TO UBI OR NOT TO UBI

Can universal basic income policies solve worker exploitation?

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Abstract

Universal basic income (UBI) policies are a family of proposals to regularly endow every person in a given population with unconditional cash transfers. These policy proposals are becoming increasingly popular because they promise to mitigate various urgent socio-economic and political issues such as poverty, unemployment, and exploitation. According to one of the most influential UBI proponents Philipe van Parijs, this is because generous monetary transfers would not only improve people's financial situation, but also allow them to freely enter and exit the job market since people would no longer need to rely on paid employment to survive. UBI is an interesting redistributive mechanism in a way that it attracts cross-ideological support, ranging from libertarians to socialists. The main argument in support of UBI from the left is that it helps address worker exploitation by increasing workers' bargaining power. The aim of this thesis was to challenge this notion. Given the lack of one agreed-upon definition of worker exploitation, I first explored three different accounts - Marxian exploitation as unequal exchange of labor, Roemerian exploitation as unequal access to resources and Vrousalis' exploitation as domination. Since Vrousalis' account emerges as the most cohesive and convincing because it addresses the shortcomings present in Marx's and Roemer's accounts, I tested UBI against his definition. I found three main reasons why UBI fails to address worker exploitation interpreted as domination - the need for additional income, employment gaps, and the non-monetary goods of work. I concluded by offering an alternative of strengthening welfare policies and democratizing workplaces which are better suited to deal with the worker exploitation in the current political and economic setting.

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INTRODUCTION

Universal basic income (UBI) policies cover a wide variety of proposals to pay every member of a society a predetermined amount of money, allowing them to sustain themselves without working. Though not a novel idea, basic income schemes have recently gained more political momentum as an instrument to cope with various societal and economic issues, such as unemployment, socioeconomic divides and intergenerational poverty. While unemployment is consistently a prominent issue, some forecast that joblessness may skyrocket after large-scale automation will push many manual laborers out of job markets. This fact makes debates about UBI more urgent as it is often promoted as an effective cure to the hazards of mass unemployment, providing people with the means to survive and lead a dignified life. Unsurprisingly, the popularity of UBI has also coincided with burgeoning demand for more egalitarian distribution than free, unrestricted markets can generate. By extension, it is said to help meaningfully reduce poverty, increase social mobility, moderate and decrease socioeconomic inequality, and expand people's opportunities to pursue their own conceptions of the good outside of work (Birnbaum, 2012). One of the most ambitious claims is that basic income could also solve worker exploitation since working would no longer be necessary, only optional. The financial leverage from basic income would increase workers' bargaining power and allow them to be more selective about the working conditions they enter in any place of employment (van Parijs, 1997). While this is an extremely important objective, my thesis will argue that basic income policies are correct in identifying but insufficient in addressing the challenge of worker exploitation. To establish this argument, my thesis will first conceptualize UBI and examine why basic income is an important proposal to discuss, even though it has not been fully implemented anywhere on a national scale. I will also review arguments in favor of UBI from different philosophical traditions and then move onto testing how it can address

exploitation. Since exploitation is a contested concept, my thesis will look at the three most influential attempts to define exploitation by Marx, Roemer and Vrousalis. I will explain how basic income policies can largely address exploitation interpreted in a Marxian sense but fails to do so if exploitation is defined through unequal access to resources in the Roemerian understanding of exploitation or as domination by Vrousalis. I argue that Vrousalis's proposal of exploitation as domination offers the most meaningful understanding in this context. Therefore, I conclude that basic income policies fall short of adequately addressing worker exploitation. Finally, the thesis will explore an alternative route for addressing worker exploitation and explain why strengthening existing welfare policies is more conducive to meaningfully decreasing worker exploitation than replacing some welfare policies with basic income.

1. UNDERSTANDING UNIVERSAL BASIC INCOME

1.1 The Conceptualization of UBI

Basic income policies are a family of economic proposals to provide periodic and regular cash transfers to all members of a relevant political community. The most fundamental feature of a basic income policy is unconditionality – it is not means-tested and does not depend on a person's willingness to work or employment history. To set the groundwork for this project, it is helpful to turn to Phillipe van Parijs' work on UBI. Van Parijs, who is one of the most influential proponents of basic income policies, has developed arguably the most comprehensive and cogent account of UBI (Birnbaum, 2012). The basic income that he recommends is universal, paid to all legal residents of a country, regional body, or supranational organization, depending on the arrangement by the political unit. It is also unconditional – the recipients are not required to provide any information about their income status, which is supposed to remove the stigma attached to receiving unemployment benefits (van Parijs, 2003). Some basic income proposals, such as one put forward by Atkinson, contain a participation clause, which adds a requirement that people do not have to work but have to participate in some form of social cooperation, e.g. by providing care work or volunteering (Atkinson, 1996). However, since I intend to discuss basic income as an unconditional cash transfer, I will not consider participation income precisely because participation in unpaid activities already constitutes a condition and goes against the logic of a genuinely unconditional basic income. Thus, on van Parijs' account, a person can choose to surf in Malibu every day without engaging in any 'productive' (on a societal level) activities because that is perfectly compatible with unconditionality. Basic income also has no added work requirements – people do not have to prove they are looking for employment or even to demonstrate their willingness to work. Past behavior also does not affect their eligibility for basic income (van Parijs, 2003).

Basic income is not dependent on household arrangements – adults are paid individually, regardless of the number of people in their family structures; marital status is also irrelevant (van Parijs, 2003). Basic income is paid in cash instead of stamps, vouchers, or other types of grants (e.g. housing grants) so people can spend the money at their own discretion (van Parijs, 2003). The types of proposed basic income I discuss here would not replace some essential public services such as healthcare and education and some public goods (roads, drinking water etc.).

Some of the main objectives behind basic income schemes are increasing people's freedom by granting purchasing power and increasing opportunities for people to pursue their conceptions of a good life, decommodifying labor power, remedying unjust distribution of resources, and lifting people out of poverty and economic precarity by ensuring that people are provided with a base level of income security (van Parijs, 1997).

While no basic income scheme has been implemented on a national scale, a similar measure has been in place in Alaska since 1982. Every resident of Alaska receives a small annual dividend through the Permanent Freedom fund generated from oil revenues (van Parijs, 1991). Basic income schemes have also been piloted in a few countries, such as Finland, Canada and Namibia, with promising results. Moreover, there have also been some randomized control trials to test UBI as an alternative to existing welfare systems. These cases and experiments have considerable limitations that hinder drawing broader conclusions from them. In 2019, every Alaskan citizen received around 1600 dollars (~ 1419 EUR in 2022) annually, which is too insignificant to provide many benefits that UBI proponents highlight since people receiving this income still need to work (Chen, 2020). In a Finnish experiment conducted between 2017 and 2019, the government endowed 2000 unemployed people with a basic income of 560 euros per month. The results were encouraging since they indicated a positive effect on people's

reported well-being and a slight increase in employment in the sample (Allas et al., 2020). However, an estimated basic living cost without rent in Finland is around 800 Euros (Numbeo, 2022). While some of the experiment participants received housing grants, it is very plausible that people were entering the labor market because the basic income was simply insufficient to cover their living expenses. While it does not completely undermine the impact of this experiment, it casts doubt on whether a direct causality can be established, i.e. whether employment growth can be attributed to UBI; also, whether it provides solid ground and valid reasons for supporting this policy. Moreover, the project proposal delivered to the Finnish parliament stated that the aim of this experiment is to 'promote employment' – some even argue that the implication was to push the participants into accepting low paying and precarious jobs (O'Donnell, 2019). Thus, the quantitative increase in employment does not tell us anything about the qualitative parameters of these new jobs.

UBI differs significantly from other competing unconditional grant policies such as stakeholding. Stakeholding is a proposal to pay every citizen a lump sum of money once they reach adulthood. Unlike UBI, stakeholding is paid in one or a few large instalments once a person becomes an adult. Alstott and Ackerman (2003), who developed and advocated for this policy, set the rate at 80.000 dollars for Americans (almost 85.000 dollars adjusted for inflation in 2022; 79 000 EUR in 2022). Proponents of stakeholding argue that this would level the playing field for young people and mitigate socio-economic inequalities that stem from poverty cycles by providing them with ample equal opportunity (Alstott, Ackermann, 2000). That way, any young adult could make large-scale investments that could be beneficial in the long run. They would have the money to pay for education, invest in property, or acquire stocks and other commodities. Stakeholding correctly identifies one of the core issues with poverty – it is constantly reinforced and increasingly difficult to escape, which results in intergenerational poverty cycles. Many people born in disadvantaged backgrounds have extremely limited

chances for social mobility since they cannot access higher education, build businesses, or own housing. Scholars argue that basic income is a more desirable policy than stakeholding as it is less risky. Young people who receive this large endowment may easily make poor investment decisions. Typically, youth from disadvantaged backgrounds do not receive sufficient education that can provide them with financial knowledge necessary to make such large-scale investment. On the other hand, a monthly or periodic basic income shields people from poor investments (van Parijs, 2003).

There is no consensus on the amount people should receive as a part of UBI or from where the money to fund it should come. My thesis will remain neutral on the sources of funding for this undertaking. The rate obviously varies – it requires factoring in a country's economic development, price levels, inflation, available funds, current welfare spending, taxes, political and economic feasibility, population attitudes and other relevant parameters. A 2016 referendum on UBI in Switzerland proposed that every citizen should receive 2500 Swiss franks (2500 EUR) a month. It would have been primarily funded by a transfer of income and social security payments, budget savings and tax increases. The proposal was overwhelmingly rejected by the voters (Martin, 2016). It was said to reflect the cost of living in Switzerland. However, even in developed countries, these proposals tend to include a lower sum because the idea behind basic income policy is that it would provide an income floor rather than a ceiling. If a person wished to pursue a more expensive lifestyle, they would have to work and get the money elsewhere to cover the expenses. According to van Parijs, basic income is not conceptually linked to basic needs and should be set at the "highest sustainable level" to maximize the real freedom of those who possess the least amount of it (van Parijs, 1997). While van Parijs provides a detailed account of such freedom, for the purpose of this thesis, it suffices to define such freedom not only as being permitted (morally and legally) to do something but also having the means to do it (van Parijs, 1997). For example, while anyone is technically

legally allowed to go to university, they are only truly free to attend that university if they have been accepted there and, in some cases, have financial means to do so. This explains why it is not necessary to set UBI at a certain rate for further discussion but it suffices to assume that it fits van Parijs' criteria.

Another reason why UBI is interesting and warrants philosophical discussion is because it attracts cross-ideological support. Some libertarians have argued that UBI is consistent with their core intellectual commitments since it radically reduces the role of the government and bureaucracy due to its unconditionality (van der Vossen, 2019). As such, they view it as a potentially feasible tool to address poverty. Left libertarians, such as Steiner, have argued that basic income should be one of the prerequisites of justice since it does not include assessing an individual's circumstances and making a judgment about their eligibility based on that, making it a largely anti-paternalistic measure (Vandervanter, 2017). In addition, left-libertarian support for such type of redistribution stems from their interpretation of a Lockean proviso which forms one of their ideological cornerstones: that justice requires egalitarian distribution of natural resource revenues. In the same vein, van Parijs advocated for UBI as a distributive instrument for his liberal and egalitarian form of justice. Liberal defense of basic income policies is predicated upon their praxis of increasing personal freedom to pursue individual conceptions of good (Bidadanure, 2019). Finally, some leftist and socialist theorists asserted that such a form of redistribution would positively impact society by increasing workers' bargaining power and, in turn, decommodifying labor power and significantly decreasing worker exploitation, which is ubiquitous in working relationships under free-market capitalism.

As Olin Wright astutely observed, most discussions of UBI can be divided into two groups: one related to practical economic considerations and the feasibility of UBI, while the other centers around the 'normative implication of basic income for various conceptions of justice'

(Olin Wright, 2005). This thesis falls within the latter category since it focuses on the ramifications of basic income policies for justice and worker exploitation. I will not engage in discussions about political and economic feasibility. While these topics are interrelated, they are nonetheless separable. This project will purposefully avoid looking at whether UBI may completely eradicate worker exploitation because individual cases of unfair behavior may remain. It is more important and interesting to explore this issue on a structural level. Therefore, this project will aim to explore whether UBI can address exploitation on the systemic perspective.

Moreover, this thesis focuses on the impact of UBI on the least advantaged members of society. While exploitation certainly affects labor market participants from all classes there are a few reasons why people from marginalized backgrounds are disproportionately affected. First, they are not as socially or economically mobile, as many poorer people lack the means to change qualifications, re-train, gain more education and exit exploitative working relationships. Second, geographic mobility also plays a large part in creating these socioeconomic divides and availability of choices pertaining to work - wealthier people have more freedom to move around and be more selective about their places of employment. Third, the worse off lack financial stability, which is one of the fundamental issues that basic income policies seek to address. Lack of financial stability is also what subjects these members of society to exploitation precisely because employers are aware of the lack of choice these workers have. Thus, if the workers cannot switch jobs or industries, the employers can exploit these workers with minor consequences (van Parijs, 1997).

1.2 Philosophical grounds for UBI

The main purpose of this chapter is to set the philosophical groundwork for further discussion on basic income policies and exploitation. I will focus on two theories of distributive justice and show how UBI is compatible with and required as a component of justice. I will discuss what makes UBI a good instrument to address the injustices these theories identify. This chapter will first explore the left-libertarian arguments in favor of UBI regarding what people are owed by justice and a socialist defense of UBI, which centers around decommodification or labor and strengthening labor power. It will then examine both support and opposition to UBI from a socialist perspective.

1.2.1 Left libertarianism and UBI

Left libertarianism is one of the iterations of the broader political philosophy of libertarianism. This theory combines traditionally libertarian values such as individual freedom and the concept of self-ownership with the requirement of egalitarian distribution of unowned natural resources. This distributive aspect is the key distinction which distinguishes left libertarianism from right libertarianism. The main conceptual underpinning of the self-ownership principle establishes that people are autonomous agents who cannot be coerced to undertake certain actions without their consent. While this is an oversimplification of a loaded and even controversial concept, it will suffice to use the simplest definition for this project. Left libertarians are simultaneously committed to the view that while natural resources can be appropriated, those individuals who exceed their share of natural resources (which is measured as a per capita share) must compensate others who possess fewer natural resources than they are entitled to. By extension, people are not entitled to full benefits acquired of a given resource just because they were the first to claim those resources. Finally, left-libertarians also share the

anti-bureaucracy sentiment of libertarians broadly, believing that bureaucracies are costly, bloated, and paternalistic (van der Bossen, 2019).

Basic income policies are attractive to left libertarians as a sharp redistributive tool for commonly owned wealth. They would allot resources in a way that everyone would receive the equal shares to which they are legally entitled (Schwander, Vlandas, 2020). Also, the provision of basic income does not require much bureaucratic oversight. It constitutes a non-paternalistic measure since there is no omniscient body deciding on who deserved financial support based on their life circumstances since, in a technical sense, every member of a relevant political community is a recipient (Steiner, 2016). The left libertarian defense of UBI centers around the claim that good jobs are a limited and coveted resource because they provide numerous goods related to individual's social position, recognition, income stability and wealth accumulation (Schwander, Vlandas, 2020). One of the pillars of van Parijs' UBI defense is that jobs, especially good jobs, are scarce assets distributed very unequally (van Parijs, 1997). UBI could address some of these distributive inequalities by making people who assume those desirable jobs pay their share, which would go to those who do not get such jobs. UBI offers a straightforward redistributive mechanism to attain these goals. According to van Parijs, UBI meaningfully and considerably increases opportunities that people may wish to pursue not merely of what people can purchase but what type of life people may lead. This commitment, however, must be unbiased towards any conceptions of a good life, and this institutional arrangement must reflect and constitute anti-paternalistic and anti-perfectionist measures (van Parijs, 1997).

Left libertarians endorse individual freedom restrained by capitalism since workers must sell their labor to survive. One of the central features of UBI, as noted, is that basic income should decommodify labor since workers would not need to enter the labor market for survival. At the

same time, people could elect to work to earn additional income if they wanted to live beyond the means of basic income. Unconditional cash transfers significantly increase people's freedom, as they may choose to work or not to work and pursue their hobbies, engage in previously unpaid work, or take on care duties. Those who choose to work have more freedom over the jobs that they choose since basic income provides a constant safety net, removing the need to take the first job that seems passable. Van Parijs advocated for a basic income scheme precisely because he believed it would increase the number of opportunities available to a person. From this perspective, the most meaningful increase in opportunities would occur among the most disadvantaged, who would be the primary beneficiaries of such policies. As explained earlier, while technically every member of a given society would be a recipient of monthly cash transfers, wealthier people would essentially contribute more in taxes than they would receive (van Parijs, 1997).

1.2.2 Socialism and UBI

The most eloquent and developed socialist defense of UBI has been put forward by Erik Olin Wright, who advocated for basic income policies as part of a socialist project. Unlike the left libertarian argument in support of UBI, which focuses on freedom and distribution of natural resources, socialists explore how the benefits of UBI can be realized in the context of work because this is consistent with their commitment to a right to work. Olin Wright framed basic income policies as an integral part of a socialist reform and endorsed it to the degree that it helps to meaningfully strengthen and decommodify labor power to promote a more egalitarian economic system and more democratic political relationships in a given society (Olin Wright, 2005). This would help balance out socio-economic inequalities between classes in favor of the workers. His support for UBI is based on his conviction that a basic income project would greatly increase workers' bargaining power at both micro (workplace) and macro (system)

level. As Olin Wright framed it, a generous basic income would be an 'inexhaustible strike fund' which would strengthen both individual and collective power of workers to negotiate better conditions at their workplaces (Olin Wright, 2005). It is also inextricably linked to Olin Wright's argument on decommodification, which builds on one of the most important arguments that van Parijs put forward in support of UBI: Since workers would not need to enter the labor market to survive (based on the level of UBI discussed in the previous section), work would not be a necessity anymore, and workers could become more selective not only about entering and participating in the labor market but also about choosing workplaces which provide better conditions or changing jobs if they do not meet their standards, re-training and requalifying (van Parijs, 1997).

There is, however, no consensus among supporters of the socialist conception of justice about basic income policies, and some staunchly oppose such proposals. One of the most prominent socialist critics of basic income, Jon Elster, argued that basic income is incompatible with any workable conception of distributive justice. In his view, UBI is at loggerheads with the requirement to productively contribute to a society according to one's abilities (Elster, 1986). His deontological argument states that it is not fair that people who are able to work would be living off the value produced by other people, thus violating principles of reciprocity within a relevant political community. This sets UBI apart from most existing welfare policies, which are means-tested and dependent on previous labor market participation and/or willingness to work (Howard, 2005). Elster's position is also consistent with the view that UBI cannot decrease exploitation since it is in itself exploitative: people are taxed and have to sustain others who choose not to work. I leave this issue to the side because I focus exclusively on worker exploitation here, and Elster's critique is not about exploitation under the definition used for this thesis. Exploitation in Elster's sense lacks the element of domination. This will be elaborated upon in the following chapters. By focusing on worker exploitation, this project

argues that Olin Wright's arguments fall short of proving that UBI could actually produce the desired outcomes, and demonstrates how Elster's critique, while identifying an important issue attached to the basic income proposal, is flawed in several ways.

2. THE CONCEPTUALIZATION OF EXPLOITATION

As discussed previously, one of the most ambitious claims put forward by UBI advocates is that it helps to address exploitation. Exploitation is a broad term that has been interpreted in many ways – therefore, it is a task of this thesis to clarify some of the conceptions, discuss different definitions of exploitation and decide which one is not only the most exhaustive but also the best developed. Commonly, it is considered that 'to exploit someone is to take unfair advantage of them' in some way (Zwolinski, Wertheimer, 2017). Worker exploitation, which is often said to be conducive to the existence of capitalism, is one instance of exploitation. While exploitation seems intuitively wrong, given the breadth of the subject, there is no consensus on the exact wrongs produced by or intrinsic to exploitation. This project will discuss three prominent conceptions of exploitation:

1. The Marxian definition based on the labor theory of value

2. Roemer's view of exploitation as located in an unfair distribution of resources

3. Vrousalis' theory of exploitation as domination.

There are two main types of exploitation – transactional and structural. Transactional exploitation is a micro-level unfairness that occurs in an exchange between two or more individuals. It is not embedded in any broader structures. While it can point to exploitative practices in a specific transaction or relationship, no general facts about systemic level exploitation can be extrapolated from observing such interaction. Structural exploitation occurs between socially and economically privileged groups or classes that take unfair advantage of politically and economically inferior groups or classes. Such exploitation is generated and reinforced by political and economic institutions instead of discrete individuals, even if those

institutions often act via individuals or groups of individuals (Zwolinski, Wertheimer, 2017). Therefore, this type of exploitation is the focus of my thesis.

Though this chapter will examine both Marxian and Roemerian understandings of exploitation, my thesis will mostly engage with Vrousalis' account of exploitation. Vrousalis asserted that exploitation is a form of domination that presupposes self-enrichment by the exploiting party or agent. He therefore concluded that exploitation is wrong because it exists in this systemically determined relationship where one party is unilaterally and unfairly profiting from the other, appropriating their surplus labor value. In the case of the exploitative employee-employer relationship, employers recognize that workers must find employment or starve. This allows them to exploit workers through domination. The needs of employees are then secondary (Vrousalis, 2011). Vrousalis offers a convincing explanation that considers exploitation on both a structural and relational level. I will first argue that while the Marxian definition is attractive due to its simplicity, it is insufficient since unequal exchange cannot account for all instances of exploitation.

2.1 Exploitation and UBI from a Marxian interpretation

The Marxian conceptualization of exploitation is predicated upon Marx's other theories - unequal exchange of labor and labor theory of value. The unequal exchange of labor occurs when 'A extracts unreciprocated labor flow from B, where A and B may be individuals, groups or classes' (Vrousalis, 2019). The labor theory of value states that 'the value of a commodity is determined by the quantity of socially necessary labor time required to produce it.' Thus, exploitation in a Marxian sense is 'defined as the expropriation of surplus labor <...> exploitation is said to exist because the amount of dead labor the worker can command through purchasing commodities with his income is less than the amount of labor he expends in production' (Roemer, 1982). Simply put, exploitation in a Marxian sense occurs when a laborer

is paid less than the value of their work, measured in some units. For example, suppose a worker makes two tables every week, but at the end of the week, they get a salary which can only buy them one table. In that case, it means that the capital owning employer of this worker has appropriated the surplus value that the worker produced which amounts to one table (Marx, 1867).

Marx's theory has some compelling features – it captures a lot of intuitions that people have about unjust practices and inequalities that breed exploitation in capitalist free markets and in working relationships within such systems. It provides a very straightforward explanation by establishing clear parameters that measure exploitation. However, the Marxian account is also theoretically impoverished. This interpretation is lacking in that it does not explain all exploitation, only exploitation present in wage relationships. For instance, the Marxian theory fails to address the exploitation of women performing unpaid domestic care – although, as this occurs outside of labor markets, this objection is not pertinent to my thesis. In the context of this thesis, a more important objection is that the Marxian account lumps together all instances of involuntary transfer of surplus value. As Kymlicka argued, a person in an entry-level position has to forgo a significant share of the surplus value they produce; however, their experience and additional qualifications eventually translate into receiving a fair share of this value (Kymlicka, 2002). A Marxian interpretation of exploitation would imply that a trainee lawyer and a factory worker who, at a given moment, have the same amount of the surplus value appropriated are both equally exploited. This is insufficiently nuanced since the factory worker is likely more alienated from the fruits of their labor than a trainee lawyer, which is relevant to the claims of exploitation. Usually, the former person has lower chances to climb the career ladder and change jobs than the latter, who is expected to rise up the ranks and possibly become one of the owners in the company. Exploitation conceptualized through the labor theory of value cannot adequately account for these differences. While Marx attempted

to define structural exploitation, his theory relies on the transactional aspects of working relationships more than system and institutional factors (Roemer, 1985). These shortcomings are addressed in Roemer's and Vrousalis's works, discussed in later chapters; in short, both produced superior accounts of exploitation because they looked more extensively into structural exploitation. Similar to the previous objection, while this criticism to Marx is relevant to the overall theoretical framework of his view, it can be ignored for the sake of this thesis, whose scope concerns the most vulnerable people only, not the trainee lawyers with ample opportunities for progress in the workplace.

The Marxian definition of exploitation is not normative or moral, but technical. The appropriation of surplus value can be calculated, and worker exploitation can be expressed numerically. Basic income policies are also technical – they propose a simple, monetary solution to address multiple complex issues. Therefore, UBI seems to be a good candidate for addressing Marxian exploitation. If there was a basic income that could compensate for the surplus value, which was unfairly appropriated by those in positions of power, then the workers would no longer be wronged in this one aspect (i.e. exploited) in the way that is defined by Marx (Marx, 1867). Even though it would be the government and not the exploiter themselves paying the worker, it could be argued that the source of compensation is irrelevant as long as the worker ends up being compensated. Moreover, if the funding for such a program came from a taxation and redistribution scheme that collects money from capital owners and transfer it to the workers who are being exploited in the form of a basic income, such policy could be considered an appropriate response to exploitation in a Marxian sense.

This line of argument invites an important objection – since basic income proposals set the amount of cash transfers at a flat rate, it could not possibly ensure fair compensation for everyone. There will be winners who will be able to claim all the value of their labor,

combining their wage and a UBI, and there will be losers for whom this endowment will not be sufficient and who will still end up exploited. The latter group would be comprised of the workers who would receive less than what was appropriated from them by capitalists – people's productivity and, more importantly, salaries differ. There are a few plausible answers to criticism. First, the equation is not as straightforward as it initially seems. Surplus value that workers lose out on does not only end up in the hands of the wealthy: Marx agreed that it also enters the mechanism of funding some public goods and services. This is not exploitative since everyone benefits from these goods. Most people would agree to contributing to public goods, even if there is not a consensus on the amount of money they would be willing to contribute if they could choose freely. It is more challenging to determine which share of surplus value was appropriated in an exploitative way and which was not (Zwolinski, Wertheimer, 2017). A more relevant counterargument is that since this discussion pertains to the most vulnerable members of society, it would not be difficult to set basic income at the rate to compensate for the labor value losses they incur. As van Parijs argued, the rate would be determined by factoring in the real freedom and needs of the most vulnerable people (van Parijs, 1997). This is promising because suggests that it would not be implausible to use basic income policies to deal with exploitation in a Marxian sense. However, as argued above, Marx's understanding is deeply limited and fails to provide an encompassing interpretation that could adequately explain exploitation. Thus, even if UBI is efficacious in addressing Marxian exploitation of the most vulnerable, this does not automatically mean that it can do so under a better definition. This will be explored in the next sections.

2.2 Roemer's Exploitation and UBI

While the Marxian interpretation of exploitation focuses on the unjust relationship between workers and capital owners, Roemer's interpretation finds that exploitation is conditioned by

the distribution of property. Although there are more nuances to his position, the base argument is that unequal distribution of property is the main source of exploitation.

Given the significant difference between these two interpretations, Roemer directly addresses the failings he perceived in a Marxian interpretation. He argues that the Marxian definition of exploitation fails to adequately capture the root causes of exploitative transactions between employers and employees since it fails to incorporate the systemic issues that precede these relationships. As a result, he argues that exploitation does not denote a relationship between individuals, but rather a broader view of an individual and society. As he explains it:

The statement 'A exploits B' is not defined, but rather, 'A is an exploiter' and 'B is exploited.' Exploitation <…> refers to the relationship by a person and society as a whole as measured by the transfer of the person's labor to the society, and the reverse transfer of society's labor to the person, as embodied in goods the person claims" (Roemer, 1985).

Roemer criticizes Marx's commitment to developing a positive account of exploitation without any reference to a specific notion of justice, highlighting that the Marxian theory lacks normative considerations to explain why only labor and not other commodities can be exploited (Roemer, 1985). Roemer also rejects the claim that exploitation is inextricably linked to domination and that domination constitutes exploitation, explaining that while domination includes exploitation, exploitation does not imply domination (Roemer, 1985). Ultimately, he argues that "interest in domination is essentially an interest in the inequality in ownership of the means of production." The upshot of Roemer's account is that the "existence of exploitation is equivalent to inequality in the distribution of initial assets" (Roemer, 1985).

Roemer's interpretation divided initial assets into two categories: the "alienable" physical means of production; and "inalienable" human capital like education, skills, and labor (Petersen, 1984). The Roemerian explanation is that exploitation stems from an a priori and

unjustly inegalitarian distribution of society's resources – wealthier people own more productive assets, enabling them to exploit lower class people. They also appropriate and monopolize the alienable property.

By focusing his definition on capturing structural-level exploitation, Roemer's account avoids many common objections to which Marxian theory is vulnerable. It provides a more encompassing examination of exploitation beyond the relationship between capital owners and workers. However, the nature of this position leaves it vulnerable to other critiques. While Marx focuses too much on exploitative relationships, Roemer relies too extensively on structural factors and remains silent on micro-level aspects of exploitation. Exploitative transactions between groups or individuals may occur regardless of their distributive backgrounds. Two groups of workers may receive the same income and work the same hours; however, if one of those groups assumes power over all workplace decisions, they still can exploit the other group, even if they cannot decide on the salaries and working hours (Petersen, 1984). Roemer admitted he would have to add domination as another necessary condition of exploitation to explain such cases. Despite these shortcomings, given its importance to current scholarship on the matter, it is still important to examine whether UBI could address a Roemerian interpretation of exploitation.

Roemer proposed three individually necessary and jointly sufficient conditions that constitute exploitation. For this thesis, it can be specified that A in this scenario is a member of the worker class and B in this scenario is a member of the capital owning class. The conditions are the following:

> 1) If A were to withdraw from the society, endowed with its per capita share of society's alienable property (that is, produced and nonproduced goods), and with its own labor and skills, then A would be better off (in terms of income and leisure) than it is at the present allocation.

> 2) If B were to withdraw under the same conditions, then B would be worse off (in terms of income and leisure) than it is at present.
> 3) If A were to withdraw from society with its own endowments (not its per capita share), then B would be worse off than at present. (Zwolinski, Wertheimer, 2017).

Roemer's arguments about unequal distribution of resources are echoed by advocates of UBI, including van Parijs. It would seem fitting then, that a basic income policy which aims to address unequal distribution of goods in a given society would address Roemer's take on exploitation. UBI offers a redistributive mechanism that can effectively mitigate these exploitation generating inequalities. However, looking at the conditions proposed by Roemer, it becomes evident that a basic income policy is not a sufficiently powerful strategy to overturn worker exploitation. It is helpful to test if and how the baseline situation outlined above would change with the implementation of UBI, while maintaining all other conditions.

• Condition 1. If A withdrew from the original economy with their share of alienable assets (which would include a UBI), they would still be better off both monetarily and in terms of leisure than their present situation. Their utility would increase even more since their existing per capita share would grow with the addition of UBI, and their leisure time would most likely increase as well.

• Condition 2. B would still be worse off after withdrawing from the society – they would be made even worse off than the original scenario since they would have to pay more in taxes to fund a basic income.

• Condition 3. The situation would remain the same since B would be made worse off than at present because they would lose labor power necessary to sustain their wealth. The worker situation would remain the same because UBI does not impact one's endowments (e.g. their bodies and labor).

In short, the withdrawal conditions Roemer introduced in his hypothetical scenario are still satisfied - A is better off than in a present situation, and B is worse off. This demonstrates two things – with the addition of UBI a) the situation of both the exploited and the exploiters would change marginally, and b) their position in society would not change meaningfully even though the net financial well-being would be improved for the workers and decrease for the capital owners,

Using UBI as outlined by van Parijs, there is no reason to think that valuable assets would be redistributed in a meaningful way. In fact, what van Parijs argued for is that a generous UBI would first and foremost substantially increase real freedom and not so much the distribution of resources (Bidadanure, 2019). Workers would not suddenly get their share of means of production or productive assets just by receiving a basic income. While UBI improves the situation of workers in some ways, it does not address the structural inequalities in the ownership of property. Even if workers' freedom or bargaining power increased, it would not make the distribution of alienable and inalienable assets more egalitarian. As an example, if a given Group G, employed by Group H, negotiated better pay and improved work conditions at their current workplace, they would still be working for Group H.

Basic income policies fall short in addressing a Roemerian understanding of worker exploitation. While UBI somewhat improves the situation of workers and makes those in control of resources somewhat worse-off, these changes are marginal and fail to subvert the system built on unequal access to these resources. However, Roemer's view of exploitation, like Marx's, is still insufficient. Marx emphasized relationships to the exclusion of societal preconditions, while Roemer took the opposite tack. The next chapter offers a unified approach to exploitation, arguing that Vrousalis provided a superior interpretation of exploitation since

his account based on domination covers both macro- and micro-level explanations (Zwolinski, Wertheimer, 2017).

2.3 Vrousalis: exploitation as domination

My thesis argues that the most convincing analysis of exploitation has been developed by Nicholas Vrousalis. Vrousalis explained that exploitation is wrong because it entails domination. Domination in this context entails taking unfair advantage of people and instrumentalizing their vulnerability to extract servitude (Vrousalis, 2019). The goal of such domination is self-enrichment which is 'cashed out in terms of labor time and effort' (Vrousalis, 2019). Vrousalis' definition succeeds on a few levels. First, it manages to bridge the accounts of exploitation by Marx and Roemer by balancing out their positions to develop a definition that considers exploitation at both relational and systemic level without overemphasizing either of them. Second, Vrousalis's definition lends itself to refuting Elster's charge leveled against UBI, which claims that UBI is undesirable because it is in and of itself exploitative, since some people who choose to work must involuntarily fund others who freely choose not to work. My thesis tests the basic income proposal against Vrousalis' conceptualization of exploitation to explore whether basic income policies can meaningfully alleviate worker exploitation. I conclude that on this interpretation of exploitation basic income schemes fall short of adequately addressing worker exploitation, since exploitative practices are rooted in system-level problems that cannot be addressed by this model of monetary compensation. I also argue that UBI may even produce an adverse effect and contribute to the disenfranchisement of large fractions of society by conferring on workers an inferior economic and civic status. As a result, UBI can prevent people from expressing their will and accelerating system-level changes necessary for tackling exploitation in a meaningful and permanent way.

Vrousalis argued that as with most social interactions, exploitation can have a negative-sum, zero-sum or positive-sum outcome. Exploitative transactions that occur in working relationships under capitalism are usually positive-sum which means that they are mutually advantageous. These are the interactions that result in a Pareto improvement, i.e. both parties benefit and are, in some ways, made better off than in the absence of such interaction. For example, in the case of salaried employment, the exploiting employer is better off after hiring a worker because he receives his labor effort while a worker‘s situation is made better by receiving a wage which is an improvement compared to not receiving any income at all (Vrousalis, 2011). Therefore, interactions that produce positive sum outcomes are usually viewed as desirable. Despite these benefits, these transactions can still be pro tanto morally wrong without contradicting these advantages. As such, Vrousalis identified exploitation in the working environment as some dysfunction in positive sum interactions. It is useful in explaining how the backbones of capitalist economy, such as hierarchical working relationships and distributive bargaining, are sustained (Vrousalis, 2019). Capital owners receive labor power which is necessary to produce surplus value and generate profit, whereas workers who do not own any means of production or capital receive employment and salaries for their work that protect them from starving. This line of reasoning provides a justification for inegalitarian working relationships under free market systems since it pushes a narrative that under these circumstances everyone is a winner, even if socially and economically unequal. This argument is flawed since it takes unemployment and subsequent starvation as a baseline to establish the superiority of such economic mechanisms. Salaried workers are undoubtedly better off financially than they would be if they were unemployed under a current capitalist setting, and living off any other sources of income, e.g. some safety net provided by the government, an unemployment benefit or a UBI. However, it is likely though that they are

worse off than in alternative types of economic arrangements which produce more egalitarian and democratic workplaces (Vrousalis, 2019).

To demonstrate how pervasive exploitative practices are, Vrousalis outlined that exploitation is wrong by factoring in the interaction of vulnerability and domination that are both present in exploitative working relationships. He accounted for exploitation by identifying its close connection to a concept of domination and claims that the one party exploits the other if they take advantage of their vulnerability with an objective to make some (usually monetary) gains (Vrousalis, 2019). Foundational principles of his account are predicated upon Marxian tradition and interpretation of exploitation: workers enter the workforce because they do not have another choice but to sell their labor or starve. Being coerced to sell one's labor creates favorable conditions for ill-treatment precisely due to the lack of reasonable alternatives to existing employment, since involuntary unemployment is not a meaningful choice under the positive freedom that socialists endorse (Carter, 2022). This may seem outdated – in developed countries with generous welfare provisions jobless people are eligible for unemployment benefits, so they do not have to starve anymore. However, a lot of these benefits are conditional upon willingness to work, meaning that starvation and poverty in general may be a possibility in the long run. This would suggest that UBI is the best antidote to the lack of choice that workers face, and this is indeed one of the core advantages basic income policy proponents highlight. UBI recipients would no longer face the same dilemma – they could elect to work or abstain from working and live on a basic income. It is a significant improvement from the previous situation. It is also in line with the core argument of this thesis that basic income does not solve the exploitation of the worst-off in the workplaces. UBI does not give them a truly meaningful alternative since it would merely shift the choice between not working and exploitative work. The objection is that a) the work would not become less exploitative only in virtue of UBI and b) certain goods that can be realized at work would not be accessible to

workers if they opted out from working. Some people would deny these objections by arguing that UBI would pressure employees to reform at the worst jobs. I explain why that is not the case in the following sections.

Vrousalis departed from a purely Marxian definition of exploitation by asserting that exploitation is characteristic of and embedded in a systemic type of relation that the two parties, the exploiter and the exploited, are engaged in. Moreover, his definition located the wrong of exploitation in every case of domination, a stronger claim than Roemer, who maintained that domination and exploitation were separable. By framing this as a systemic problem, Vrousalis commits to the position that under capitalism it would not be possible that all or the vast majority of capitalists would be benevolent (Vrousalis, 2019). That would be a contradiction since profit maximization inevitably leads to treating people as means and would only remedy the transactional exploitation occurring between benevolent capitalists and workers. As argued above, since structural exploitation is entrenched in capitalist free-market institutions, it cannot be subverted by a few individuals eradicating exploitation in their vicinity. Broadly, such relationships are a byproduct of a capitalist political economy since the capital owners seek to increase their profits and use workers as means to attain these aims. Capital owners are aware that they hold power over the laborers since the laborers do not have a choice but a significant portion of their income if they decide to quit their jobs and enter other jobs are equally exploitative. Therefore, this relationship presupposes a certain power-imbalance which is highly resistant to change and reinforced by the existing economic and political structures. This makes workers vulnerable to being taken advantage of since capital owners are aware of their predicament. As Vrousalis understood it, they can dominate these workers in several ways. Exploitative practices at workplaces may vary from unfair pay, long hours, poor working conditions, lack of work security and similar (Vrousalis, 2011).

3. UBI AND EXPLOITATION

3.1. Is UBI exploitative?

Vrousalis' definition does a good job in demonstrating that basic income policies are not inherently exploitative. Some theorists like Elster thought that basic income is an unattractive and an unfair way to redistribute resources because it exploits people who are willing to work since they, through taxation, have to fund people that do not wish to work but rather engage in socially and economically unproductive activities (Elster, 1986). This is important because many socialists theorize that people who are able to work have an obligation to be productive and contribute to society. It is an issue that basic income proponents have to grapple with because it has some potential of undermining their proposal since many people would object to financing the leisure of able-bodied people who choose not to work, violating some principles of reciprocity and mutuality. While a powerful criticism, for this project it is sufficient to show that even if it is an issue, it is not a problem with exploitation itself but instead stems from other aspects of justice which are not relevant to my argument.

The necessary condition in Vrousalis' definition of exploitation is taking advantage and instrumentalizing the vulnerability of an economically marginalized group for some gain. It is the capitalist system and not individual actions that generate favorable conditions for exploitation. As argued previously, since UBI would be paid to every member of a relevant political community, not all people are actual beneficiaries of these policies (Bidadanure, 2019). The most economically disadvantaged people benefit disproportionately, since more affluent groups of society would pay more in taxes than they would receive. Members of the lowest income echelons would then get the full amount of a set basic income since they would not have to contribute as much (or at all) in taxes. These groups can be called full UBI

recipients. While basic income is diametrically different from other traditional welfare policies, it is similar to them in that neither are in themselves exploitative. In this case, it does not matter if people are needy or deserving in some measurable sense, as could be identified by means of testing. Rather, it only needs to be shown that they are not taking advantage of the vulnerability of the group that is contributing most taxes to the policy.

Following Vrousalis' definition, for UBI to be exploitative, it has to constitute domination and meet the following criteria: a) some agents (e.g. full UBI recipients) should be taking advantage of the vulnerability of the wealthier people to enrich themselves and b) the wealthier people should 'be in a position of vulnerability relative to' and possibly dependent on full UBI recipients. Even assuming a cynical position which is more or less consistent with Elster's argument that the worse-off people in the society are taking advantage of those who provide them with UBI for self-enrichment, it is clear that the condition b) is not satisfied. More resource-rich members of the society are socio-economically or politically less vulnerable than the worse-off groups of people. It would be incredibly challenging to locate these vulnerabilities within the middle- and upper-income groups which are the net contributors to the basic income schemes. While they do give up some of their resources that are then distributed to the lower income groups, this usually does not constitute a large share of their resources. The relationship is usually the complete opposite. Though this thesis does not engage in considerations of feasibility or logistics of UBI proposals, even van Parijs's ambitious proposal only foresaw an income tax of around 10% to fund UBI (van Parijs, 2003). Therefore, if the wealthier people are not being dominated, they are also not being exploited. Most of them benefit from access to labor power that produces more value for them than they would be capable of if left to their own devices. It could be argued that if not full basic income recipients, then the state could be an exploiter. Vrousalis argued that exploitation can occur between individual agents or groups of individuals, which can be as large as a nation. In this case, even

under the assumption that the wealthier classes of people are in a vulnerable position to a state due to their dependency on the state in some important ways and power imbalance, it does not meet the condition a). Democratic countries for the most part collect tax money to provide valuable public goods, ensure safety, develop and maintain infrastructure, and other measures to increase the societal functioning and well-being overall. This is clearly not a case of self-enrichment that constitutes a necessary condition in Vrousalis account.

3.2 Exploitation as domination and UBI

A more pertinent issue is whether basic income could properly alleviate worker exploitation. In Vrousalis's view, this would mean that no class could dominate other classes and exploit their vulnerability for making themselves richer, virtually removing the large power differentials that define the economic system. As argued above, this is in line with the goals of UBI proponents – van Parijs believed that increasing bargaining power of the workers and their improved standing in the negotiations about their situations would foster long-term reforms. Together with van der Veen (1986), he even went as far as to famously describe UBI as a 'capitalist road to communism' (van Parijs, van der Veen, 1986). According to van Parijs, the stronger position of the employees would allow them to demand better working conditions, such as flexible working arrangements, larger salaries, more benefits and more say in the company in general, eventually democratizing the workplace. In turn, this should also reshape the political relationship between capital owners and workers in favor of the latter group. Vrousalis' definition presupposes that these exploitative systemic relationships are embedded in capitalist institutions. It follows logically that successfully addressing this issue requires subverting existing economic relations that exploitation is symptomatic of. Basic income proponents correctly identify the workers' vulnerability - they are good candidates for exploitation since they need to work to survive. Most developed countries have well-

established welfare systems that pay people unemployment benefits and provide universal healthcare and access to other services to ensure that their basic needs are met (van Parijs, 1997). However, as discussed above, most of these programs are conditional on willingness to work - therefore, people usually cannot stay unemployed for extended periods of time because they would lose these unemployment payments. This is one of the issues that basic income proponents set to remedy. It will be shown below that this is unsuccessful by demonstrating that although the vulnerability is shifted from unemployment without a permanent safety net to an unemployment with one, it is still a vulnerability. In the following sections I provide three important reasons why UBI ultimately cannot solve exploitation defined as domination – a need for additional income, employment gaps and the non-monetary goods of work.

First, even though people would not need to work, many of them would wish to increase their income through entering the job market. This can be extrapolated from the behaviors observed in most societies with people seeking additional qualifications or further education to increase their income, get promoted and build a career. Very few people wish to stay within the same income bracket and thus aim to climb up the economic and social ladder. Even if we assume that many currently employed people would opt out from the working and permanently exit labor markets, a significant share of people would still remain employed. This loosely conforms to the socialist defense of UBI highlighting the advantages of a basic income policy that should be realized in the context of work. Olin Wright endorsed UBI as a 'permanent strike fund' - according to him, monthly cash transfers could facilitate more strikes aiming to improve working conditions since people without UBI often abstain from striking due to the fears of losing their job (Olin Wright, 2005). However, this argument does not necessitate UBI. This issue could be addressed through legislating and establishing safeguards that would protect people from having to risk their jobs. These reforms could also center around strengthening the unions and working on involving workers in the company-level decisions. When workers

strike, they usually wish to improve the conditions in their current workplaces. This incurs losses on the side of their employer who may then be compelled to meet the striker's demands since they can no longer afford the disruption in production of some goods or services. UBI could in theory grant people more financial security in case they lost their jobs as a result of striking. However, without reinvigorating labor unions and improving the existing laws on workplace protection, even a generous UBI lacks emancipatory power (Gourevitch, Stanczyk, 2018). Basic income policies improve vulnerable people's financial standing – however, it does not provide a framework for organizing, or at the very least make it more feasible.

UBI could also put a lot of people at the margins of the job market because it would make it easier to stay unemployed. It would be difficult to imagine that people can opt in and opt out of the labor market whenever they please. Unless these people are acquiring some marketable skills to increase employability in the interim, gaps in their resumes may send warning signs to their potential employees. Even if they did not, these people would still be competing with other professionals who have been consistently participating in the labor market. People spend years establishing their careers, improving their skills and building connections – therefore, jumping in and out of a job market, while possible, is not as easy as UBI proponents wish it were.

Third, an even stronger argument against UBI is that improved financial conditions of the workers could not only fail to improve the situation, but also have a potentially adverse effect on the working conditions. It is not mutually exclusive that a basic income scheme can improve peoples' financial situation and simultaneously decrease salaries and working conditions. UBI proponents often argue that UBI is desirable since it provides a permanent safety in case of unemployment, unlike any other policy. However, it could also become a safety net that appeases the workers and solidifies existing systems and relationships. If UBI is supported by

appealing to the fact that people have an easier exit from the labor market since they have sufficient funds to survive, this could as easily result in more people tolerating precarious or low-paying employment. Van Parijs argued that since the basic income would not be means tested and would not depend on the history of employment and willingness to work, people would "start earning additional net income as soon as they do any work, however little and however poorly paid it may be". Moreover, he stated that the labor market would be deregulated, abolishing the minimum wage and retirement age (van Parijs, 2006). Finally, van Parijs also claimed that a basic income policy would alleviate "tensions between the overworked who feel exploited and the jobless who feel excluded" (van Parijs, 2006). These assumptions are objectionable on a few levels. First, while it is true that since people would not lose the benefits by taking a job, 'however poorly paid it may be' would still be financially better off than in the absence of a basic income, this does not address worker exploitation since exploitation is not merely about their monetary predicament. People should receive an adequate wage for whatever job they are doing – therefore, the basic income would allow jobs to not compensate people properly and that can be exploitative. It could help reinforce the hegemony of employers who engage in exploitative practices. Second, while receiving money is one of the most fundamental motivators for people to work, it is not the sole important good of work – these will be discussed in greater detail in the next chapter. Now it suffices to say that a worker who is financially better off due to a UBI than in a current economic setting, but works in poor working conditions, is not better off than a worker who is not receiving a UBI in many other ways. This aspect, coupled with the abolition of a minimum wage that van Parijs has proposed, would give companies no incentives to raise the wages for their workers. People may still take up poorly paid jobs if they wish to realize the non-monetary goods of work such as self-realization, social recognition or pursuing a community. This is a vulnerability that the exploiters can instrumentalize for self-enrichment. For example, even in many economically

developed Western nations, jobs in NGOs, schools or hospitals are not compensated fairly in relation to the qualifications and skills required to occupy these positions as well as labor effort that these workers must dedicate to performing their duties and responsibilities. Nonetheless, these jobs can simultaneously be some of the most meaningful and non-materially rewarding jobs that people are passionate about and would not necessarily wish to exchange for other more lucrative positions in investment banking or management consulting. This issue is not intrinsic to these jobs and is conditioned by the free-market system where the amount of money people receive for a certain job reflects what is more monetarily valuable in a capitalist system.

This is problematic in both basic income and no basic income scenarios – people should be compensated fairly for their labor. That is why while in the basic income situation a person is somewhat better off financially, they are still being dominated by working a poorly paid job without a guaranteed minimum wage. If other working conditions are also exploitative – long working hours and similar – greater compensation may not adequately remedy the resulting negative psychological and social implications. Other measures could do a better job – they will also be discussed in the next chapter. It suffices for this chapter to say that basic income would not be the best policy to address these issues.

According to van Parijs, people could gain more bargaining power and could simply leave the jobs that they do not like (van Parijs, 1997) – however, similar to the unemployment gap issue, this flexibility may be overestimated, especially among the most disadvantaged groups in the society, who are also the most vulnerable to exploitation. For example, imagine a surfing teacher A who really likes his students, finds teaching surfing rewarding and works at a school which is located close to his house. Since he is geographically limited to the seaside, there are no other possible workplaces for him in the area. The school administration exploits this teacher by not paying him a fair salary, making him teach extra hours and assume additional duties

outside of his contractual obligations. What would happen if a UBI was added to this scenario? Even if A was getting a basic income, quitting may not be a real possibility since a) he does not want to lose the job he finds meaningful and rewarding, b) other options are not within his reach. Therefore, he could choose to quit, be unemployed, but get a universal grant which would help him survive. Initially, this seems to be preferable to quitting and receiving some temporary unemployment benefits. However, living off a UBI may not constitute a truly meaningful choice for A since he invested time and money into his education, and he finds his job fulfilling. Similar to A, people with a specific skill set also fall in this category – while basic income would allow them to survive, additional education or requalification can be too burdensome and undesirable. It also overestimates how mobile the financially vulnerable people in a society are – even with a UBI, moving places can remain inaccessible.

What about people who are not particularly passionate about some field like person A? A person B has no work experience and survives on a substantial basic income which allows her to just about cover her expenses. It has been established that even a generous basic income will not cover all the needs of every person, and this is normally not the amount that UBI proponents advocate anyway. B has decided that to increase her income to add to her savings and leisure. As argued by Kymlicka, "to attain a decent standard of living, something above a minimum, the worker might have no choice but to work for a capitalist, and if the capitalist has greater bargaining power (which is almost always the case), the outcome of the contract might still be something we would want to consider exploitative" (Kymlicka, 2002). She has no previous working experience so starts a job most available to her which happens to have a zero-hour contract (i.e. does not provide any minimum of guaranteed working hours). These types of jobs are still common in many developed countries, such as the UK and Canada. This type of contract clearly benefits the employer and disadvantages the employee since employers gain flexibility to call in workers whenever they need them and, as a result, when to pay them. The

employee enters this unstable work contract which does not provide any guaranteed income (Inman, 2013). Therefore, UBI recipients may be more willing to enter such working conditions - since they already have a guaranteed income, they may be less hesitant to accept such a job with a fluctuating additional income. Proponents of UBI argue that since the workers have sufficient freedom to not need to stay in any jobs if they were unhappy with the conditions of this job. They could take some time off to find a better contract, gain some additional qualifications, or as mentioned above, use it as a 'permanent strike fund' to significantly improve working relations. While this argument is attractive, it misses the point - in this case, the worker is still being exploited. It is true that they are more secure and financially stable than they would have been in the absence of a basic income. Therefore, their vulnerability is not located in person B starving without employment but rather in them only being able to earn the additional income in an exploitative workplace. Arguably, their situation is not as dire - but B is still vulnerable. To borrow van Parijs' argument, UBI is supposed to promote more opportunities for people to realize their own conceptions of good, but such employment hardly satisfies this condition (van Parijs, 2003). Therefore, while the government would be taking care of people, employers may still exploit people. This may seem to suggest an even bleaker alternative - without a permanent safety net, only some temporary unemployment benefits, people will be forced to enter into such employment sooner or later. The difference is that UBI allows them to be more selective. This is true - it may be better than the current situation with largely imperfect welfare provisions and hierarchical workplaces. However, it does not undermine the core argument of my thesis. Even if UBI could alleviate some of the direst aspects of exploitation, it is insufficient to yield the desired results, i.e. combatting worker exploitation. Moreover, even though the current situation may produce worse outcomes in terms of exploitation than UBI, there are other proposals that could do better than basic income policies.

4. ALTERNATIVE PROPOSALS AND WAYS FORWARD

In this thesis I argued that basic income policies cannot successfully address exploitation, because monetary compensation does not confer enough power to the marginalized groups of society, even if it improves their financial and social standing. Nonetheless, the issues that basic income proposals aim to tackle remain very relevant in the current economic and political climate. If UBI cannot adequately address them, it is informative to explore whether other policies or reforms modeled on different redistributive schemes could perform better. There are many reasons why it is so important to tackle worker exploitation and one of them is that it would allow people access goods that are largely inherent to work or at least can be best realized at work. Thus, among the policies preferable to UBI are those that strengthen existing welfare policies and labor unions, as well as labor market reforms to make workplaces more egalitarian, democratic, and flexible. The end goal of these policies would be to significantly improve working conditions and enable workers to be more involved in the decision-making in their workplaces. Some scholars also argue that nationalization of the means of production would be the most effective strategy to address worker exploitation (Gilabert, O'Neill, 2019). While it is not necessarily at odds with the proposal of democratizing the workplaces and improving welfare provision, I leave this proposal out because it concerns restructuring the entire economic system which raises questions that are outside of the focus of this thesis. Since I am interested in the measures that could perform better than UBI, reforming workplaces and welfare policies are more similar in scope. Moreover, I believe they deal with the issue of worker exploitation more directly.

As argued in the previous chapter, the main component of exploitation is domination, which is ubiquitous within workplace relationships, especially for the most vulnerable participants of labor markets. Entering hierarchical and unequal interactions at work harms people in many

significant ways (Vrousalis, 2019). Aside from the exploiters taking advantage of their vulnerabilities, it also prevents people from realizing some important goods at work. While a lot of current working relationships are exploitative and dominating, this does not mean that the only solution is to completely do away with work to avoid these issues. The main reason is that while these issues are not inherent to the workplaces since they are conditioned by external economic factors, there are some goods that are intrinsic to paid employment. A similar sentiment is echoed by the UBI proponents - van Parijs argued that good jobs are valuable assets because there are ample goods that can be realized through work (van Parijs, 1997). Unlike him, I argue that this suggests that under current circumstances or circumstances created by UBI, these goods still could not be fully realized elsewhere.

One of the primary goods that people can gain access to at work is community – individuals value opportunities to connect with their peers in an equal way and feel a part of a larger entity. Gheaus and Herzog (2016), in their research on intrinsic goods of work beyond financial benefits, argued that 'people are motivated to work by their desire to attain community <...> doing things together with people with whom they stand in relatively free and equal relationships" (Gheaus, Herzog, 2016). This is supported by evidence that in addition to obvious financial strains, unemployed people often report feeling socially isolated because of losing access to work communities (Achdut, Refaeli, 2020). I am not endorsing the stronger claim that people can attain communities only at workplaces. However, the decline of religious communities, precipitated by the retreat of organized religion and rise of individualism in Western societies made opportunities for community scarcer (Pew Research Center, 2019). Under these circumstances, the workplaces remain one of the few environments where individuals can realize this feeling of group belonging. As Estlund argued, "the workplace is the single most important site of cooperative interaction and sociability among adult citizens outside the family" (Estlund, 2003). Unfortunately, it seems that neither basic income policies,

nor currently exploitative workplaces can help foster such communities. It could be argued that UBI recipients who do not work can also form communities and organize around certain causes or hobbies. Two arguments established in previous chapter can help explain why this ultimately not a great solution: a) majority of people would still be working to increase their income beyond the amount granted by UBI, and b) basic income policies are insufficient in properly solving exploitation at workplace. Basic income proponents would reject b) but would likely accept a) – not only people should be able to work if they wanted, but they should still be incentivized to work since a mass exodus from labor markets would make it increasingly difficult to fund a generous UBI. These arguments help explain that even if there could be more opportunities for connecting with one's peers outside of work, some people could still remain equally deprived of community as without the UBI. Maximizing the amount of people who can access the goods of work still requires addressing worker exploitation which UBI cannot successfully do. People who work full-time spend close to half of their total waking hours working. As such, work provides a more sustainable and stable structure for communities to exist.

Maximizing the number of people who can realize these positive aspects at work requires many changes in the workplace. To that end, I propose revisiting various welfare policies and labor market reforms to tackle hierarchical and exploitative workplaces that would help foster communities (Gourevitch, Stanczyk, 2018). Even though some equal relationships occur within rigid organizational structures, competition may render these communities more fragile since people compete for better pay and positions. Thus, labor market reforms should focus on promoting fair, egalitarian, and safe workplaces while socio-economic reforms should strengthen existing welfare schemes which would provide a safety net for any member of society. Democratizing workplaces would be imperative in ensuring access to community. For example, worker-owned enterprises create an environment where workers are more involved

in the matters of the company as a whole. Even granting employees more power to decide on things that impact their work without them owning company stocks would be a move in a positive direction. This view is common among relational egalitarians who claim that workplaces should accommodate workers' autonomy and grant them more decision-making power. As argued by Anderson (2017), a model of workplace democracy puts the well-being and concern of the workers at the forefront of other stakeholders. Workers spend most of their time working; therefore, it seems fair that they would have a more significant say in how their working environment is regulated. Most workplaces under free market capitalism are structured hierarchically (Anderson, 2017) which suggests that democratizing workplace would contribute to eliminating domination from this unequal structure.

Therefore, basic income policy proponents are correct in identifying the key issues in modern-day job markets - many people are exploited and lack bargaining power, which is particularly acute in the lower echelons of the income ladder. People often have to choose between parenthood and career, which is unfair; many people are stuck in precarious employment and work long hours for no additional pay. They are also right that people lack financial stability to exist in such workplaces, and do not have enough power to negotiate better conditions (Gourevitch, Stanczyk, 2018). However, while basic income policy could improve the situation of many individuals in some important ways, it cannot bring about structural changes which would result in desirable improvements that specifically relate to worker exploitation. Since this thesis did not engage with questions about the feasibility of basic income policies, it will not provide answers about the feasibility of such reforms. It could be the case that basic income policies are in some ways more easily attainable than the reforms I favor. However, putting that aside, strengthening labor unions, legislation on fair pay, generous gender-neutral parental leave, high-quality public healthcare, affordable housing, and other policies are more

sustainable in strengthening workers' bargaining power and significantly reducing their exploitation.

CONCLUSIONS

UBI is a policy proposal that has recently gained popularity, since the issues it aims to address, like high unemployment, dissatisfaction with work and poverty, are becoming more and more dire. Unsurprisingly, this policy has attracted support from across the ideological spectrum, from libertarians to socialists. One of the main wrongs that UBI advocates claim it can correct is worker exploitation. According to them, a regular cash endowment, generous enough to allow people not need to work, would give vulnerable workers more bargaining power. The fact that they would no longer need work to survive would strengthen their negotiation position which could help them demand better working conditions. They could also switch between jobs more easily if negotiations failed. The core purpose of this thesis was to test this assumption. To do so, I first explored the concept of exploitation and discussed three most influential accounts of exploitation by Marx, Roemer and Vrousalis. I argued that a UBI could likely address the exploitation in a Marxian sense – however, I also pointed out the core flaws of a Marxian account which means that UBI could address exploitation defined in a very narrow, transactional sense. Unlike Marx, Roemer and Vrousalis both accounted for structural factors of exploitation. I determined that Roemer's definition of exploitation as resulting from unequal resource distribution is insufficient since it does not cover transactional aspects of exploitation. This led me to conclude that Vrousalis provided a superior account of exploitation that delivers a comprehensive definition of exploitation as domination, which also helps to dismiss the claims that UBI is exploitative in itself.

In exploring how UBI interacts with Roemer's and Vrousalis' accounts, it became clear that UBI is not a proposal that can produce fundamental reforms. The discussion revealed that UBI lacks the punch needed to deliver large scale changes that would have tangible and lasting impacts on worker exploitation. While it can alleviate some issues and make workers

financially better off, implementation of such policy would not result in structural reforms that would make workplaces less exploitative. As such, it treats the symptoms of exploitation rather than the actual causes. I demonstrated that UBI proponents overestimate the mobility and flexibility of the worse-off participants in labor markets. I also outlined how in some cases UBI can have an adverse effect of reinforcing exploitative practices by removing the responsibility of the employers to improve the working conditions in virtue of UBI. I concluded by discussing the alternative of reinvigorated welfare provisions and labor market reforms that would help employees access important goods, such as community, at their workplaces. Thus, even though UBI has a place in the discussions about addressing various socio-economic issues, it is not the best remedy for worker exploitation.

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