

Contention 1 is a 21st Century Labor Union

Kopf '19 for Quartz writes that labor unions are at a historic low in membership because of a decline in traditionally unionized industries and right-to-work laws that discourage membership.

Lowrey '18 in her book *Give People Money* furthers that the inability to negotiate through unions has created an 8% decrease in the value of the minimum wage, rendering it too low to keep families out of poverty.⁴²

A UBI would bring back worker power by augmenting negotiation power

Worstell '15 of Forbes explains: a UBI increases the minimum that each worker must be paid before they are willing to accept a new job with particular conditions, thus forcing employers to drive up wages.

Calnitsky '18 for Western University writes: an exit option gives workers a better position to bargain up wages with their *current* employers.

Overall, **Lowrey** continues that a UBI will essentially function as “permanent strike fund” for workers.⁵³

The impact is driving up wages

Calnitsky quantifies: in a study of a UBI implemented in Canada, bargaining power and market contraction increased wages by 21% initially and 7% over a 9 month period.

Fortunately, **Zipperer '18 of the EPI** finds that every 10 percent increase in wages reduces black and Hispanic poverty by 10.9 percent.

Moreover, collective bargaining replaces the need for welfare. For example, **Bivens '17 for the EPI** finds that collective bargaining has led to 90% of unionized workers having employer-subsidized health insurance, compared with just 67% of non-unionized workers.

Contention 2 is Growth

Nutting '20 of MarketWatch reports that massive cracks are emerging in the foundations of the American economy. For instance, aggregate demand grew just 2.2%, the slowest pace since 2013, and business investment didn't increase at all in 2019.

Fortunately, a UBI is an unconditional cash payment made to all Americans that would drive economic growth in two ways.

First is spurring entrepreneurship.

As the American economy continues its slowdown, entrepreneurship has followed in suit. **Long '16 for CNN Business** explains that the number of firms created now is significantly lower than in the mid 2000's, nearly reaching a 40-year low.

Implementing a UBI would revitalize the private sector. **Leonhardt '19 of CNBC** writes that a UBI would empower Americans with choices to jump start new business ventures by lessening potential risks and providing the requisite capital necessary to get the firm off the ground.

For example, **Santens '19 of Medium** notes that when Namibia instituted a UBI, entrepreneurship jumped 301%.

By investing in products and services, providing employment opportunities, and encouraging innovation and competition, **Sappin Global Strategies '16** indicates that entrepreneurship is a key factor to increase economic growth.

Second is bolstering consumption

Matthews '17 of Vox finds that as the middle class wages have stagnated, spending in the economy has slowed down, currently suffering from a lack of demand.

Worse yet, recession looms just over the horizon; **Marte '19 of the Washington Post** indicates that looking at various factors in the economy, 3/4 of economists believe that there will be a recession by next year.

Fortunately, as Americans experience increases in their disposable income, spending increases in turn. **USA Today '19** quantifies that spending accounts for 90% of Americans' income, meaning that an increase in income necessarily boosts consumption.

Because every sector of the economy benefits as consumers spend more on goods and services, one of the best ways to solve a recession is by increasing consumption. In fact, **Schiller '17** indicates that a UBI would act as a permanent economic stimulus, as well as a huge economic jolt, this is because nearly \$2 trillion dollars would feed down from businesses and individuals.

Even the mere perception of increased consumption is beneficial, **Narayan '19 of the HB** indicates businesses will increase investment if they believe that consumption will increase, concluding that a UBI is the best way to revive demand and consumption.

Even if the recession hits, **Covert '18 of the Nation** reports that a UBI could prevent the people from being thrown into poverty by the sudden loss of their job during a recession.

Preventing a US recession is critical because of its global, economic linkages; **The International Monetary Fund '13** indicates that the next global recession will push 900 million people into poverty.

For both these reasons,

Matthews continues that a UBI would inject 2.5 trillion dollars into the economy by 2025 and grow the economy by 13.10%.

Likewise, **Tanner '15 of the CATO Institute** concludes that a guaranteed income would lift 50 million people out of poverty overnight by providing a guaranteed financial safety net.