



Newark to Study “Universal Income Plan” for Its Poor

During his State of the City address last Tuesday, Newark Mayor Ras Baraka [announced plans](#) to create a commission to study the concept of a “universal” income plan to help the more than one quarter of the city’s population living in poverty, i.e., taking money from those who earned it and giving it to those who didn’t.

Baraka touted the plan’s collectivist benefits without mentioning its individual costs: “The problems we have belong to all of us, not just a few of us, so the solutions must be collective and not individual. We believe in universal basic income, especially in a time where studies have shown that families that have a crisis of just \$400 in a month may experience a setback that may be difficult, even possible, to recover from.”

Baraka left it at that, with details to follow. He didn’t provide estimates of just how much that free monthly income would be, to whom it would flow, how long the program might last, or what it would cost.

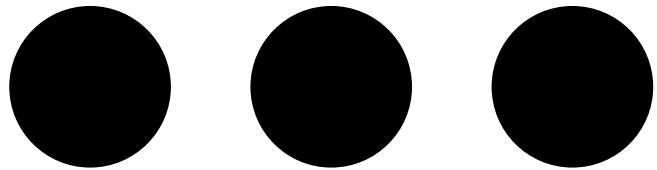
A possible model for Baraka might be Stockton, California, a similar-sized city with a similar problem: one in four living in poverty. Starting on February 15 the city of Stockton sent debit cards worth \$500 each to 130 adults living in low-income neighborhoods. The program will continue until the money from Chris Hughes (a Facebook co-founder) and some friends runs out.

During the program, those receiving the free debit cards will be monitored to see what they might do with the money: spend it frivolously, use it to take some classes to improve their positions and value to potential employers, or cut back on their hours at work and enjoy it while it lasts.

Stockton Mayor Michael Tubbs has high hopes: “I think (the program) will make people work better and smarter and harder. We [as human beings] are not designed just to work all day and run a rat race. We’re designed to be in community, to volunteer, to vote, to raise our kids. And I think the more inputs and investments we can give in people to do those things, the better off we are as a community.”

Chris Hughes, a major funder of the Economic Security Project (ESP), also has high expectations. His group has raised \$10 million to pay for those debit cards and study what people receiving them do with the extra money. Said Hughes: “We know from research in the US and internationally that recurring, unconditional cash stipends are a shockingly effective way to encourage work, improve health and education outcomes, and create a ladder of economic opportunity.”

Nowhere in these dreamy exclamations is the exhortation that comes from the Bible via the Apostle





Written by [Bob Adelman](#) on March 19, 2019

Paul: "If anyone is not willing to work, let him not eat." Nor was there a reminder of the nearly catastrophic failure at Jamestown in 1609, after which the settlement made Paul's sentiment operational policy. Wrote John Smith:

Countrymen, the long experience of our late miseries I hope is sufficient to persuade everyone to a present correction of himself, and think not that either my pains nor the adventurers' purses will ever maintain you in idleness and sloth...

The greater part must be more industrious, or starve...

You must obey this now for a law, that he that will not work shall not eat (except by sickness he be disabled). For the labors of thirty or forty honest and industrious men shall not be consumed to maintain a hundred and fifty idle loiterers.

Missing from Mayor Baraka's announcement was any mention of the desperate financial condition his city is already in. Instead the mayor touted his "success" in the city's "turnaround" that led to Moody's Investors Service raising his city's credit rating from one notch above "speculative" to two notches. Barak bragged: "This financial turnaround has enabled us to strengthen public safety, avoid the layoffs of the past, require developers to provide affordable housing, undertake an ambitious street-paving and infrastructure upgrade program and expand programs for seniors and young people. The City of Newark is moving forward, and Moody's decision to upgrade our rating reaffirms that our hard work is paying off."

Moody's has a different take on why it raised the city's credit rating from nearly cataclysmic to merely catastrophic: "For years the city's budget and audited financial statements were notoriously late and the city's budget was often unrealistic.... The upgrade ... reflects the city's weak, albeit improved, fund balance and cash position ... and an elevated debt and pension burden. The rating also incorporates the city's weak resident wealth and income levels [and] elevated poverty."

So improved are the city's finances, according to Baraka, that "we have been able to end the practice of borrowing to meet current expenses."

And so now the mayor wants to study giving away some of the money it doesn't have to people who didn't earn it. Moody's no doubt is watching this experiment in socialism with great interest.

Hughes, funding the Stockton experiment, is certainly free to spend his own money in any way he sees fit. If he decides to use it to fund debit cards for those living in poverty, more power to him. That's called charity. As Fritz Chery noted in Bible Reasons: "Scripture tells us that it's always more blessed to give than receive. Christians should always give to the homeless and needy. God loves a cheerful giver. Christians are to be kindhearted and loving with everyone even with our enemies. If we have it and a poor man asks for something and we don't help, how is God's love in us?"

But when a government decides that private charity isn't sufficient for the need, and hires people with guns and badges to extract by force or the threat of force the funds needed, that's called theft. Mr. Hughes is welcome to experiment with his own money, but not with mine.

Image: stevanovicigor via iStock / Getty Images Plus

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