



Stockton, California, to Test Universal Basic Income Program

Later this year, the city of Stockton, California, will begin giving a select group of poor residents \$500 a month in an experimental program to test the effects of giving people a universal basic income, or UBI. Though this initial program, which will run for a period of 12-18 months, will be funded by a million-dollar private grant from a tech group called the Economic Security Project, it will involve only 100 families in a city of 300,000 people where one in four residents lives below the official poverty line. That means as many as 75,000 people potentially might qualify for similar programs in the future. Figuring four people per family, that would be 18,750 families. It would, therefore, cost \$9,375,000 a month to give \$500 each to 18,750 families.



The unanswered question, of course, is who would pay out that \$9,375,000 a month? The Economic Security Project? Since that is highly unlikely, it would be the taxpayers of Stockton who would foot the bill.

Dorian Warren, who co-chairs the Economic Security Project (along with Aspen Institute fellow Natalie Foster and Facebook co-founder Chris Hughes) told KPIX 5 news in San Francisco that the goal in Stockton is to gather data on how having a basic income impacts people.

"What does it mean to say, 'Here is unconditional guaranteed income just based on you being a human being?'" Warren asked.

Ari Shapiro, a host of National Public Radio's *All Things Considered* program, interviewed Stockton Mayor Michael Tubbs about the guaranteed income plan on January 29.

After Shapiro asked Tubbs to explain how the problem will work, the mayor said:

So from now until June, we'll do a community engagement process to come up with the selection criterion for the families who will be selected. Those families will receive \$500 a month for the next year to 18 months with the idea to really elevate the story of working-class people everywhere. People are working very hard and struggling and unable to make basic ends meet. So we were able to get a grant of \$1 million from the Economic Security Project to really test this idea....

It doesn't cost taxpayers anything. It's paid from \$1.2 million in philanthropic funding. So the idea is that in the next couple of years, we'll have some data that will tell us whether this is a solution that is viable or not.

It is worth noticing that Tubbs stated the \$1.2 million grant is to test the program. After that, the city



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will use the data to decide whether this program is the "solution" to helping low-income families. However, as we noted above, implementing this program on a full-scale basis, when it is no longer a test run on a sample of a fraction of Stockton's population, is likely to cost the city more than \$9 million a month. And the bill for that will go to the taxpayers.

Shapiro then noted a basic principle of capitalism —if you work hard, you'll get ahead. He stated the obvious — that having to support oneself "gives people incentive to go to a job every day and earn money, even though it may be an unpleasant experience. He said the program planned for Stockton — the idea of a guaranteed basic income — "seemed to guarantee that people will get money whether or not they earn it. Does that undermine the incentive for people to have a job and be productive members of society?

Tubbs answered, "I would disagree. But I also think as a human being, there are some things that you don't earn. Some things are rights. And I do think that people deserve a basic economic floor so the bottom doesn't fall out under them.... And I don't think \$500 a month, according to the research and evidence from other trials done over the past three decades, will make it so that people won't work."

Apparently, Tubbs believes that having a guaranteed monthly income is a *right*. It is commonly understood by those who have studied the founding era of our nation that the right listed in the Declaration of Independence, the "pursuit of happiness," meant the right to pursue (or work toward) one's material and spiritual needs. It was said that Thomas Jefferson, on the advice of Benjamin Franklin, substituted the phrase "pursuit of happiness" for the word "property," which was favored by George Mason. Franklin, however, thought that "property" was too narrow a notion.

Regardless of how we interpret the founders' definition of "happiness," the right was to *pursue* it not to be *granted* it. Not one of them suggested that material, emotional, or spiritual happiness was a right — only the freedom to *pursue* such happiness was a right.

Shapiro also noted that Stockton declared bankruptcy five years ago, that one in four people there are living below the poverty line, and that the city is still struggling. He asked Tubbs, "Do you imagine that a handout like this could turn those trends around?

To which Tubbs replied: "Again, I would push back a little bit on the characterization as a handout. I would say a hand up or an opportunity. And I would say I think this in concert with many of the other things we're doing well. So just two weeks ago, I announced a \$20 million scholarship fund so that every kid who graduates from our larger school district, they get a guaranteed scholarship for four years."

Tubbs' reply reveals that he is an advocate of the standard liberal welfare mentality that asserts that the way to solve every social problem is to throw the taxpayers' money at it. That was the thinking that inspired the War on Poverty implemented by the administration of President Lyndon Johnson. When Johnson was running for reelection in 1964 against the late Arizona Senator Barry Goldwater, Ronald Reagan, who was yet to be elected to political office, delivered a speech in support of Goldwater entitled "A Time for Choosing." The speech was a masterful condemnation and exposé of the liberal welfare schemes that have dominated U.S. policymaking for decades. The speech provided numerous examples of how government anti-poverty programs never eliminated poverty, but instead, made it worse, at the taxpayers' expense. We could quote many brilliant excerpts from that speech, but let us offer just one, as an example of Reagan's message:

We have so many people who can't see a fat man standing beside a thin one without coming to the



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conclusion the fat man got that way by taking advantage of the thin one. So they're going to solve all the problems of human misery through government and government planning. Well, now, if government planning and welfare had the answer — and they've had almost 30 years of it — shouldn't we expect government to read the score to us once in a while? Shouldn't they be telling us about the decline each year in the number of people needing help? The reduction in the need for public housing?

Let the Economic Security Project spend a million dollars of its own funds helping the low-income families of Stockton if they want — that is their prerogative in a free society. But what they and Mayor Tubbs have in mind in Stockton is just a test for a city welfare program that could inevitably cost the taxpayers millions of dollars a year. That approach will work no better than the programs that Reagan exposed back in 1964.

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