

Topic: Be It Resolved That Universal Basic Income Is the Right Response to Automation

Government opening (Prime Minister, 7 minutes):

The world of work is changing faster than at any point since the industrial revolution. Within fifteen years, between thirty and forty percent of jobs that exist today will be done by machines. This is not a prediction made by activists. It is a prediction made by McKinsey, the OECD, and the central banks of three G7 countries. The question before this house is not whether automation will displace workers. The question is what we do when it does.

Our argument is that a universal basic income is the right response, and we define a universal basic income as a regular cash payment, sufficient to cover basic needs, paid to every adult citizen, with no work requirement and no means testing.

We will make three arguments. First, the alternatives, which are extending the existing welfare system and retraining programmes, have already been tried and have already failed. Second, that universal basic income removes the trap that pushes displaced workers into worse jobs rather than better ones. Third, that the cost, properly calculated, is not the cost the opposition will claim it is.

The opposition will argue that a universal basic income is too expensive, that it will discourage work, and that it is unfair to taxpayers. We will answer each of those objections in turn. But the foundation of our case is that we are not choosing between universal basic income and the status quo. The status quo is ending. We are choosing between universal basic income and a worse, more chaotic alternative.

I now hand over to my colleague, who will develop the first two arguments in detail.

Opposition opening (Leader of the Opposition, 7 minutes):

The motion before this house is that universal basic income is the right response to automation. We oppose the motion, and we will show that universal basic income is the wrong response in three specific ways.

First, the motion assumes the scale of the problem the proposer has described. The McKinsey numbers the proposer cited are upper bound estimates. The lower bound, from the same studies, is closer to ten percent of jobs displaced over fifteen years. This is significant, but it is not catastrophic, and a response calibrated to the upper bound will overshoot massively if the lower bound is correct.

Second, the proposed solution is poorly designed even if the problem is exactly as described. Universal basic income is paid to everyone, including people who do not need it. This means a large fraction of the budget is wasted on transfers to people who are not displaced. Targeted support, paid to actual displaced workers for the duration of their displacement, costs a fraction as much and produces better outcomes. The proposer will say this is paternalistic. We will say it is rational.

Third, the universal basic income proposal carries political risks the proposer has not addressed. A programme paid to everyone is also a programme that everyone, including high earners, has a stake in keeping. Once introduced, it is impossible to remove or reform. We are not just choosing a policy. We are committing every future government to the policy, regardless of whether it works.

We will develop each of these points in our subsequent speeches.