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Episode #033

Universal Basic Income

March 6, 2020



[00:00:04] Hello, hello, hello, and welcome to English Learning for Curious Minds by Leonardo English.

[00:00:10] The show where you can learn fascinating things about the world at the same time as improving your English.

[00:00:17] I'm Alastair Budge, and today we are talking about Universal Basic Income, sometimes known as citizens income, guaranteed minimum income or just basic income.

[00:00:30] It's the idea that the government guarantees you enough money to live on.

[00:00:37] It's an idea that has gained a lot of [traction¹](#), a lot of new supporters and followers over the past few years.

¹ the fact of an idea, product, etc. becoming popular or being accepted



Universal Basic Income

[00:00:45] And today we are going to ask ourselves why exactly that is.

[00:00:51] Before we get right into it though, let me just remind those of you listening to this podcast on Spotify, Apple Podcasts, iVoox or wherever you get your podcasts, that you can get a copy of the transcript and key vocabulary for the podcast on the website, which is leonardoenglish.com.

[00:01:08] The transcript now comes in fancy, new animating format, which I think is a bit like subtitles, but even better.

[00:01:16] So go and check that out, that's at Leonardoenglish.com.

[00:01:20] Okay then.

[00:01:22] Universal Basic Income has gained a lot of popularity in recent years, but it's not actually a new idea at all.

[00:01:32] In fact, Thomas More, who was an advisor to Henry the Eighth, the subject of one of our last episodes, he proposed the idea of a basic income guaranteed to all citizens in a book called Utopia, and this was back in the year 1516, over 500 years ago.

[00:01:56] There have been various different variations on this idea throughout the past 500 years, but the principle has remained fairly similar.

[00:02:08] The intention of Universal Basic Income is that it's a payment to provide enough to cover the basic cost of living and provide financial security for all citizens, so that the citizens of a country have enough money to survive, to meet their basic needs.



Universal Basic Income

[00:02:30] It's become more and more popular recently as there is this fear that technology and automation will lead to more and more job losses, that robots will take everyone's jobs.

[00:02:44] The idea is that the profits of this automation will go to a much smaller group of people, to the [entrepreneurs²](#), the investors, the [programmers³](#), the [shareholders⁴](#), the people who control the robots.

[00:03:01] So as a way to [counteract⁵](#) this, taxes should be raised and the money would go towards paying for a Universal Basic Income to guarantee all citizens a basic standard of living.

[00:03:18] There are different opinions on who should actually qualify for this income, who actually gets the money.

[00:03:26] Some suggest that every citizen should receive this income - from someone without a job and any income, right through to a billionaire.

² people who starts their own business, especially when this involves seeing a new opportunity

³ people whose job is to produce computer programs

⁴ people who own shares in a company and therefore get part of the company's profits and the right to vote on how the company is controlled

⁵ to reduce or remove the effect of something unwanted by producing an opposite effect



Universal Basic Income

[00:03:36] Because it's universal, everyone should get it, and giving it to everyone reduces a large amount of the [bureaucracy](#)⁶ and administration that would be involved around deciding who gets it.

[00:03:51] While others suggest that only people who are below a certain income level or below the [poverty line](#)⁷ would receive this, or also that only people who have lost their jobs to automation, to robots, would get it.

[00:04:07] And there are also different views on who should pay for it.

[00:04:12] Some people say that taxes should be increased on the wealthy, while others say that [corporations](#)⁸ should be taxed.

[00:04:21] This is of course, a difference, but the fact that a lot of the most wealthy people get the [majority](#)⁹ of their income through a business or businesses, or [shareholdings](#)¹⁰ in a business means that ultimately the money is coming from a similar place.

⁶ a system for controlling or managing a country, company, or organisation that is operated by a large number of officials employed to follow rules carefully

⁷ the official level of income that is needed to achieve a basic living standard with enough money for things such as food, clothing, and a place to live

⁸ large companies

⁹ the larger number or part of something

¹⁰ the shares in a company that a particular person or organization owns considered together as a unit



Universal Basic Income

[00:04:39] Interestingly enough, Universal Income is an idea that has supporters from right across the political [spectrum¹¹](#), from right-wing [libertarians¹²](#), right through to left-wing socialists, and people support it for very different reasons of course.

[00:04:57] We'll go into exactly why people support it and why people hate it in a minute.

[00:05:04] First though, let's just talk about some of the people who are [pushing for¹³](#) some form of Universal Basic Income.

[00:05:12] Firstly, Andrew Yang, the former candidate for the Democratic nomination for president of the United States is a big [proponent¹⁴](#) of it, and it formed a big part of his campaign.

[00:05:27] His [signature¹⁵](#) policy was what he called a Freedom Dividend, where every person over the age of 18 would receive \$1,000 per month, [regardless¹⁶](#) of whether they were working or not, so everyone would get it.

¹¹ a range of different positions, opinions, etc. between two extreme points

¹² people who believe that people should be free to think and behave as they want and should not have limits put on them by governments

¹³ to demand something repeatedly, or to take strong action to try to make it happen

¹⁴ a person who speaks publicly in support of a particular idea or plan of action

¹⁵ used to refer to the special thing for which a person or place is particularly known

¹⁶ despite; not being affected by something



Universal Basic Income

[00:05:46] But it's not just Yang.

[00:05:48] The famous economist, Milton Friedman, who was probably the father of [neoliberal](#)¹⁷ economics, he had proposed a similar thing, but it was just called a negative tax, whereby people who earned below a certain level would be given a [top-up](#)¹⁸, given cash, by the government.

[00:06:13] And the cofounder of Facebook, Chris Hughes, has written [extensively](#)¹⁹ about why he thinks a Universal Basic Income is a good idea, saying that "*cash is the best thing you can do to improve health [outcomes](#)²⁰, education [outcomes](#), and lift people out of poverty.*"

[00:06:35] It's a very popular idea with the tech industry, and I guess you could say that people working within technology have the best idea of the impact that automation will have.

[00:06:49] Mark Zuckerberg and Bill Gates have spoken in favor of Universal Basic Income as have Sir Richard Branson and Elon Musk.

¹⁷ supporting a large amount of freedom for markets, with little government control or spending, and low taxes

¹⁸ an extra amount of something, especially money, that is added to an existing amount to create the total you need

¹⁹ in a way that covers a large area or has a great range

²⁰ a result or effect of an action, situation, etc.



Universal Basic Income

[00:07:00] Elon Musk, the founder of Tesla and SpaceX, has been very [outspoken](#)²¹ about the fact that robots are coming to take everyone's jobs and has said that Universal Basic Income is the only solution.

[00:07:16] So there are evidently a lot of very knowledgeable people who are in favour of Universal Basic Income.

[00:07:24] Other than the fact that they say that lots of jobs will be lost due to automation, there are a load of other benefits that people think will come from [widespread](#)²² [adoption](#)²³ of Universal Basic Income.

[00:07:38] For example, it would lead to people being able to gain and develop new skills and become more productive instead of being forced to work in a low skilled job.

[00:07:50] It would mean that people wouldn't be trapped in terrible jobs with nasty bosses and could have the freedom to quit and find a job they wanted instead of being trapped in a job that they hated just to pay the rent.

[00:08:08] It would also get rid of one of the problems of the poverty trap, where in some countries, the more you earn the less benefits, the less money from the government you get, and so in some situations people find themselves with actually less money if they work than if they didn't.

²¹ expressing strong opinions very directly without worrying if other people are offended

²² existing or happening in many places and/or among many people

²³ accepting or starting to use something new



Universal Basic Income

[00:08:29] So that's what's called the poverty trap, it's very hard to get out of this cycle.

[00:08:35] A Universal Basic Income would remove this, as you'd get the money whether you worked or not.

[00:08:43] Working would just mean that you got more money, not less.

[00:08:48] Also, and this is something that we [touched on](#)²⁴ in our podcast on bullshit jobs, a Universal Basic Income would be far easier to administer.

[00:09:01] What this would mean is it would remove a lot of the [bureaucracy](#) and administration that is involved with the [dishing out](#)²⁵ of social security.

[00:09:13] If a set amount, a set sum of money, is just given out to everyone, then you remove a huge amount of administration that is currently involved with [assessing](#)²⁶, examining, administering funds, checking up on people and so on.

[00:09:33] If instead of paying people to administer the distribution of money, you just gave everyone the money, everyone would be happier and [better off](#)²⁷, so the theory goes.

²⁴ to mention a subject quickly when speaking or writing about another subject

²⁵ the giving out of

²⁶ to judge or decide the amount, value, quality, or importance of something

²⁷ to have more money than you had in the past or more money than most other people



Universal Basic Income

[00:09:48] This is one of the main reasons that it's popular with [libertarians](#), that it means that you can reduce a huge amount of government administration.

[00:10:00] And finally, for countries that are worried about citizens not having children because they are unsure about their economic future, a Universal Basic Income would give young people the confidence that they could start a family without having to constantly worry about putting food on the table.

[00:10:21] So in theory, there are a lot of positives and a lot of things in favour of some form of Universal Basic Income.

[00:10:31] But of course, there are those that are [vehemently](#)²⁸ opposed to it, they hate the idea.

[00:10:39] There are probably three main categories of why people are opposed to it.

[00:10:44] Firstly, there's the "how are we going to pay for it?" category.

[00:10:50] Obviously [handing out](#)²⁹ cash, [handing out](#) money, to a large proportion of society is more expensive than not handing out cash to a large proportion of society, and so just from a financial point of view, opponents of Universal Basic Income are against it because you'd have to raise taxes.

²⁸ in a strong and emotional way

²⁹ giving something to people



Universal Basic Income

[00:11:11] If we take the example of [implementing](#)³⁰ it, of doing it, in the United States of America, there are around 180 million working age adults, and it would cost about two point two trillion dollars to pay each of them \$1,000 a month, so that's \$12,000 a year.

[00:11:32] That's evidently a lot of money.

[00:11:34] And even when you [factor in](#)³¹ that it would replace the existing [welfare](#)³² programs, which cost about \$1 trillion a year, that's still an extra one point two trillion dollars that needs to come from somewhere.

[00:11:50] And then there's the argument of "it'll make people lazy and why should I pay for other people to sit on their [backsides](#)³³?"

[00:11:57] That if everyone is suddenly given a [handout](#)³⁴ by the government, it will mean that the [incentive](#)³⁵ to work is removed and people stop working, people don't

³⁰ to start using a plan or system

³¹ to include something when you are doing a calculation, or when you are trying to understand something

³² a system of payments made by the government to people who are ill, poor, or who have no job

³³ the part of the body that you sit on

³⁴ something such as food, clothing, or money that is given free to someone who has a great need for it

³⁵ something that encourages a person to do something



Universal Basic Income

apply for jobs, and people will fall into a [vicious cycle](#)³⁶ whereby there isn't the [incentive](#) to get a job, so they don't develop new skills, and so they become even more unemployable.

[00:12:23] Lots of people are against Universal Basic Income because they just don't like the idea of working hard just to pay for someone else to get money [handed out](#) by the state, to get their money.

[00:12:38] And that's a fair argument, right?

[00:12:39] Why should I work just to make money that is then given to someone else who isn't working?

[00:12:46] And then there are the "it's an economic bad idea" arguments.

[00:12:50] Firstly, that if everyone just received more money, people would spend that money and it would increase [inflation](#)³⁷ because there was more demand for goods, the higher prices would then make it harder for those with less money to [get by](#)³⁸, to manage to keep a decent standard of living.

³⁶ a continuing unpleasant situation, created when one problem causes another problem that then makes the first problem worse

³⁷ a general, continuous increase in prices

³⁸ to be able to live or deal with a situation with difficulty, usually by having just enough of something you need, such as money



Universal Basic Income

[00:13:11] And it would just be a [vicious circle](#)³⁹.

[00:13:15] There's also the argument that actually comes mainly from the left that Universal Basic Income will give employers, will give companies, an excuse to pay less than they should in salaries because they know that workers are already getting their needs met, that they are getting enough money to live on from Universal Basic Income.

[00:13:41] So critics say that this means employment wages, the money that people get from work, is likely to go down.

[00:13:50] The [counter argument](#)⁴⁰ here is that pay for jobs that people really would rather not do is likely to increase, but pay for jobs that people would probably quite like to do will decrease.

[00:14:05] So if we take a practical example here, let's take the example of two jobs.

[00:14:09] Firstly, a toilet cleaner, which I guess is a job that most people would not choose to do.

[00:14:17] Because fewer people wouldn't want to do it, the pay for that should increase.

³⁹ a continuing unpleasant situation, created when one problem causes another problem that then makes the first problem worse

⁴⁰ an argument against another argument, idea, or suggestion



Universal Basic Income

[00:14:23] And let's say a job like museum curator or film critic, which is a job that many people would love to do, I'm sure, the pay for that would be forced down.

[00:14:36] So there are a lot of pretty [persuasive](#)⁴¹ theories, good arguments, both for and against Universal Basic Income.

[00:14:45] And the really interesting thing is that quite a few countries are actually testing it out, not on a countrywide level, but are testing it out with small sections of society.

[00:14:59] The most famous Universal Basic Income experiment was in Finland where it gave 2000 unemployed people 560 euros a month for two years, even if they found work.

[00:15:14] So it cost about 27 million euros to do.

[00:15:20] The programme has now finished, but the people on the programme said that they were very supportive of it and that it gave them more confidence, it reduced their stress levels and gave them more of an [incentive](#) to find a good job, not just any job, or also to start their own business.

[00:15:43] The Finnish government was meant to test out the scheme with employed people too, to see whether it gave them an [incentive](#) to find better jobs, but this scheme never actually took off, never actually happened.

⁴¹ to make someone do or believe something by giving them a good reason to do it or by talking to that person and making them believe it



Universal Basic Income

[00:15:58] Overall, it's [deemed](#)⁴² that the Finnish experiment was a moderate success, but not enough of a success to roll out to the entire country.

[00:16:08] One other interesting test of Universal Basic Income was actually in the West African country of Liberia.

[00:16:18] Researchers wanted to test out whether giving money to alcoholics, drug addicts and criminals would mean that they just spent the money on drink, drugs and bad things, or whether they put it to better use.

[00:16:34] Actually what happened was the complete opposite of what critics of Universal Basic Income say.

[00:16:42] What happened is that the people who were given the money, they spent the money on things like food and activities that helped to try to pull themselves out of their bad situation.

[00:16:56] And Universal Basic Income is also being tested in various states in the United States.

[00:17:03] However, it's a bit too early to come to any great conclusions about how effective they are.

⁴² considered or judged in a particular way



Universal Basic Income

[00:17:09] Whatever you think about Universal Basic Income, I think we can agree that it's a pretty interesting idea and there are evidently pretty [compelling](#)⁴³, pretty strong arguments for and against.

[00:17:25] And while I'm sure we'd all agree that we want to live in a society where everyone is free to not have to worry about having a roof over their head or putting enough food on the table, there are obviously many different theories about what the best way to do that is and Universal Basic Income is just one of them.

[00:17:48] I always say that I'd love to know what you think of the podcast, and in this case it's especially true.

[00:17:54] We have listeners now from I think 140 different countries, and obviously what you think may well depend on the country you're from.

[00:18:03] Perhaps in your country, there are already some places where Universal Basic Income is being tested.

[00:18:11] So I'd love to know what you thought of the podcast, both from a general point of view and also what you think of Universal Basic Income.

[00:18:19] You can let us know on Facebook, Instagram, or of course email that's hi@leonardoenglish.com.

⁴³ if a reason, argument, etc. is compelling, it makes you believe it or accept it because it is so strong



[00:18:28] And if you are interested in becoming a member of Leonardo English and not just getting access to all of the transcripts, key vocabulary and bonus podcasts, but also supporting the podcast, then you can check that out at leonardoenglish.com/subscribe.

[00:18:43] We now have options to subscribe weekly, monthly, and annually, and it starts at just under two euros a week.

[00:18:50] So it would be great to have you.

[00:18:53] As always, thank you very much for listening to the show.

[00:18:56] You've been listening to English Learning for Curious Minds by Leonardo English.

[00:19:01] I'm Alastair Budge and I'll catch you in the next episode.

[END OF PODCAST]



Key vocabulary

<u>Word</u>	<u>Definition</u>
Fateful	something that has far-reaching and often disastrous consequences or implications
Greasy	covered with or full of fat or oil
Smothered	to cover most or all of a surface
Mushy peas	peas that are soft and have no firm shape
Payday	the day of the month when you are paid
Safeguarding	protecting
Vital	very important
Home front	the people who stay in their own country during a foreign war
Regime	a particular government or a system or method of government
Snooty	behaving in an unfriendly way because you believe you are better than other people
Staving off	to prevent something, or prevent someone from doing something, esp. until a later time
Disaffection	the quality of no longer supporting or being satisfied with a system, organization, or idea
Tolerate	to accept or continue to accept an unpleasant situation or experience, or someone who behaves unpleasantly
Home comforts	things in a house that make it comfortable. warmth and light and all our modern home comforts
Averted	to prevent something bad from happening
Bent over backwards	do everything possible, make every possible effort



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Rationed	to limit the amount of a particular thing that someone is allowed to have
Iconic	famous, well-known
Humble	ordinary; not special or very important
Substitute	replacement
Resourceful	skilled at solving problems and making decisions on your own
Coated	thickly covered
Breadcrumbs	very small pieces of dried bread, especially used in cooking
Shabbat	the Jewish day of rest and religious worship, celebrated on Saturday
Anti-semitism	the strong dislike or cruel and unfair treatment of Jewish people
In accordance	following or obeying a rule, law, wish, etc.
Marry	Put together
Controversy	a lot of disagreement or argument about something, usually because it affects or is important to many people
Rage	to happen in a strong or violent way
Hut	a small, simple building, usually consisting of one room
Wildfire	a fire that is burning strongly and out of control on an area of grass or bushes in the countryside
Deviation	a difference from what is usual or expected
Arithmetic	the part of mathematics that involves the adding and multiplying, etc. of numbers
Staple	a basic food, or a main product or material
Advent	the fact of an event happening, an invention being made, or a person arriving
Trawl	to pull a large, cone-shaped net through the sea at a deep level behind a



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special boat in order to catch fish

Inland

in the middle of a country, away from the sea

Ruled

to decide officially

Greaseproof

paper that does not allow oil through, used especially in cooking

Portions

the amount of a particular food that is served to one person, especially in a restaurant or a shop that sells food ready to be eaten

Plummeted

to fall very quickly and suddenly

Plethora

a very large amount of something, especially a larger amount than you need, want, or can deal with

Self-respecting

used to say that someone has the qualities that a person of that type should have

Cliché

a saying or remark that is very often made and is therefore not original and not interesting

Transition

a change from one form or type to another, or the process by which this happens

Aristocracy

a class of people who hold high social rank

We'd love to get your feedback on this podcast.

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What did you struggle to understand?

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