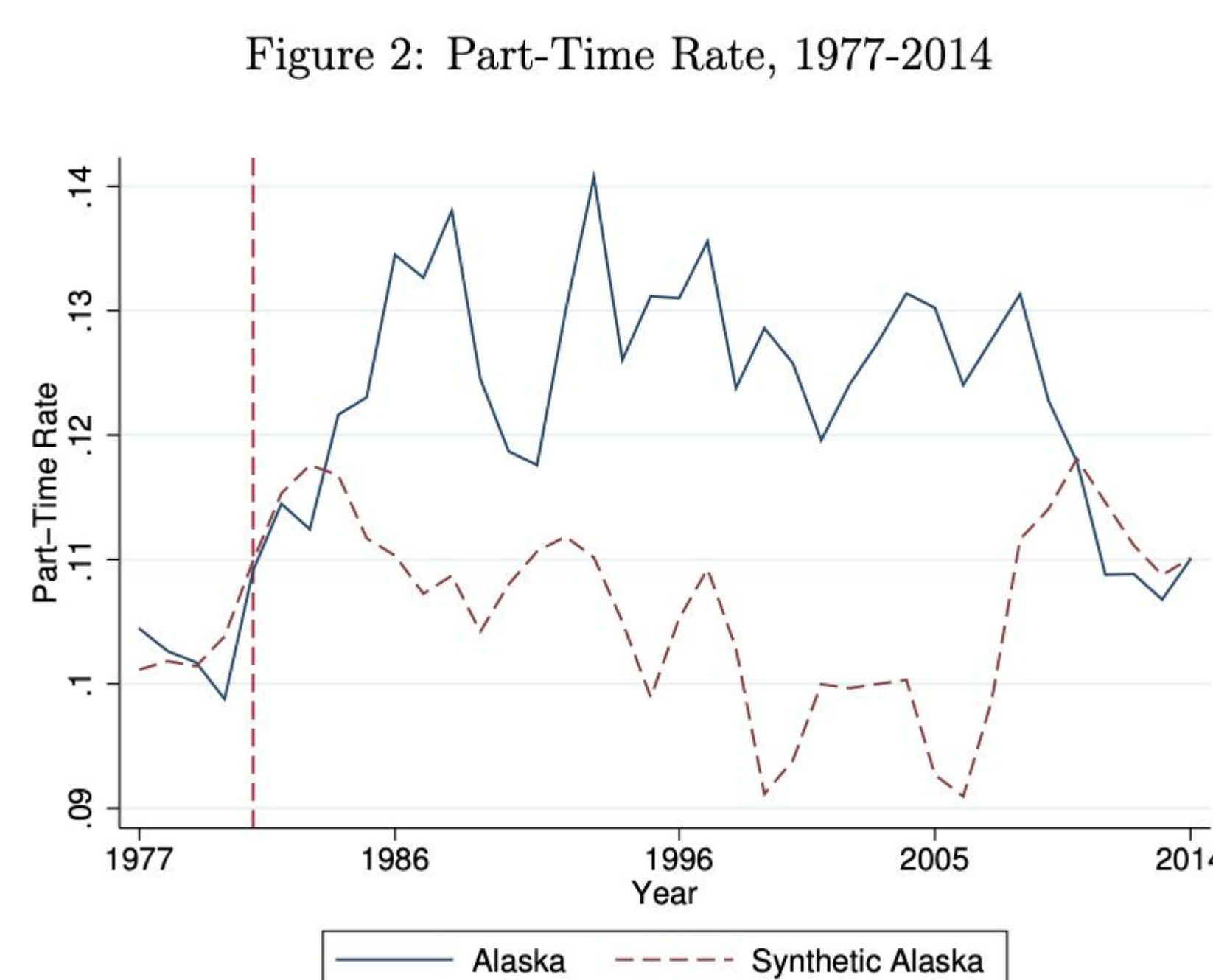
Why UBI?

- It relieves the burden on individuals with lower-paying jobs, as well as less stigma

Today, jobs in which automation is replacing are those of low-skill. These people will now have the ability to live with more stability and less stigma.

- It has been proven that there is no effect on people's willingness to work / take on negative habits

Case Study in Alaska



(a) Part-Time Rate: Alaska vs. Synthetic Alaska

(why UBI continued)

- There would be less administrative overhead on the government's side.

Currently, our government uses a plethora of welfare systems & qualifications. UBI would consolidate and remedy many of these issues.



Implications

- Where will the money will come from?

Candidate Andrew Yang suggests using a 10% Value added Tax. Another option, could be a Tax on tech corporations.

- Increase in Entrepreneurship

With the security provided by a guaranteed income, UBI will allow individuals to take more risks such as starting new businesses.

- Decrease in Hospitalizations

A test of UBI in Manitoba Canada found that hospitalizations decreased 8.5%

- Overall improved quality of life and increase in happiness

Conclusion

Out of the options available, a universal basic income is the most appealing in our ever-automating world. Allowing all to pursue their passions without psychological stress, UBI can allow for a more automated and equitable society.

Works Cited

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