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THE NECESSITY OF A UNIVERSAL BASE INCOME IN UPHOLDING HUMAN  
FREEDOM

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There are significant differences in wealth between Canadians, and this is having the effect of undercutting humanist ideals. In particular, individual freedom and the functioning of democracy are both threatened. Through the establishment of a financially realistic Universal Base Income (UBI) essential values would be protected from the economic divides that threaten them.

While 3.4 million Canadians live in poverty, the wealthiest 1% control over 10% of total wealth with the top 0.01% as the fastest growing group (Veall, 2012). Not only but this divide already exist, but it is in fact likely to increase substantially in the near future . This will occur through two means: holding wealth facilitates gaining more wealth and increasing automation will severely harm the lower and middle classes. The ability of wealth to create more wealth has been well documented throughout history, and will continue to occur as long as extreme wealth remains unchecked. Those who are wealthy will become more wealthy through their increased capacity to invest or make financial commitments that will result in a profit. Clearly demonstrating this is how, between 1984 and 2014, the top 0.01% of Canadian earners saw their share of total income increase by 133.3% (Veall, 2012). Meanwhile, the rest of the population will begin losing ground in the coming decade. Oxford University researchers found that 47% of United States jobs will be lost to automation by 2030, and the situation is likely to be similar in Canada (Frey & Osborne, 2017). Furthermore, the vast majority of these jobs will be those primarily occupied by the lower and middle classes; labour and service jobs are the most at risk. As this occurs, unemployment will increase substantially for lower class workers, while the rich remain in untouched management positions. In this way, in the absence of any change in policy, there will be suffering and loss of rights of millions of Canadian workers while the top of the

economic food chain flourish, which would also put an even larger burden on the already struggling social support mechanisms.

The increasing wealth divide between the uber-wealthy class and middle and lower classes of Canada limits the ability of the individual to express personal freedoms in relation to society. Abject poverty both limits the individual's ability to control their freedom and interferes with their ability to engage with societal discussion and democracy. Firstly, it is virtually impossible for a person who struggles to provide for basic needs to elevate one's self in the pursuit of new opportunities. Those who are struggling to feed their families are hardly capable of pursuing a free life in which they are capable of choosing their careers or achieving their personal goals. Poverty has also been shown to reduce the cognitive function of an individual, subsequently harming their ability to determine their own future (Mani, Mullainathan, Sharif, Zhao, 2013). In this way, poverty severely limits the ability of the individual to uphold humanist values. Secondly, the division of wealth limits the ability of individuals to participate in the democratic process which serves as the foundation for Canada. While elections and public opinion may appear to drive decision making, the proliferation of wealth in fact concedes the control over government to those in power. This was exemplified in the recent SNC-Lavalin scandal, when bribery drove the decision making of the elected government. The undemocratic nature of Canadian politics is also driven by financial contributions from corporate lobbyists, such as the coal-driven company Teck Resources, which has donated over 2 million dollars in campaign funding (Schwartz, n.d.). The ability of the wealthy to control policy makers has compromised the democratic elements of Canadian government, undercutting humanist ideals.

Given the already substantial and continuously increasing harms of the societal wealth divide, an aggressive strategy must be pursued in order to restore core values of human freedom. The most effective way of doing so would be through the redistribution of wealth by means of a UBI. This is due to the ability of the UBI to provide a consistent means of meeting the basic needs of the individual while simultaneously encouraging the ability of workers to reenter the economy. Providing a UBI to all adult Canadian citizens would allow for the acquisition of basic necessities, allowing citizens to focus on creating opportunities for their own advancement. The precise logistics and mathematical proof for the feasibility of the plan will be discussed below, however a provided amount of \$600 monthly would allow purchasing of food and similar essential goods. These benefits would then allow the comfortable reentry into the economy, alongside a revitalization of small business. Giving poorer citizens the ability to focus on achieving larger goals without having to worry about meeting the needs of themselves and their families would facilitate their ability to pursue entrepreneurial or academic interests. In addition, the more even distribution of wealth across the nation would aid small businesses through providing funds to citizens in smaller communities, which would in turn be used to purchase goods from their local businesses. Detractors from the UBI would argue that this money would instead be wasted, perhaps drugs or alcohol, however this is not the case. A study conducted by MIT showed that usage of alcohol and drugs does not increase when poor people are given money; instead the funds are sent towards essential services even among those susceptible to addiction (Banerjee, Hanna, Kreindler, Olken, 2017). This works in accordance with humanist values, as the inherent positive capability of humanity is exhibited through giving them the opportunity to find their own path with the UBI.

Despite initially appearing as a far-fetched economic proposal, a UBI is in fact demonstrably logistically possible. The aforementioned amount of \$600 monthly, granted to 30 million Canadian adults (“Canada - population,” 2018), would require a government expenditure of \$18 billion monthly, or \$216 billion yearly. Firstly, by shifting the approximately \$40 billion given through existing inconsistent welfare programs, the cost would be cut to \$176 billion (Canada, Budget, 2017). The remaining funds would be acquired through two means of taxation: firstly by increasing income tax on the high upper classes and secondly by altering the existing GST to be more in line with the Value Added Taxes (VATs) found internationally. Considerable taxation on the extravagant wealth of the top 1%, who earn approximately \$100 billion yearly, alongside higher taxation on the next 10% could cut the necessary funds down to \$115 billion (Canada, Budget, 2017). These remaining funds could easily be covered through a VAT of 8%. A VAT would be taxation applied at each chain of production of goods, as opposed to merely being added at the final purchase, and as such a larger percentage of fees would affect large corporations, forced to pay additional fees for merchandise, and those who buy significant quantities of goods. It would not, however, damage smaller scale consumers who do not purchase at the same level and are not responsible for bearing the majority of the cost through production. The provided level of 8% would be under half the standard value of 20% applied in European nations, and given the Canadian GDP of \$1.65 trillion would provide approximately \$120 billion in taxation, enough to finance the UBI (Canada, Statistics, 2018). Through diverting funds from the extremely wealthy it is possible to achieve a society which allows the ability of each individual to fulfill their right to freedom while upholding the dignity of a united society.

Some may argue that a UBI is either too significant a financial cost or that its existence disincentives working, however these arguments are not compelling. While it may be the case that the financial cost is significant, it is visible from the argumentation on the danger of the wealth divide that the issues present are significant and cannot be left unaddressed. Furthermore, with the plan specified, this cost would be primarily primarily on the wealthy who have the means to provide for themselves regardless of the taxation required to save the freedoms of those without wealth. In addition, while a UBI may exist regardless of one's working status, the amount provided is sufficient only for basic necessities. Individuals will still elect to work in order to obtain luxuries or a higher standard of living, however the UBI is necessary in affording them the inability to do so. The central arguments against a UBI are flawed in nature and easily combated through a carefully crafted plan.

Therefore, the current significant and still growing divide between the wealthy and the poor in Canada destroys the ability of the individual to maintain freedoms and uphold democracy. Stagnation of policy would only augment these issues, and action therefore must be taken. The superior way in which to solve them would be through the introduction of a UBI which would not only ensure the upholding of ideals but would be economically feasible. This action must occur if the nation of Canada wishes to maintain the structure on which it was built.

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