



UNIVERSAL BASIC INCOME AND BUSINESS: *A CHRISTIAN PERSPECTIVE**

TODD P. STEEN

▶ ABSTRACT

This paper describes the idea of universal basic income (UBI) and examines the impact of UBI programs on businesses and workers. This paper considers arguments for and against UBI programs and provides an analysis of how a Christian worldview might inform our responses to the idea of universal basic income. Questions it will consider include: How would a UBI program impact workers' perceptions about calling and vocation? How would UBI impact our responsibility and ability to help others in our roles as businesspeople and workers? The paper suggests that UBI programs might have adverse effects on both businesses and workers, although additional research and experiments on UBI are necessary.

*An earlier version of this paper was presented at the Christian Business Faculty Association's annual meetings in 2018, and portions of this paper were posted in a blog post for *Christian Scholar's Review* in 2021.

▶ INTRODUCTION

Mark Zuckerberg wants it. Elon Musk says we need it because of robots. While Andrew Yang made it the centerpiece of his 2020 presidential campaign, Joe Biden argued against it. Milton Friedman may have liked a part of it, and Charles Murray thinks it may be a good idea. Switzerland voted it down, and Finland, Canada, Kenya, and California have experimented with it. What is it? Universal basic income or UBI. Universal basic income is perhaps the hottest new public policy idea, and it has the potential to alter the connections between businesses and workers, overturn the current structure of the welfare system, impact short-run and long-run poverty, and change the relationship between citizens and their government. But is it a good idea, and how does it fit with biblical principles?

If a universal basic income policy were ever to be enacted in the United States, it would significantly impact the structure of the economy and society itself. Polls have suggested that many people favor universal basic income programs, although when they hear about the costs involved, they are less positive.¹ The argument over universal basic income could be one of the most controversial and contentious policy discussions ever. It is also an issue that does not necessarily fit into our normal left-right political boundaries—people from both sides of the political spectrum can be for or against universal basic income. Christians need to be informed about the costs and benefits of UBI plans, and Christian professors of business and economics should take the lead in examining all of the possible impacts of universal basic income programs.

This paper will describe the idea of universal basic income, examine some of the arguments for and against UBI programs, and discuss some of the current experiments being conducted with UBI. This paper will also consider how a Christian worldview might inform our responses to the idea of universal basic income, with a focus on the impact of UBI on businesses and workers. Questions it will consider include: How would a UBI program impact workers' perceptions about calling and vocation? How would UBI impact our responsibility and ability to help others in our roles as businesspeople and workers? The paper will also provide some practical guidance for Christian business leaders and professionals in responding to UBI programs.

▶ WHAT IS UNIVERSAL BASIC INCOME?

Proposals for universal basic income programs take many forms. One leading UBI proponent, the Basic Income Earth Network, put forth a definition of universal basic income representative of many proponents of this idea. They described basic income as follows: "A **Basic Income** is a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement."² Universal basic income programs are fundamentally different from targeted welfare programs that are intended to help people in certain groups who are experiencing particular needs. There are several variations on this particular formulation of a universal basic income program. One question is whether the universal basic income program would replace all other income support programs or exist on top of them.

An interrelated issue is the amount of income to be provided. Will the amount be high enough for people to live on, or would it be just as a supplement to other forms of income people receive? Questions about the universality of a universal basic income also arise. Given that any UBI program would be quite expensive, some proponents of the general idea of UBI have suggested that it be restricted in some ways; of course, then the program would no longer be "universal."³

▶ EXPERIMENTS WITH UNIVERSAL BASIC INCOME

One of the unique features of the idea of universal basic income is the history of actual experiments that attempt to examine the consequences of such a program. There are also related programs (for example, the State of Alaska Permanent Fund) that, although they are not exactly UBI programs, could perhaps provide evidence about the results of basic income provision. Although advocates of universal basic income suggest it could have several potentially beneficial results, most of the analysis and attention on the experiments focuses on the changes in individuals' work incentives inherent in such programs. One of the earliest and most well-known UBI experiments took place in the Canadian province of Manitoba in the 1970s. The data from this program has been interpreted and reinterpreted many times.⁴ There appeared to be small but negative labor supply responses to the subsidies provided in the program, but even this result is controversial. A paper by Evelyn Forget suggested that the UBI program there improved some health measures in the community, although this impact has also been disputed.⁵

The Alaska Permanent Fund is an example of a program that many suggest has implications for the provision of universal basic income. Started in 1976, this program is fairly well known because it distributes some proceeds from the state's oil leases to its residents. Damon Jones and Ioana Marinescu have analyzed the program's impact on the state labor market, and they found that the subsidies had no impact on overall employment as measured by the employment to population ratio, while part-time employment increased by 1.8 percentage points.⁶

There are several other universal basic income experiments throughout the world that have recently been started or will commence soon. These include programs in The Netherlands, Spain, Canada, Scotland, and California. Some of the

new programs are sponsored by the government, but there are also private sector initiatives. There are very few clear conclusions that can be drawn at this time from the experiments with UBI. All of the experiments from both past and present have different designs, and they can be interpreted in various ways. Most of the experiments have been relatively short-term programs, and the participants could not be sure that the payments would be long-lasting. This characteristic can have a significant impact on the participants' responses.⁷ It will be interesting to see in the future if any of these experiments can provide strong evidence concerning the impacts of these programs; we may also see some data based on the payments made to people during the COVID pandemic.

▶ ARGUMENTS FOR UNIVERSAL BASIC INCOME PROGRAMS

The idea of a universal basic income has supporters from all corners of the political spectrum and from commentators and writers of many different philosophical stripes. Perhaps the most-often cited argument for UBI programs is their impact on the welfare of the poor. If a program provides a generous amount of income per individual (for example, \$10,000 per person per year), many UBI proponents believe it is self-evident that the condition of the poor will be improved. A related argument is that UBI programs will provide for a more equitable income distribution for society.

One of the central reasons for the more recent interest in UBI programs stems from the concern that changes in technology (for example, self-driving cars and trucks, robots, artificial intelligence, etc.) will have a substantial negative impact on the number of jobs available, causing considerable economic displacement. Universal basic income is seen as a way to mitigate the impact of upcoming job losses. Although the argument that technology will lead to substantial net job loss has been made throughout history many times (sometimes known as the Luddite fallacy) and has often not proven out, many believe the situation will be different this time due to the faster pace of technological changes. Elon Musk and Mark Zuckerberg are leading proponents of this view.

Others see the provision of a universal basic income as a basic human right. Senator Bernie Sanders described it this way: "It is my absolute conviction that everyone in this country deserves a minimum standard of living and we've got to

go forward in the fight to make that happen."⁸ There are also additional reasons why people argue for UBI. Some on the right see UBI as a potential replacement for "leaky" government welfare programs. Others see UBI as a way that parents can spend less time at work and more time at home with their children. Some see UBI as a way to help people to change jobs to pursue a new calling or vocation, or to provide seed money for entrepreneurial projects. Universal basic income programs have been seen as a cure to a variety of society's ills; however, it seems fair to say that many proponents of UBI find it easy to ignore some of its potential costs.

▶ ARGUMENTS AGAINST UNIVERSAL BASIC INCOME PROGRAMS

One of the most powerful arguments against universal basic income programs is their costs. Robert Greenstein provided a back-of-the-envelope calculation of an often-suggested UBI program: "There are over 300 million Americans today. Suppose UBI provided everyone with \$10,000 a year. That would cost more than \$3 trillion a year—and \$30 trillion to \$40 trillion over ten years." He stated that "This single-year figure equals more than three-fourths of the entire yearly federal budget—and double the entire budget outside Social Security, Medicare, defense, and interest payments."⁹

A second powerful argument against the provision of a universal basic income concerns the reduced work incentives that can result from such a program. Theoretically, labor economists describe what is known as a negative "income effect," which suggests that any additional income leads to an increased demand for leisure, and therefore reduced work hours.⁹ In some empirical studies, economists have found substantial negative impacts on the provision of work from welfare and unemployment compensation programs.¹¹ President Joe Biden took a related approach when he argued against UBI back in 2017: "Biden thinks that it's the job that is important, not just the income. In a blog post tomorrow timed to the launch of the Joe Biden Institute at the University of Delaware, Biden will quote his father telling him how a job is 'about your dignity. It's about your self-respect. It's about your place in your community.'"¹² From a fiscal standpoint, workers pay taxes and support social welfare programs like Social Security. If individuals do end up working less, the viability of these programs comes into question.

There are a variety of other arguments against universal basic income programs. Some doubt that the current welfare system can be dismantled even if a new UBI program is implemented, given the interest in maintaining it by the government workers who administer such programs and those who receive the benefits. Another important argument is the concern about increased dependence on government for individuals if UBI is implemented. Christians have occasionally weighed in both for and against the idea of a universal basic income program.¹³ A Christian worldview can provide an important context for understanding the ethical issues involved as well as the full costs and benefits of such programs.

► BIBLICAL PRINCIPLES AND UNIVERSAL BASIC INCOME

Biblical directives can help us evaluate universal basic income programs. This paper will touch on several ways that a Christian worldview can help us inform our ideas about UBI, but it is by no means exhaustive.¹⁴ First, work was part of God's good creation and a significant element of God's intention for humankind. As creatures made in God's image, we received the command to work in Genesis 1:28, often described as the "cultural mandate." Kevin Brown and Mike Wiese assert that "as image-bearers of a creative and relational God, as we create, produce, and act within the world, we are participating in this activity with God. We are demonstrating the same attribute (co-creating with God)."¹⁵ The Bible extols the virtues of work throughout both the Old and New Testaments.¹⁶ We know that our work now resides under the curse of sin, but we also know that work can be redeemed through the sacrificial work of Jesus Christ. We also see that work is anticipated in the new heavens and new earth when our Lord returns.¹⁷ One of the main realizations of the Reformation was that a life of contemplation was not to be preferred to a life of good work. God can be served in a variety of professions, and all jobs are equal before God. Any possible diminution of work by the provision

of a universal basic income must be seen as a substantially negative feature of the program.

Second, the effects of the fall should give some real pause to some of the optimistic projections made by proponents of UBI, who suggest that providing people with a guaranteed income would lead to widespread beneficial results. We need to at least entertain the possibility that this income could lead some to engage in more negative behaviors if work becomes less necessary (more video-game playing, for example). A biblical worldview also realizes the God-given nature of government and its responsibilities to promote justice. However, we know that we are not to put our faith in government. If a universal basic income leads individuals to depend more upon the government for their livelihood, there is a substantial likelihood of long-term disappointment.

A central theme throughout the Bible is the importance of a society's treatment of the poor as a measure of justice and obedience. Jesus declared in Matthew 25:40 [NIV]: "Truly I tell you, whatever you did for one of the least of these brothers and sisters of mine, you did for me." There is little argument among Christians about the necessity of helping the poor, while the best methods of doing so, however, are still controversial. Perhaps the chief reason people become proponents of UBI is that they believe it will help alleviate poverty. After all, the program provides people with more money.

Whether or not UBI programs would actually reduce poverty in the long run is unclear.¹⁸ If people choose to work less and invest less in human capital formation, it is possible that UBI could even increase poverty. There has been substantial criticism of current welfare and income support programs on the basis that they create dependence

and negatively impact work incentives. Books like Steve Corbett and Brian Fikkert's *When Helping Hurts* also discuss some of the unintended effects of providing too much help to people, even those who appear to need it.¹⁹

Christians have long used the concept of stewardship as an organizing principle with respect to our economic activity. In discussing stewardship, Victor Claar and Greg Forster describe the Reformers' view of the world "not as something to

If a universal basic income leads individuals to depend more upon the government for their livelihood, there is a substantial likelihood of long-term disappointment.

be merely preserved, but to be developed and cultivated over time into greater and greater manifestations of God's glory. The goal was not simply to clean up the world and preserve it, but to help it grow. God made humanity to make something of the world."²⁰ Claar and Forster suggest that this has "a transformative impact on (a) Christian understanding of economics. Human beings do not just move things around with their work and exchange. We create greater value. When our economic activity is good, it increases the degree to which the world glorifies God."²¹ Consequently, biblically based stewardship gives us a framework for evaluation of our individual economic actions as well as government policy options.²² As we assess the potential impact of UBI programs, we need to ask difficult questions as to whether these programs wisely use the resources, both human and financial, with which God has entrusted us.

▶ THE IMPACT OF UNIVERSAL BASIC INCOME ON WORKERS

Perhaps the most controversial question about universal basic income programs relates to their impact on worker behavior. For decades, labor economists have assumed that any increase in non-labor income, holding a worker's wage constant, would lead to reduced work hours. In addition, the idea that giving people money would make them want to work less fits in with most people's "common sense." For example, we know that when people obtain enough income later in life, many people decide to retire.

As noted above, there is no consensus involving the empirical evidence regarding universal basic income experiments (and related programs). Robert Doar of the American Enterprise Institute reported that "in the major study of UBI-like programs provided in Seattle and Denver, substantial, unconditional payments were found to cause a near 14 percent decline in labor force participation, and a 27 percent reduction in hours worked by women. That's a labor force drop-off greater than the difference between the highest participation rate we've ever seen in this country and the lowest."²³ In contrast, a major study by economist Ioana Marinescu that interpreted data from past experiments involving UBI suggested that the work disincentive effects have been minimal.²⁴ There is no empirical evidence or theoretical expectation that the provision of a universal basic income

would increase work incentives. Given the mixture of empirical work where some reports suggest strong negative effects and others suggest small negative effects or no effect at all, it seems quite possible that a UBI program would have some negative impact on work.²⁵

If universal basic income causes individuals to work less, various studies have shown that there might be negative impacts associated with less work, including poorer health.²⁶ Doar interprets the evidence as follows: "Less work also means fewer 'feelings of citizenship and social inclusion,' worse mental health and feelings of wellbeing, less happiness, worse self-esteem, even worse health among children, more crime, and way more drug abuse."²⁷ However, it is unclear if these same effects are present to the same degree when individuals voluntarily choose to work less in the presence of the increased income subsidies that a UBI program would provide.

Perhaps the most important question regarding a universal basic income program concerns its impact on workers' perceptions and behavior regarding calling and vocation.²⁸ With guaranteed income provided by the government, will a worker be as likely to pursue their God-given callings, which for many individuals exists in the labor market? Having meaningful work is a way that we can provide for our families as well as the needs of our neighbors, while hopefully bringing honor and glory to God in the process. Of course, not everyone is called to be a worker for pay. One of the arguments often made for UBI is that individuals would be more able to pursue non-market callings in the presence of UBI payments. For example, men and women might be able to spend more time at home with their children given the financial support that a UBI program provides, or a person might be able to volunteer more with a non-profit organization.²⁹

At the same time, work is an important way that we serve others; we help others and provide for their needs, while others provide for ours. John Calvin put it this way: "we know that men were created for the express purpose of being employed in labour of various kinds, and that no sacrifice is more pleasing to God than when every man applies diligently to his own calling, and endeavors to live in such a manner as to contribute to the general advantage."³⁰ Lee Hardy described Martin Luther's views as follows: "the order of stations in the earthly kingdom has been instituted by God himself as his way of seeing that the needs of humanity are met on a day-to-day basis. Through the human pursuit of vocations across the array of earthly stations the hungry are fed, the naked are clothed, the sick are healed, the ignorant are en-

lightened, and the weak are protected. That is, by working we actually participate in God's ongoing providence for the human race.³¹ If a UBI program takes individuals away from their callings to work and support others, we will all become more impoverished, and not only financially.³²

Any diminution of work incentives from UBI programs should concern us not only because our work is an important calling from our Lord, but also because work is a significant form of worship for us. Brown and Wiese have developed a framework that notes four aspects of work as worship. They suggest that work reflects co-creation with God and an opportunity "to reflect God's creative nature through productive activity." They also describe work as an opportunity "to shepherd abundance out of scarcity," to "employ God-given talents to bring glory to the Creator," and to "cultivate communal relationships and evoke the character of our relational God."³³ The idea that universal basic income necessarily improves individual wellbeing seems to overlook the importance of our work as an opportunity to worship.

▶ THE IMPACT OF UNIVERSAL BASIC INCOME ON BUSINESS

The implementation of a substantial universal basic income program in the United States could have both positive and negative impacts on business. The range of the possible outcomes depends substantially on the assumptions one makes about the nature of the program itself. An optimistic view of the impact of UBI programs on business suggests that businesses will experience increased demand for their products due to the payments made to individuals under a UBI program. If the program redistributes money from rich to poor (and more than replaces the funds already given to poor people if welfare goes away), overall spending (or aggregate demand) could increase.³⁴ This idea is based on the assumption that poorer people spend a higher percentage of their income than wealthier individuals.

The idea that universal basic income necessarily improves individual wellbeing seems to overlook the importance of our work as an opportunity to worship.

A study by the Roosevelt Institute using the Levy Institute Macroeconomics model found that providing a UBI payment of a thousand dollars a month would lead to a 12.56 percent higher GDP in the United States over eight years, if the program was financed by government debt.³⁵ If the UBI pay-

ment is financed by a progressive tax system, GDP grows by 2.62 percent over eight years.³⁶ This study, however, assumed that workers do not change their amount of work in response to the UBI program, nor do they change their behavior in response to any changes in their tax burdens.³⁷ These assumptions are certainly open to

question.

Other proponents of universal basic income have suggested some perhaps unexpected additional ways that such a program could benefit businesses. Chris Yoko, a CEO of a web design company, suggested that "he'd expect UBI to generate more competition in the market by giving more people the means to pursue disruptive ideas."³⁸ Obviously this would not be beneficial for all businesses, but it could positively impact the economy as a whole. An editorial at businessfirstfamily.com suggests that a UBI could provide "additional wiggle room for startups with limited capital." They believe that businesses "could take advantage of this at times when they most need to bootstrap business. They could request employees to take salary cuts in the amount of their monthly UBI. They could also choose to not offer employer sponsored retirement plans."³⁹

A major part of the impact on business will depend on the worker responses to universal basic income programs. If the overall labor response economy-wide is negative with respect to hours, we would expect that businesses would have to pay higher wages. If individuals decide to invest less in education and other forms of human capital (because of the lower returns), workers might be less productive on average than they were in the past. Workers could also be choosier about which jobs they want or demand more part-time employment. In this case, this would reduce the rate of return on any training investments (in workers) that were made by businesses. Overall, businesses would likely face a substantially different environment if potential workers did not have

the same necessity to work as a result of UBI programs. This is a situation that has very few precedents in human history, and the impact on businesses is hard to predict.

▶ GUIDANCE FOR CHRISTIAN BUSINESS LEADERS AND PROFESSIONALS

How should Christian business leaders and professionals respond to the possibility that universal basic income programs are likely to become more prevalent in our society? First, we need to be aware of what these programs do and what they cost. Individuals will see an opportunity to obtain increased financial payments with little apparent cost to themselves. However, as noted above, the costs of such programs can be enormous, and the costs go beyond financial resources. The costs of these programs can impede businesses in fulfilling their calling to glorify God and to serve others.⁴⁰

Second, if one believes that the Biblical idea of welfare should not be based on a UBI program but instead on individual or corporate charity, we need to respond strongly to our Christian responsibility to care for the weak and poor. Although this can be difficult if we must pay for government welfare programs in addition to our giving, Christians are still called to be leaders in acts of charity. Larry Burkett notes that “Welfare was transferred from the church because the church neglected it. It can be recovered, and the church can become a leader in caring about personal needs. This is not an option from God; it is an imperative.”⁴¹ Christians in business also have the opportunity to provide jobs for those on the margins, and treat them generously regarding wages.

Third, if we believe that work is indeed worship, we cannot be content with having that be true for only owners and managers of businesses. We need to strive to better design work opportunities so that all workers can see their work as worship. If we are intended to be co-creators with God in our work, that needs to apply to all who labor. Removing responsibility or creativity from human work makes it difficult for a person to be a co-creator. This can be a hard message for owners and managers because designing work like this could cost more. However, it is also possible that this might ultimately decrease costs, and it is the right thing to do.

Fourth, we need to encourage workers to seek additional opportunities to increase their human capital, in both on-the-

job training as well as in outside educational opportunities. If workers are receiving payments from the government as part of a universal basic income program, their attachment to work will likely diminish. As workers obtain more training and additional human capital, this will increase their wages, encourage them to stay connected to the workforce, enable them to find new ways to work out their callings in the labor market, and to better contribute to the wellbeing of their neighbors.

▶ CONCLUSION

The real possibility that universal basic income programs could be instituted in the United States or in other countries raises some significant questions for Christians. Once a program of this sort is initiated, it would be very difficult to scale back. It is almost certain that the funds required for such a program would lead to higher taxes. It is also quite likely that once the program was instituted, there will be pressure to increase its reach and size. After all, who doesn’t like “free money?” For example, the COVID relief funds have been generally well-received by the public, and there have been many calls for additional funds. Given the federal government’s history of taxation and spending (emanating from both political parties), there is a high likelihood of larger deficits, and therefore greater borrowing and higher interest payments. This would likely have the effect of increasing inflation rates and interest rates in the future, and have a major impact on the business environment.

Probably the major argument for a universal basic income program is its potential to alleviate poverty and to produce a more equitable income distribution. In light of the Bible’s admonition in Deuteronomy 15:4 that “there should be no poor among you,” Christians have struggled with how to make this happen given the pervasive impact of sin in our world. The effectiveness of UBI programs to alleviate poverty in the long run is still unclear, while it seems clear that the costs of such programs would be enormous.

Some of the most important questions about UBI programs focus on the uncertain but likely negative impact of UBI programs on work behavior. Work is a central feature of our existence as human beings and of our calling in God’s Kingdom (while of course not being everything—rest and non-market activities are important too). Does a UBI remove the curse on our work? Or does it reduce our inclination and

ability to serve others, and instead promote a greater interest in serving ourselves? It seems likely that for many people, work would become less important in the presence of a universal basic income. This alone could have a substantial negative impact on the ability of businesses to hire capable workers. For those who did work and for those who owned and managed businesses, the rewards of such work might diminish. There are very interesting tradeoffs inherent in UBI programs, and the real opportunity costs are uncertain.

Ever since we were young and wanted an allowance from our parents, many of us have considered the impact of some type of basic income. Parents were split on this issue, with some saying yes, and others requiring chores for any money provided. When it comes to the provision of a universal basic income, there is very much that is not yet known. Good experiments might help us understand the potential impacts. However, if possible, they will have to measure a variety of consequences that go way beyond typical economic measures—this may be a bridge too far. Christians, especially those in business and economics, must speak to the importance of work in the Kingdom, and carefully examine any program that reduces the likelihood that people will participate in gainful and valuable employment that serves God and our neighbors, while providing a stable income for our families.



ABOUT THE AUTHOR



TODD STEEN is the Granger Professor of Economics at Hope College in Holland, Michigan. He received his Ph.D. from Harvard University in 1992, where his dissertation was entitled *Essays on the Economics of Child Care*. His areas of research interest are labor economics and Christian perspectives on economics and business. He has published articles in various journals and other publications, including *Faith & Economics*, *Christian Scholar's Review*, *Journal of Biblical Integration in Business*, *Small Business Economics*, *Managerial Finance*, *Christian Business Academy Review*, *International Journal of Social Economics*, and the *Journal of Markets & Morality*. Since 1995, he has served as Managing Editor of *Christian Scholar's Review*.

NOTES

¹ For a description of the recent polling data concerning UBI programs, see Ali Breland, "Gallup poll: Americans Split on Universal Basic Income for Workers Displaced by AI," <http://thehill.com/policy/technology/375587-gallup-poll-americans-split-on-giving-a-universal-basic-income-to-workers>. The actual Gallup polling data can be found at: <http://news.gallup.com/poll/228194/public-split-basic-income-workers-replaced-robots.aspx>. All URLs reported in this paper were accessed on July 17, 2021.

² This definition can be at <http://basicincome.org/about-basic-income>.

³ See, for example, Isabel V. Sawhill, "Money for Nothing: Why a Universal Basic Income is a Step too Far," <https://www.brookings.edu/blog/social-mobility-memos/2016/06/15/money-for-nothing-why-a-universal-basic-income-is-a-step-too-far>.

⁴ For a description of this program in the popular press, see Gregory Mason, "Revisiting Manitoba's Basic-Income Experiment," <https://www.winnipegfreepress.com/opinion/analysis/revisiting-manitoba-bas-basic-income-experiment-411490895.html>. For a scholarly treatment of the program, see Derek Hum and Wayne Simpson, "Economic Response to a Guaranteed Annual Income: Experience from Canada and the United States," *Journal of Labor Economics*, 1993, volume 11, number 1, part 2, pp. S263-S296.

⁵ Evelyn L. Forget, "Do We Still Need a Basic Income Guarantee in Canada?," Research Paper No. 22, Northern Policy Institute, 2017.

⁶ Damon Jones and Ioana Marinescu, "The Labor Market Impacts of Universal and Permanent Cash Transfers: Evidence from the Alaska Permanent Fund," Working Paper 24312, National Bureau of Economic Research, February 2018.

⁷ A potential analogy concerning temporary versus permanent UBI programs can be seen by looking at the difference in labor supply responses between temporary and permanent tax cuts. For example, see Congressional Budget Office, "How the Supply of Labor Responds to Changes in Fiscal Policy," October 2012, https://www.cbo.gov/sites/default/files/cbofiles/attachments/10-25-2012-Labor_Supply_and_Fiscal_Policy.pdf.

⁸ An interview of Senator Bernie Sanders by Scott Santens can be found at <https://medium.com/basic-income/on-the-record-bernie-sanders-on-basic-income-de9162fb3b5c>.

⁹ Robert Greenstein, "Commentary: Universal Basic Income May Sound Attractive but, if it Occurred, Would Likelier Increase Poverty Than Reduce It," <https://www.cbpp.org/poverty-and-opportunity/commentary-universal-basic-income-may-sound-attractive-but-if-it-occurred>.

¹⁰ For a detailed explanation of the income effect, see Ronald G. Ehrenberg and Robert S. Smith, *Modern Labor Economics: Theory and Public Policy*, 12th edition, Boston: Pearson, pp. 174-175. If UBI programs completely replaced the current welfare system, then it is possible that lower "effective" marginal tax rates for the poor could result in substitution effects that might increase their labor force participation rates and hours worked. I believe that the likelihood that any future UBI programs would substantially replace the

current welfare system is quite low, given the constituencies who benefit from such programs and the interests of the employees who administer them. As a result, substitution effects that would encourage poorer individuals to work more will not occur. For those wealthier individuals who face higher marginal tax rates to pay for the program, the resulting combination of income and substitution effects could lead to either greater or lower work activity.

¹¹ For example, see Daniel Aaronson, Bhash Mazumder, and Shani Schlecter, "What is Behind the Rise in Long-Term Unemployment," *Economic Perspectives*, Volume 34, 2nd, Number 2, 2010.

¹² Steve LeVine, "Biden to Oppose Universal Basic Income," <https://www.axios.com/biden-to-oppose-universal-basic-income-1513305565-1140b4fe-e100-4abb-83ad-cee5104a0b80.html>.

¹³ For two examples, see Andrew Spencer, "Does a Universal Basic Income Conflict with the Biblical View of Work?," <https://tifwe.org/universal-basic-income-biblical-view-of-work>, and a podcast of an interview with Malcolm Torry found at <http://www.thebasicincome-podcast.com/podcast/malcolm-torry-christianity-basic-income>.

¹⁴ One way to express a Biblical worldview is through the creation-fall-redemption-consummation framework. This framework influences much of the discussion below. For a winsome explanation of this framework, see Cornelius Plantinga Jr., *Engaging God's World: A Christian Vision of Faith, Learning and Living*, Grand Rapids, MI: Eerdmans, 2002.

¹⁵ Kevin Brown and Mike Wiese, "Work as Worship," *Christian Business Review*, August 2014, p. 27.

¹⁶ See, for example, Proverbs 6:6 and 2 Thessalonians 3:10.

¹⁷ See Isaiah 65:21 and Richard Mouw, *When the Kings Come Marching In: Isaiah and the New Jerusalem*, Grand Rapids, MI: Eerdmans, 2002.

¹⁸ It is also important to consider how poverty is measured by the federal government. Under current Census Bureau protocols, non-cash transfers such as food stamps and housing subsidies are not included in the money income used to determine poverty status, while cash payments for public assistance are counted. If a UBI program replaced non-cash transfers with income payments, poverty measures could decline without actual reductions in poverty. For details on how the Census Bureau measures poverty, see <https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html>.

¹⁹ Steve Corbett and Brian Fikkert, *When Helping Hurts: How to Alleviate Poverty Without Hurting the Poor...and Yourself*, Chicago: Moody, 2012.

²⁰ Victor V. Claar and Greg Forster, *The Keynesian Revolution and Our Empty Economy*, Cham, Switzerland: Palgrave Macmillan, p. 241.

²¹ Claar and Forster.

²² For an excellent extended framework for evaluating government policy, see Victor V. Claar and Robin J. Klay, *Economics in Christian Perspective*, Downers Grove, IL: IVP Academic, 2007.

²³ Robert Doar, "Universal Basic Income Would Undermine the Success of our Safety Net," <http://www.aei.org/publication/universal-basic-income-would-undermine-the-success-of-our-safety-net>.

²⁴ Ioana Marinescu, "No Strings Attached: The Behavioral Effects of U.S. Unconditional Cash Transfer Programs," Roosevelt Institute,

May 2017.

²⁵ Government programs can also impact the number of jobs or the number of hours in a job that employers offer. For example, the Affordable Care Act gave a strong incentive for employers to reduce the number of hours for a job to below thirty, where the act's requirements were not as binding.

²⁶ See, for example, Urban Janlert, Anthony H. Winefield, and Anne Hammarström, "Length of Unemployment and Health-Related Outcomes: A Life-Course Analysis," *European Journal of Public Health*, Volume 25, Issue 4, 1 August 2015, pp. 662-667.

²⁷ Robert Doar, "Universal Basic Income Would Undermine the Success of our Safety Net," <https://www.aei.org/articles/universal-basic-income-would-undermine-the-success-of-our-safety-net/>.

²⁸ The impact of UBI programs is likely to be more significant for poorer individuals, where the amount of the additional payment represents a larger portion of their current income.

²⁹ It is also possible that a universal basic income program might also allow individuals to pursue a career that is more in line with their calling, but is less remunerative. For example, some individuals might now be able to work as a missionary because financial constraints are less binding.

³⁰ Quoted in Lee Hardy, *The Fabric of This World: Inquiries into Calling, Career Choice, and the Design of Human Work*, Grand Rapids, MI: Eerdmans, p. 56.

³¹ Lee Hardy, *The Fabric of This World: Inquiries into Calling, Career Choice, and the Design of Human Work*, Grand Rapids, MI: Eerdmans, p. 47.

³² Assar Lindbeck notes that some of these impacts may be more pronounced in the long run as social norms change over time in response to additional "welfare" programs. See Assar Lindbeck, "Hazardous Welfare-State Dynamics," *American Economic Review*, May 1995, pp. 9-15. Thanks to an anonymous reviewer for this suggestion.

³³ Brown and Wiese, p. 28.

³⁴ Although UBI programs are "universal" and all individuals receive payments, income redistribution from rich to poor happens when a progressive tax system funds UBI programs.

³⁵ A brief on this report can be found at <https://rooseveltinstitute.org/wp-content/uploads/2020/07/RI-Macroeconomic-Effects-of-UBI-201708.pdf>.

³⁶ Michalis Nikiforos, Marshall Steinbaum, and Gennaro Zezza, "Modeling the Macroeconomic Effects of a Universal Basic Income," Roosevelt Institute, August 2017.

³⁷ Dylan Matthews, "Study: A Universal Basic Income Would Grow the Economy," <https://www.vox.com/policy-and-politics/2017/8/30/16220134/universal-basic-income-roosevelt-institute-economic-growth>.

³⁸ Adam C. Uzialko, "Payment Guaranteed: How Would Universal Basic Income Affect Business?," <https://www.businessnewsdaily.com/9649-universal-basic-income-business-impact.html>.

³⁹ Business First Family, "How Universal Basic Income Could Positively Impact Business Finances," <https://businessfirstfamily.com/universal-basic-income-impact-business>.

⁴⁰ See J.W. Skillen, "Human Freedom, Social Justice, and Marxism: A Biblical Response," for a discussion of this issue. Skillen suggests that "God stands in judgment against those human authorities who inhibit other human beings from fulfilling their God-given talents and responsibilities." This article is found in M. Stackhouse et. al., *On Moral Business*, Grand Rapids, MI: Eerdmans, 1995. Thanks to an anonymous reviewer for this suggestion.

⁴¹ Larry Burkett, "Is Welfare Scriptural?," <https://www.crosswalk.com/family/finances/is-welfare-scriptural-507392.html>.