Basic Income Project
Y Combinator Research

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OVERVIEW

• What is basic income?
• Why are we conducting an experiment?
• Our approach
• Study design and research questions
What is basic income?
MOTIVATION

• Labor market changes
• Deep poverty on the rise
• Existing social safety net unable to meet both current and forthcoming needs
• Need for researchers and policymakers to explore alternatives
INTEREST IN BASIC INCOME

Source: Google Trends
OUR APPROACH

• Geographically dispersed randomized controlled trial (RCT)
• Examine behavioral responses to an increase in income provided by unconditional cash transfers
• Outcomes of interest across multiple dimensions
• Begin with small pre-pilot in Oakland
• Launch larger, longer-term study within a year
STUDY DESIGN

• Between 2,000 and 3,000 randomly selected individuals from regions in two states
  • Minimum of 1,000 will receive basic income
  • Individuals between the ages of 21 and 40
  • Sample stratified by gender, race/ethnicity, income level, whether or not participants have children, etc. to ensure representativeness

• Cash transfers of $1,000 per month for treatment group

• Most participants will receive the income for 3 years, but a small subset will be guaranteed the income for 5 years
<table>
<thead>
<tr>
<th>TIME USE OUTCOMES</th>
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</thead>
<tbody>
<tr>
<td><strong>Employment</strong></td>
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<tr>
<td>Changes in labor market participation (e.g. withdrawing from or joining the labor market)</td>
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<tr>
<td>Reducing or increasing the number of hours worked</td>
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<tr>
<td>Shifting labor patterns:</td>
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<tr>
<td>- Shifts from a lower-quality to a higher-quality / more fulfilling job</td>
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<td>- Self-employment, secondary jobs, and/or entrepreneurial activities</td>
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<tr>
<td>Increasing investment in searching for a job</td>
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<td><strong>Human Capital Investment</strong></td>
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<tr>
<td>Education or training of individual</td>
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<tr>
<td>Education or training of members of household</td>
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<tr>
<td><strong>Unpaid Productive Activity</strong></td>
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<tr>
<td>Child or elder care</td>
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<tr>
<td>Volunteering</td>
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<tr>
<td>Civic or community engagement</td>
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<td><strong>Leisure</strong></td>
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# HEALTH-RELATED OUTCOMES

## Physical Health and Well-being

Health markers and predictors of future disease (BMI, hypertension, etc.)
Self-reported health
Healthy behaviors (diet, exercise, alcohol consumption, smoking)
Health insurance coverage
Health and mental health service utilization
Sleep
Food security
Housing quality and stability

## Mental Health

Depression
Anxiety

## Cognitive Functioning and Stress

Stress (self-reported and cortisol)
Attention and inhibitory control (e.g. psychomotor vigilance test and Stroop test)
## Financial Outcomes

### Assets, Savings, Borrowing, and Investment Behavior

- Bank utilization
- Liquid assets
- Debts/repayment (including use of payday loans, check cashers, etc.)
- Other savings
- Access to credit/credit utilization
- Investments (including investments in physical capital like a vehicle)

### Cash Flow

- Income
- Expenditures (self-reported and transactions from bank accounts)

### Financial Health

- Center for Financial Services Innovation (CFSI) indicators of financial health
- Consumer Finance Protection Bureau (CFPB) financial well-being scale
### Political and Social Outcomes

#### Political and Social Attitudes and Behaviors
- Voter turnout
- Self-reported forms of political participation
- Trust in government
- Economic conservatism
- Intergroup prejudice
- Other-regarding preferences

#### Social Capital
- Social interaction and connections
- Satisfaction with interpersonal relationships

#### Anti-Social Behaviors
- Arrests
- Convictions
- Domestic violence (self-reported)
DATA SOURCES

• Surveys

• Administrative data

• Biomarkers

• Cell phones?