

NOTES

CHAPTER 1 THE RETURN OF UTOPIA

- 1 Extreme poverty means living on less than \$1.25 a day, which is just enough to survive. See François Bourguignon and Christian Morrisson, “Inequality among World Citizens: 1820–1992,” *American Economic Review* (September 2002). <http://piketty.pse.ens.fr/files/BourguignonMorrisson2002.pdf>.
- 2 In the Netherlands, someone who is homeless receives around \$10,000 a year in government assistance. The per capita GNP of 1950s Holland, corrected for purchasing power and inflation, was \$7,408 (according to figures from gapminder.org). From 1600 to 1800, it was between \$2,000 and \$2,500.
- 3 See the figures presented by the historians Angus Maddison, J. Bolt, and J. L. van Zanden, “The First Update of the Maddison Project; Re-Estimating Growth Before 1820,” *Maddison Project Working Paper 4* (2013). <http://www.ggdc.net/maddison/maddison-project/home.xhtml>.
- 4 Herman Pleij, *Dromen van Cocagne. Middeleeuwse fantasieën over het volmaakte leven* (1997), p. 11.
- 5 World Health Organization, “Obesity and overweight,” Fact sheet No. 311 (March 2013). <http://www.who.int/mediacentre/factsheets/fs311/en/>.
- 6 Manuel Eisner, “Long-Term Historical Trends in Violent Crime,” University of Chicago (2003), table 2. <http://www.vrc.crim.cam.ac.uk/vrcresearch/paperdownload/manuel-eisner-historical-trends-in-violence.pdf>.
- 7 World Bank, “An update to the World Bank’s estimates of consumption poverty in the developing world” (2012). http://siteresources.worldbank.org/INTPOVCALNET/Resources/Global_Poverty_Update_2012_02-29-12.pdf.
- 8 J.O.’s, “Development in Africa: Growth and other good things,” *Economist* (May 1, 2013). <http://www.economist.com/blogs/baobab/2013/05/development-africa>.
- 9 UN News Centre, “Deputy UN chief calls for urgent action to tackle global sanitation crisis” (March 21, 2013). <http://www.un.org/apps/news/story.asp?NewsID=44452>.
- 10 According to figures from Internet Live Stats. See: <http://www.internetlivestats.com>.
- 11 According to the World Health Organization, the average life expectancy in Africa for those born in 2000 was fifty years. In 2012, it was fifty-eight years. http://www.who.int/gho/mortality_burden_disease/life_tables/situation_trends_text/en/.
- 12 According to figures from the World Bank: <http://apps.who.int/gho/data/view.main.700?lang=en>.
- 13 The individual average daily caloric intake rose from 2,600 in 1990 to 2,840 in 2012 (in sub-

- Saharan Africa from 2,180 to 2,380). Miina Porka et al., “From Food Insufficiency towards Trade Dependency: A Historical Analysis of Global Food Availability,” *Plos One* (December 18, 2013). <http://www.ncbi.nlm.nih.gov/pubmed/24367545>.
- 14 Bjørn Lomborg, “Setting the Right Global Goals,” *Project Syndicate* (May 20, 2014). <https://www.project-syndicate.org/commentary/bj-rn-lomborg-identifies-the-areas-in-which-increased-development-spending-can-do-the-most-good>.
 - 15 One is Audrey de Grey of Cambridge University, who gave a TED Talk on this topic: http://www.ted.com/talks/audrey_de_grey_says_we_can_avoid_aging.
 - 16 Peter F. Orazem, “Challenge Paper: Education,” Copenhagen Consensus Center (April 2014). <http://copenhagenconsensus.com/publication/education>.
 - 17 “Where have all the burglars gone?” *Economist* (July 18, 2013). <http://www.economist.com/news/briefing/21582041-rich-world-seeing-less-and-less-crime-even-face-high-unemployment-and-economic>.
 - 18 Francis Fukuyama, “The End of History?” *National Interest* (Summer 1989). <http://ps321.community.uaf.edu/files/2012/10/Fukuyama-End-of-history-article.pdf>.
 - 19 Andrew Cohut et al., *Economies of Emerging Markets Better Rated During Difficult Times. Global Downturn Takes Heavy Toll; Inequality Seen as Rising*, Pew Research (May 23, 2013), p. 23. <http://www.pewglobal.org/files/2013/05/Pew-Global-Attitudes-Economic-Report-FINAL-May-23-20131.pdf>.
 - 20 Lyman Tower Sargent, *Utopianism. A Very Short Introduction* (2010), p. 12. Take this Buddhist variation on the Land of Plenty: “Whenever they wish to take nourishment, they have only to place this rice upon a certain great stone, from which a flame instantly issues, [and] dresses their food.”
 - 21 Ian C. Storey (trans.), *Fragments of Old Comedy*, Vol. III: *Philonicus to Xenophon. Adespota*. Loeb Classical Library, 515 (2011), p. 291. https://www.loebclassics.com/view/teleclides-testimonia_fragments/2011/pb_LCL515.291.xml.
 - 22 Russell Jacoby, *Picture Imperfect. Utopian Thought for an Anti-Utopian Age* (2005). Also see my last (Dutch) book, *De geschiedenis van de vooruitgang* (2013), in which I discuss Jacoby’s distinction between the two forms of utopian thought.
 - 23 George Kateb, quoted in: Lyman Tower Sargent, *Utopianism. A Very Short Introduction* (2010), p. 107. Even so, anyone who dips into Thomas More’s utopia will come away unpleasantly surprised. More described a thoroughly authoritarian society, whose inhabitants were sold into slavery for even relatively minor missteps. Yet it’s crucial to realize that all this would have seemed like a breath of fresh air to the medieval peasant. Slavery was positively lenient compared to the customary repertoire of hanging, quartering, and burning at the stake. But it’s also worth noting that many commentators didn’t catch on to More’s intended irony because they didn’t read his book in the original Latin. Our tour guide in More’s utopia, for example, is named Hythlodæus, which translates as “speaker of nonsense.”

- 24 Branko Milanovic, “Global Inequality: From Class to Location, from Proletarians to Migrants,” World Bank Policy Research Working Paper (September 2011). <http://elibrary.worldbank.org/doi/book/10.1596/1813-9450-5820>.
- 25 On the U.S., see: Bryan Caplan, “How Dems and Reps Differ: Against the Conventional Wisdom,” *Library of Economics and Liberty* (September 7, 2008). http://econlog.econlib.org/archives/2008/09/how_dems_and_re.shtml. On England, see: James Adams, Jane Green, and Caitlin Milazzo, “Has the British Public Depolarized Along with Political Elites? An American Perspective on British Public Opinion,” *Comparative Political Studies* (April 2012). <http://cps.sagepub.com/content/45/4/507>.
- 26 See Alain de Botton, *Religion for Atheists* (2012), Chapter 3.
- 27 Which is not to say it’s by choice: Study upon study has demonstrated that the vast majority of the populations of all developed countries are concerned about materialism, individualism, and the harsh modern-day culture. In the U.S., a nationwide poll showed that most Americans want society to “move away from greed and excess toward a way of life more centred on values, community and family.” Quoted in: Richard Wilkinson and Kate Pickett, *The Spirit Level. Why Equality Is Better for Everyone* (2010), p. 4.
- 28 Paraphrased from the movie *Fight Club*, Professor of Sustainable Development Tim Jackson, and hundreds of other variations on this quote.
- 29 Quoted in: Don Peck, “How a New Jobless Era Will Transform America,” *Atlantic* (March 2010). <http://www.theatlantic.com/magazine/archive/2010/03/how-a-new-jobless-era-will-transform-america/307919/>.
- 30 Wilkinson and Pickett, *The Spirit Level*, p. 34.
- 31 World Health Organization, “Health for the World’s Adolescents. A second chance in the second decade’ (June 2014). http://apps.who.int/iris/bitstream/10665/112750/1/WHO_FWC_MCA_14.05_eng.pdf?ua=1.
- 32 Wilkinson and Pickett, *The Spirit Level*, p. 36. This specifically concerns young adults in North America, but the same trend is visible in other developed countries.
- 33 Quoted in: Ashlee Vance, “This Tech Bubble Is Different,” *Bloomberg Businessweek* (April 14, 2011). http://www.businessweek.com/magazine/content/11_17/b4225060960537.shtml.
- 34 John Maynard Keynes, “Economic Possibilities for our Grandchildren” (1930), *Essays in Persuasion*. <http://www.econ.yale.edu/smith/econ116a/keynes1.pdf>.
- 35 Bertrand Russell, *Philosophy and Politics* (1947), p. 14.
- 36 Bertrand Russell, *Political Ideals* (1917), Chapter 1.

CHAPTER 2 WHY WE SHOULD GIVE FREE MONEY TO EVERYONE

- 1 This is a very conservative estimate. A study conducted by the British government put the amount

at £30,000 per homeless person per year (for social services, police, legal costs, etc.). In this case the amount would have been much higher as they were the most notorious vagrants. The study cites sums as high as £400,000 for a single homeless person per year. See: Department for Communities and Local Government, “Evidence Review of the Costs of Homelessness” (August 2012). https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7596/2200485.pdf.

- 2 The recipients were generally not told the exact amount of money in their “personalised budget,” according to the Broadway report; however, as the report goes on to say that one of the homeless suggested lowering it from £3,000 to £2,000, he obviously did know.
- 3 The homeless were not given the money directly. All their expenditures had to be approved first by the “street population manager,” which he always did “promptly.” That this scrutiny was limited was also affirmed by one of the social workers in an interview with the *Economist* (see Chapter 2, endnote 6): “We just said, ‘It’s your life and up to you to do what you want with it, but we are here to help if you want.’” The report also states that “Throughout the interviews, many people used the phrases ‘I chose’ or ‘I made the decision’ when discussing their accommodation and the use of their personalised budget, emphasising their sense of choice and control.”
- 4 The Joseph Rowntree Foundation published an extensive report on the experiment, which is the source of all the quotes cited here. See: Juliette Hough and Becky Rice, *Providing Personalised Support to Rough Sleepers. An Evaluation of the City of London Pilot* (2010). <http://www.jrf.org.uk/publications/support-rough-sleepers-london>.

For another evaluation, see: Liz Blackender and Jo Prestidge, “Pan London Personalised Budgets for Rough Sleepers,” *Journal of Integrated Care* (January 2014). <http://www.emeraldinsight.com/journals.xhtml?articleid=17104939&>.
- 5 In 2013, the project was expanded to twenty-eight rough sleepers in London’s City, of whom twenty already had a roof over their heads.
- 6 “Cutting out the middle men,” *Economist* (November 4, 2010). <http://www.economist.com/node/17420321>.
- 7 Quoted in: Jacob Goldstein, “Is It Nuts to Give to the Poor Without Strings Attached?” *New York Times* (August 13, 2013). <http://www.nytimes.com/2013/08/18/magazine/is-it-nuts-to-give-to-the-poor-without-strings-attached.xhtml>.
- 8 Johannes Haushofer and Jeremy Shapiro, “Policy Brief: Impacts of Unconditional Cash Transfers.” https://www.princeton.edu/~joha/publications/Haushofer_Shipro_Policy_Brief_2013.pdf.
- 9 The prestigious charity evaluator GiveWell, which has reviewed over 500 charities, ranks GiveDirectly fourth on its list of top charities.
- 10 Christopher Blattman, Nathan Fiala, and Sebastian Martinez, “Generating Skilled Self-Employment in Developing Countries: Experimental Evidence from Uganda,” *Quarterly Journal*

- of *Economics* (November 14, 2013). http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2268552.
- 11 Christopher Blattman et al., *Building Women's Economic and Social Empowerment Through Enterprise. An Experimental Assessment of the Women's Income Generating Support (WINGS) Program in Uganda* (April 2013). <https://openknowledge.worldbank.org/bitstream/handle/10986/17862/860590NWP0Box30ySeriesNo10Uganda0hr.pdf?sequence=1&isAllowed=y>. See also: Isobel Coleman, "Fighting Poverty with Unconditional Cash," *Council on Foreign Relations* (December 12, 2013). <http://blogs.cfr.org/development-channel/2013/12/12/fighting-poverty-with-unconditional-cash/>.
 - 12 Christopher Blattman et al., "The Returns to Cash and Micro-enterprise Support Among the Ultra-Poor: A Field Experiment." http://sites.bu.edu/neudc/files/2014/10/paper_15.pdf.
 - 13 The following is a selection of studies on the effects of conditional and unconditional "cash grants." In South Africa: Jorge M. Agüero and Michael R. Carter, "The Impact of Unconditional Cash Transfers on Nutrition: The South African Child Support Grant," University of Cape Town (August 2006). <http://www.ipc-undp.org/pub/IPCWorkingPaper39.pdf>.

In Malawi: W. K. Luseno et al., "A multilevel analysis of the effect of Malawi's Social Cash Transfer Pilot Scheme on school-age children's health," *Health Policy Plan* (May 2013). <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC4110449/>.

Also in Malawi: Sarah Baird et al., "The Short-Term Impacts of a Schooling Conditional Cash Transfer Program on the Sexual Behavior of Young Women." http://cega.berkeley.edu/assets/cega_research_projects/40/Short_Term_Impacts_of_a_Schooling_CCT_on_Sexual_Behavior.pdf.
 - 14 Charles Kenny, "For Fighting Poverty, Cash Is Surprisingly Effective," *Bloomberg Businessweek* (June 3, 2013). <http://www.bloomberg.com/bw/articles/2013-06-03/for-fighting-poverty-cash-is-surprisingly-effective>.
 - 15 Joseph Hanlon et al., *Just Give Money to the Poor* (2010), p. 6.
 - 16 Armando Barrientos and David Hulme, "Just Give Money to the Poor. The Development Revolution from the Global South," Presentation for the OECD. <http://www.oecd.org/dev/pgd/46240619.pdf>.
 - 17 Christopher Blattman and Paul Niehaus, "Show Them the Money. Why Giving Cash Helps Alleviate Poverty," *Foreign Affairs* (May/June 2014).
 - 18 David McKenzie and Christopher Woodruff, "What Are We Learning from Business Training and Entrepreneurship Evaluations around the Developing World?" World Bank Policy Research Working Paper (September 2012). <http://ftp.iza.org/dp6895.pdf>.
 - 19 Hanlon et al., *Just Give Money to the Poor*, p. 4. Of course, cash transfers are not a cure-all – they won't build bridges or bring peace. But they do make a huge difference. Cash transfers "are as close as you can come to a magic bullet in development," observes Nancy Birdsall, president of the Center for Global Development in Washington. Quoted in: *ibid.*, p. 61.

- 20 It should be noted that this decline was not statistically significant, so in most cases cash transfers have no effect on the level of tobacco and alcohol consumption. See: David K. Evans and Anna Popova, "Cash Transfers and Temptation Goods. A Review of Global Evidence," World Bank Policy Research Working Papers (May 2014). <http://documents.worldbank.org/curated/en/2014/05/19546774/cash-transfers-temptation-goods-review-global-evidence>.
- 21 Blattman and Niehaus, "Show Them the Money."
- 22 In 2009 the *Lancet* stated: "Emerging data from cash transfers, conditional or unconditional, largely dispel the counter arguments that these programmes prevent adults from seeking work or create a dependency culture which perpetuates intergenerational poverty." See: The Lancet Editorial, "Cash Transfers for Children. Investing into the Future," *Lancet* (June 27, 2009).
- 23 Claudia Haarmann et al., "Making the Difference! The BIG in Namibia," Assessment Report (April 2009), p. VII. http://www.bignam.org/Publications/big_Assessment_report_08b.pdf.
- 24 Including Thomas Paine, John Stuart Mill, H. G. Wells, George Bernard Shaw, John Kenneth Galbraith, Jan Tinbergen, Martin Luther King, and Bertrand Russell.
- 25 See, for example: Matt Zwolinski, "Why Did Hayek Support a Basic Income?" *Libertarianism.org* (December 23, 2013). <http://www.libertarianism.org/columns/why-did-hayek-support-basic-income>.
- 26 Robert van der Veen and Philippe van Parijs, "A Capitalist Road to Communism," *Theory & Society* (1986). https://www.ssc.wisc.edu/~wright/ERU_files/PVP-cap-road.pdf.
- 27 A quote by the conservative proponent of basic income, Charles Murray, in: Annie Lowrey, "Switzerland's Proposal to Pay People for Being Alive," *New York Times* (November 12, 2013). <http://www.nytimes.com/2013/11/17/magazine/switzerlands-proposal-to-pay-people-for-being-alive.xhtml>.
- 28 Quoted in: Zi-Ann Lum, 'A Canadian City Once Eliminated Poverty and Nearly Everyone Forgot About It', *Huffington Post*. http://www.huffingtonpost.ca/2014/12/23/mincome-in-dauphin-manitoba_n_6335682.xhtml.
- 29 Quoted in: Lindor Reynolds, "Dauphin's Great Experiment," *Winnipeg Free Press* (March 12, 2009). <http://www.winnipegfreepress.com/local/dauphins-great-experiment.xhtml>.
- 30 Here and in the section that follows, all references are to U.S. dollars.
- 31 Quoted in: Vivian Belik, "A Town Without Poverty?" *Dominion* (September 5, 2011). <http://www.dominionpaper.ca/articles/4100>. "For a lot of economists, the issue was that you would disincentivize work," observed Wayne Simpson, another Canadian economist who has studied Mincome. "The evidence showed that it was not nearly as bad as some of the literature had suggested." Quoted in: Lowrey, "Switzerland's Proposal to Pay People for Being Alive."
- 32 Quoted from a lecture on Vimeo: <http://vimeo.com/56648023>.
- 33 Evelyn Forget, "The town with no poverty," University of Manitoba (February 2011).

<http://public.econ.duke.edu/~erw/197/forget-cea%282%29.pdf>.

- 34 Allan Sheahen, *Basic Income Guarantee. Your Right to Economic Security* (2012), p. 108.
- 35 Dylan Matthews, “A Guaranteed Income for Every American Would Eliminate Poverty – And It Wouldn’t Destroy the Economy,” *Vox.com* (July 23, 2014). <http://www.vox.com/2014/7/23/5925041/guaranteed-income-basic-poverty-gobry-labor-supply>.
- 36 Quoted in: Allan Sheahen, “Why Not Guarantee Everyone a Job? Why the Negative Income Tax Experiments of the 1970s Were Successful.” USBIG Discussion Paper (February 2002). <http://www.usbig.net/papers/013-Sheahen.doc>.
- The researchers thought people might eventually even work *more*, provided the government created additional jobs. “Any reduction in work effort caused by cash assistance would be more than offset by the increased employment opportunities provided in public service jobs.”
- 37 Matthews, “A Guaranteed Income for Every American Would Eliminate Poverty.”
- 38 “Economists Urge Assured Income,” *New York Times* (May 28, 1968).
- 39 Brian Steensland, *The Failed Welfare Revolution. America’s Struggle over Guaranteed Income Policy* (2008), p. 123.
- 40 Quoted in: Sheahen, *Basic Income Guarantee*, p. 8.
- 41 Steensland, *The Failed Welfare Revolution*, p. 69.
- 42 Quoted in: Peter Passell and Leonard Ross, “Daniel Moynihan and President-Elect Nixon: How Charity Didn’t Begin at Home,” *New York Times* (January 14, 1973). <http://www.nytimes.com/books/98/10/04/specials/moynihan-income.xhtml>.
- 43 Quoted in: Leland G. Neuberg, “Emergence and Defeat of Nixon’s Family Assistance Plan,” USBIG Discussion Paper (January 2004). <http://www.usbig.net/papers/066-Neuberg-FAP2.doc>.
- 44 Bruce Bartlett, “Rethinking the Idea of a Basic Income for All,” *New York Times Economix* (December 10, 2013). <http://economix.blogs.nytimes.com/2013/12/10/rethinking-the-idea-of-a-basic-income-for-all>.
- 45 Steensland, *The Failed Welfare Revolution*, p. 157.
- 46 Glen G. Cain and Douglas Wissoker, “A Reanalysis of Marital Stability in the Seattle–Denver Income Maintenance Experiment,” Institute for Research on Poverty (January 1988). <http://www.irp.wisc.edu/publications/dps/pdfs/dp85788.pdf>.
- 47 According to a poll conducted by Harris in 1969. Mike Alberti and Kevin C. Brown, “Guaranteed Income’s Moment in the Sun,” *Remapping Debate*. <http://www.remappingdebate.org/article/guaranteed-income’s-moment-sun>.
- 48 Matt Bruenig, “How a Universal Basic Income Would Affect Poverty,” *Demos* (October 3, 2013). <http://www.demos.org/blog/10/3/13/how-universal-basic-income-would-affect-poverty>.
- 49 Linda J. Bilmes, “The Financial Legacy of Iraq and Afghanistan: How Wartime Spending

Decisions Will Constrain Future National Security Budgets,” Faculty Research Working Paper Series (March 2013). <https://research.hks.harvard.edu/publications/getFile.aspx?Id=923>.

- 50 Try this for a thought experiment: A basic income of \$1.25 a day for everyone on Earth would cost an annual \$3 trillion, or 3.5% of global GDP. The same cash assistance to the world’s 1.3 billion poorest inhabitants would require less than \$600 billion, or approximately 0.7% of global GDP, and would completely eliminate extreme poverty.
- 51 Walter Korpi and Joakim Palme, “The Paradox of Redistribution and Strategies of Equality: Welfare State Institutions, Inequality and Poverty in the Western Countries,” *American Sociological Review* (October 1998). <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.111.2584&rep=rep1&type=pdf>.
- 52 Wim van Oorschot, “Globalization, the European Welfare State, and Protection of the Poor,” in: A. Suszycki and I. Karolewski (eds), *Citizenship and Identity in the Welfare State* (2013), pp. 37–50.
- 53 Alaska is the best example of this, as the only political entity to have a universal, unconditional basic income (just over \$1,000 a year), financed by oil revenues. Support is virtually unanimous. According to University of Alaska in Anchorage professor Scott Goldsmith, for a politician to question this program would be political suicide. It is thanks in part to this small basic income that Alaska has the lowest inequality of any U.S. state. See: Scott Goldsmith, “The Alaska Permanent Fund Dividend: An Experiment in Wealth Distribution,” 9th International Congress BIEN (September 12, 2002). <http://www.basicincome.org/bien/pdf/2002Goldsmith.pdf>.
- 54 Studies of the behavior of lottery winners shows that even hitting the jackpot rarely makes people quit their jobs, and if they do it’s to spend more time with their children or find other work. See this famous study: Roy Kaplan, “Lottery Winners: The Myth and Reality,” *Journal of Gambling Behavior* (Fall 1987), pp. 168–78.
- 55 Prison inmates are a good example. Given food and a roof over their heads, they can just enjoy kicking back, you might think. Yet in prison the withholding of work is actually used as a punishment. If an inmate misbehaves, he’s barred from the shop floor or kitchen. Almost everyone wants to make some sort of contribution, though what we mean by “work” and “unemployment” is subject to change. Indeed, we place far too little emphasis on the huge amount of unpaid work that people already do.
- 56 She said this on Canadian TV. Watch the clip here: <https://youtu.be/EPRTUZsiDYw?t=45m30s>.

CHAPTER 3 THE END OF POVERTY

- 1 Jessica Sedgwick, “November 1997: Cherokee Casino Opens” (November 1, 2007). https://blogs.lib.unc.edu/ncm/index.php/2007/11/01/this_month_nov_1997/.
- 2 James H. Johnson Jr., John D. Kasarda, and Stephen J. Appold, “Assessing the Economic and Non-Economic Impacts of Harrah’s Cherokee Casino, North Carolina” (June 2011). https://www.kenan-flagler.unc.edu/~media/Files/kenaninstitute/UNC_KenanInstitute_Cherokee.pdf.

- 3 Money for children under eighteen is paid into a fund that is released when they reach their majority.
- 4 Jane Costello et al., “Relationships Between Poverty and Psycho-pathology. A Natural Experiment,” *Journal of the American Medical Association* (October 2003).
<http://jama.jamanetwork.com/article.aspx?articleid=197482>.
- 5 Quoted in: Moises Velasquez-Manoff, “What Happens When the Poor Receive a Stipend?” *New York Times* (January 18, 2014). <http://opinionator.blogs.nytimes.com/2014/01/18/what-happens-when-the-poor-receive-a-stipend/>.
- 6 William Copeland and Elizabeth J. Costello, “Parents’ Incomes and Children’s Outcomes: A Quasi-Experiment,” *American Economic Journal: Applied Economics* (January 2010).
<http://www.ncbi.nlm.nih.gov/pmc/articles/pmc2891175/>.
- 7 Quoted in: Velasquez-Manoff, “What Happens When the Poor Receive a Stipend?” According to Costello, it was the cash transfers – and not the new facilities (school, hospital) – that made the real difference, since the improvements in the Cherokees’ lives were discernible from the moment the money arrived, long before the new facilities were available.
- 8 Costello et al., “Relationships Between Poverty and Psycho-pathology,” p. 2029.
- 9 Richard Dowden, “The Thatcher Philosophy,” *Catholic Herald* (December 22, 1978).
<http://www.margarethatcher.org/document/103793>.
- 10 Sendhil Mullainathan and Eldar Shafir, *Scarcity: Why Having Too Little Means So Much* (2013).
- 11 Velasquez-Manoff, “What Happens When the Poor Receive a Stipend?”
- 12 Donald Hirsch, “An estimate of the cost of child poverty in 2013,” Centre for Research in Social Policy. [http://www.cpag.org.uk/sites/default/files/Cost of child poverty research update \(2013\).pdf](http://www.cpag.org.uk/sites/default/files/Cost%20of%20child%20poverty%20research%20update%20(2013).pdf).
- 13 Donald Hirsch, “Estimating the costs of child poverty,” Joseph Rowntree Foundation (October 2008). <http://www.jrf.org.uk/sites/files/jrf/2313.pdf>.
- 14 See for example: Harry J. Holzer et al., “The Economic Costs of Poverty in the United States. Subsequent Effects of Children Growing Up Poor,” Center for American Progress (January 2007).
<https://www.americanprogress.org/issues/poverty/report/2007/01/24/2450/the-economic-costs-of-poverty>.
- 15 I’ve rounded off these numbers. See: Greg J. Duncan, “Economic Costs of Early Childhood Poverty,” Partnership for America’s Economic Success, Issue Brief #4 (February 2008).
<http://ready-nation.s3.amazonaws.com/wp-content/uploads/Economic-Costs-Of-Early-Childhood-Poverty-Brief.pdf>.
- 16 Valerie Strauss, “The cost of child poverty: \$500 billion a year,” *Washington Post* (July 25, 2013).
<http://www.washingtonpost.com/blogs/answer-sheet/wp/2013/07/25/the-cost-of-child-poverty-500-billion-a-year/>.
- 17 Daniel Fernandes, John G. Lynch Jr., and Richard G. Netemeyer, “Financial Literacy, Financial

Education and Downstream Financial Behaviors,” *Management Science* (January 2014).
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2333898.

- 18 That is to say, average life expectancy. Naturally there are always sizable health differences between rich and poor in any given country. But this does not detract from the fact that economic growth fairly quickly ceases to impact on average national life expectancy.
- 19 Quoted in: Rutger Bregman, “99 problemen, 1 oorzaak,” *De Correspondent*.
<https://decorrespondent.nl/388/99-problemen-1oorzaak/14916660-5a5eee06>.
- 20 Also see: Brian Nolan et al., *Changing Inequalities and Societal Impacts in Rich Countries: Thirty Countries’ Experiences* (2014). This report on a major study conducted by more than 200 researchers throughout Europe, the U.S., Australia, Canada, Japan, and South Korea found strong links between inequality and reduced happiness, social mobility, and election turnouts and greater desire for status. Correlations between crime and social participation are less clear cut; poverty has a higher adverse effect across the board than inequality.
- 21 Ironically, people in countries where equality is high, like Germany and Norway, are the least likely to take personal credit for success. In the U.S., by contrast, people are less likely (as the World Values Survey shows) to consider their successes a product of luck or circumstance.
- 22 Jonathan D. Ostry, Andrew Berg, and Charalambos G. Tsangarides, “Redistribution, Inequality, and Growth,” IMF (April 2014). <http://www.imf.org/external/pubs/ft/sdn/2014/sdn1402.pdf>.
- 23 Wilkinson and Pickett’s findings caused quite a stir, but since the publication of *The Spirit Level* there have been dozens more studies confirming their thesis. In 2011, the Joseph Rowntree Foundation conducted an independent analysis of their evidence, and concluded that there is indeed wide scientific consensus on the correlation between inequality and social problems. And, crucially, there is also a sizable share of data to support causality. See: Karen Rowlingson, “Does income inequality cause health and social problems?” (September 2011). <http://www.jrf.org.uk/sites/files/jrf/inequality-income-social-problems-full.pdf>.

Inversely, in countries with a more extensive welfare regime, rich and poor tend to be happier and experience less of these social problems. For an in-depth study on this, see: Patrick Flavin, Alexander C. Pacek, and Benjamin Radcliff, “Assessing the Impact of the Size and Scope of Government on Human Well-Being,” *Social Forces* (June 2014). <http://sf.oxfordjournals.org/content/92/4/1241>.

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CHAPTER 4 THE BIZARRE TALE OF PRESIDENT NIXON AND HIS BASIC INCOME BILL

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CHAPTER 6 A FIFTEEN-HOUR WORKWEEK

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- 5 Katie Grant, "Working Shorter Hours May Be 'Bad For Health,'" *Telegraph* (August 22, 2013).
- 6 Of course, since then I have looked at the study. To quote from the abstract: "While satisfaction with working hours increased, reductions had no impact on job and life satisfaction ... Moreover, positive SWB effects might be offset by rising work intensity." In other words, the South Koreans had switched to working shorter weeks, but they were also working harder.
- 7 James H. Kuklinski et al., "Misinformation and the Currency of Democratic Citizenship," *Journal of Politics* (August 2010), p. 810. <http://richarddagan.com/framing/kuklinski2000.pdf>. That shocks can work wonders was proved on that December night in 1954. When no flying saucers arrived, one sect member decided he'd had enough. He stopped believing after the massive "disconfirmation" at midnight, Festinger recorded. (Not surprisingly, he had also invested the least in his conviction, only having had to cancel a Christmas trip to Arizona to be there that night.)
- 8 Solomon Asch, "Opinions and Social Pressure," *Scientific American* (November 1955).

<http://kosmicki.com/102/Asch1955.pdf>.

- 9 Alan Greenspan, "Speech at the American Bankers Association Annual Convention, New York" (October 5, 2004). <http://www.federalreserve.gov/boarddocs/Speeches/2004/20041005/default.xhtml>.
- 10 Quoted in: Edmund L. Andrews, "Greenspan Concedes Error on Regulation," *New York Times* (October 23, 2008). <http://www.nytimes.com/2008/10/24/business/economy/24panel.html>.
- 11 He said this on ABC News: <http://abcnews.go.com/ThisWeek/video/interview-alan-greenspan-10281612>.
- 12 Edward Krudy, "Wall Street cash bonuses highest since 2008 crash: report," *Reuters* (March 12, 2014). <http://www.reuters.com/article/us-usa-bonuses-idUSBREA2B0WA20140312>.
- 13 Jurgen Tiekstra, "Joris Luyendijk: 'Dit gaat helemaal fout,'" *Volzin* (September 2013). <http://www.duurzaamnieuws.nl/joris-luyendijk-dit-gaat-helemaal-fout/>.
- 14 See for example: Milton Friedman, "Neo-Liberalism and its Prospects," *Farmand* (February 17, 1951). http://0055d26.netsolhost.com/friedman/pdfs/other_commentary/Farmand.02.17.1951.pdf.
- 15 F. A. Hayek, "The Intellectuals and Socialism," *University of Chicago Law Review* (Spring 1949). <https://mises.org/etexts/hayekintellectuals.pdf>.
- 16 Quoted in: Angus Burgin, *The Great Persuasion. Reinventing Free Markets Since the Depression* (2012), p. 13.
- 17 Quoted in: *ibid.*, p. 169.
- 18 *Ibid.*, p. 11.
- 19 *Ibid.*, p. 221.
- 20 Francis Fukuyama, *The End of History and the Last Man* (1992).
- 21 At the end of his life, Friedman said there was only one philosopher he had ever really studied in depth: the Austrian Karl Popper. Popper argued that good science revolves around "falsifiability," requiring a continual search for things that don't fit your theory instead of only seeking confirmation. However, as we've seen, most people approach theories the other way around. This also seems to be precisely where neoliberalism – and Friedman himself – went wrong.
- 22 Stephanie Mudge, "The Social Bases of Austerity. European Tunnel Vision & the Curious Case of the Missing Left," SPERI Paper No. 9 (February 2014). <http://speri.dept.shef.ac.uk/wp-content/uploads/2013/01/SPERI-Paper-No.9-The-Social-Bases-of-Austerity-PDF-579KB.pdf>.
- 23 John Maynard Keynes, *The General Theory of Employment, Interest and Money* (1936), last paragraph.
- 24 Oscar Wilde, 'The Soul of Man under Socialism' (1891).
- 25 Quoted in: Burgin, *The Great Persuasion*, p. 217.