



OpenResearch

Motivation

Different perspectives, shared goals

2016

- Concern about the impact of technological advancements like AI on jobs
- How to ensure that the benefits are widely distributed?
 - “I think it’s good to start studying this early.”
- GDP growth dwarfs growth in median household income
- Dramatic increases in income inequality
- Declining intergenerational mobility
- Significant share of new jobs are contractor or “gig” jobs
- Limitations of existing social safety net
- Structural barriers to economic security and mobility
- Innovative research

**What would happen
if we asked bigger
questions?**



The Study

A Randomized Controlled Trial

2

States

3000

Participants

\$1000

Per Month

3

Years

VS

\$50

Per Month (control)

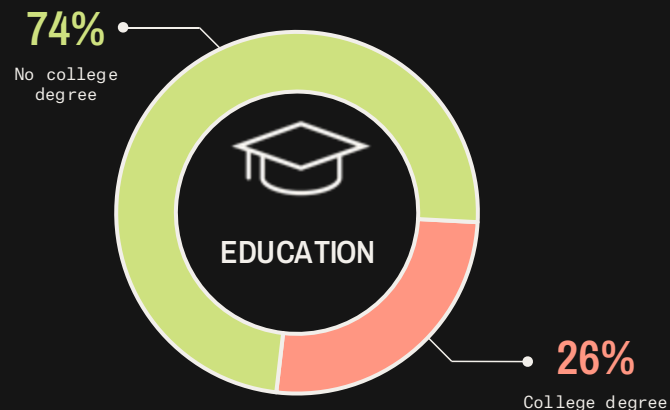
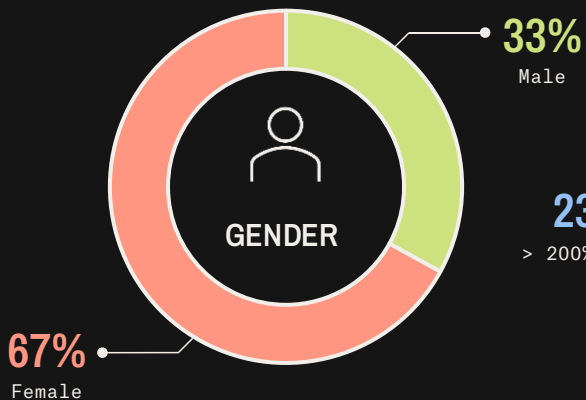


Individuals ages 21-40

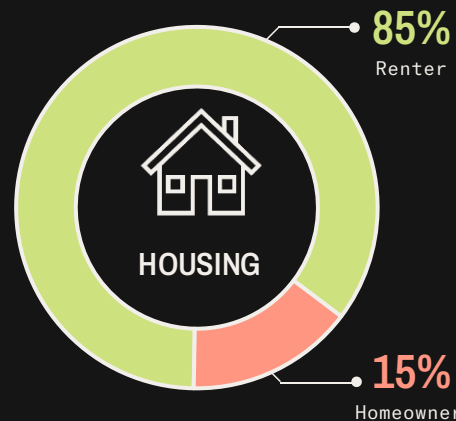
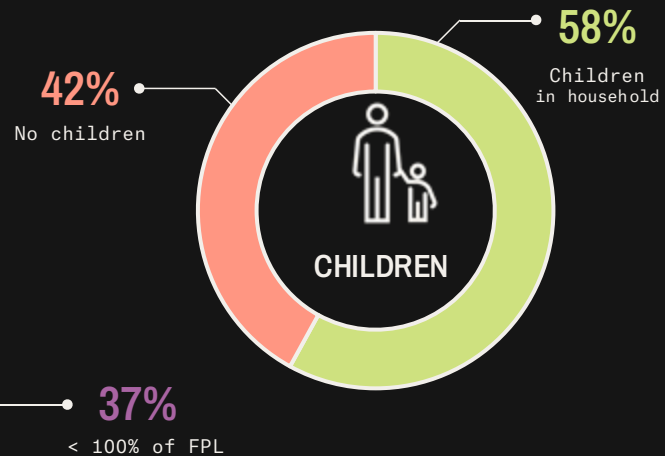
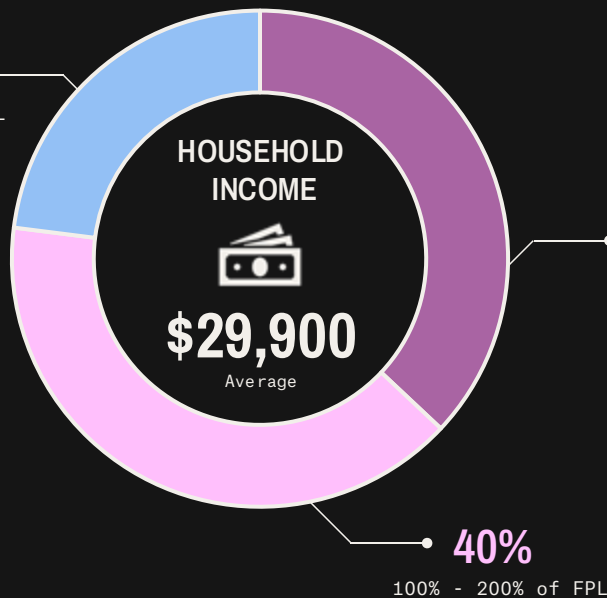
Household income does not exceed 300% of the federal poverty level

Participant Demographics

At Enrollment



23%
> 200% of FPL



Our Approach

Quantitative Research

What happens when individuals receive unconditional cash each month for 3 years?

- Defined, narrow research questions
- Specific, measurable outcomes
- Large sample size → statistical significance of associations

Data Sources

- Surveys
- Administrative data
- Financial data



Qualitative Research

How and **why** does receiving cash transfers affect people's lives?

- Explore broad questions
- Identify mechanisms of impact
- What constraints and challenges do people face?

Data Sources

- In-depth interviews
- Open-ended survey questions
- Observation

Outcomes

Topic Areas

Children &
Parenting

Cognition

Consumption
& Finances

Crime

Employment

Geographic
Mobility

Intra-
household
Dynamics

Material
Hardship

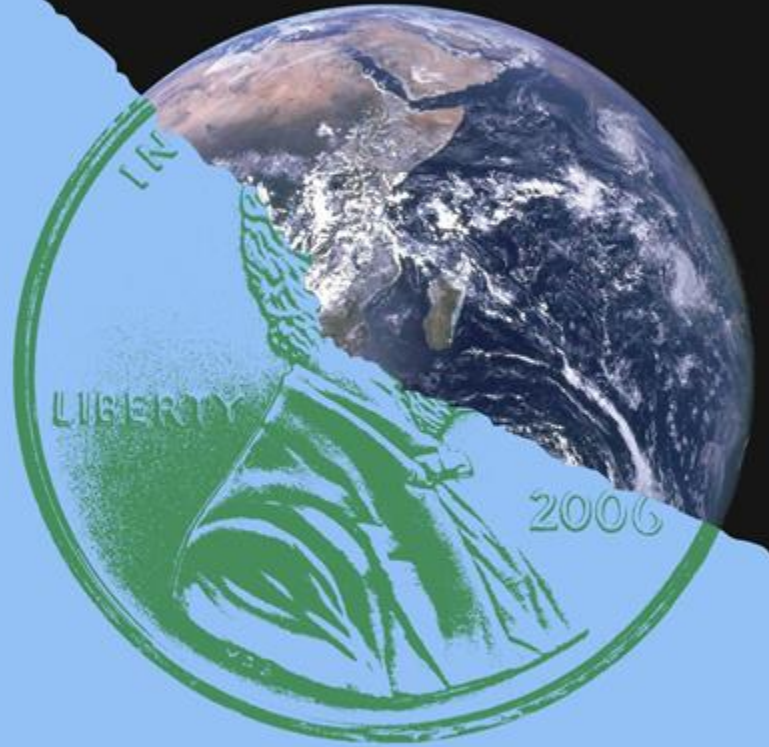
Physical &
Mental
Health

Political
Attitudes &
Behaviors

Social &
Subjective
Well-being

Time Use

Our research is
designed to produce a
multidimensional
understanding of how
unconditional cash
affects people's lives.



Overview

3,000 Stories

Cash is flexible and the impact depends on each person's needs, goals, and experiences over the course of the study.

We found that **cash increases possibilities**, but those possibilities look different based on recipients' circumstances.

Average effects don't tell the full story.



Agency

"Dream bigger.

Do more.

Consider more."



Expenditures

Increased monthly spending

\$310

Recipients increased their overall spending by \$310 per month, with increases across almost every detailed spending category.

Basic needs

\$67

Food

\$52

Rent

\$50

Transportation

Recipients increased spending on basic needs. The largest effect of the cash transfers, in dollar amount, was on increased spending on food, rent, and transportation.

Supporting others

26%

Relative to control participants, we find the greatest increase on support to others. Spending on support increased by \$22 per month—26% of the average for control participants.

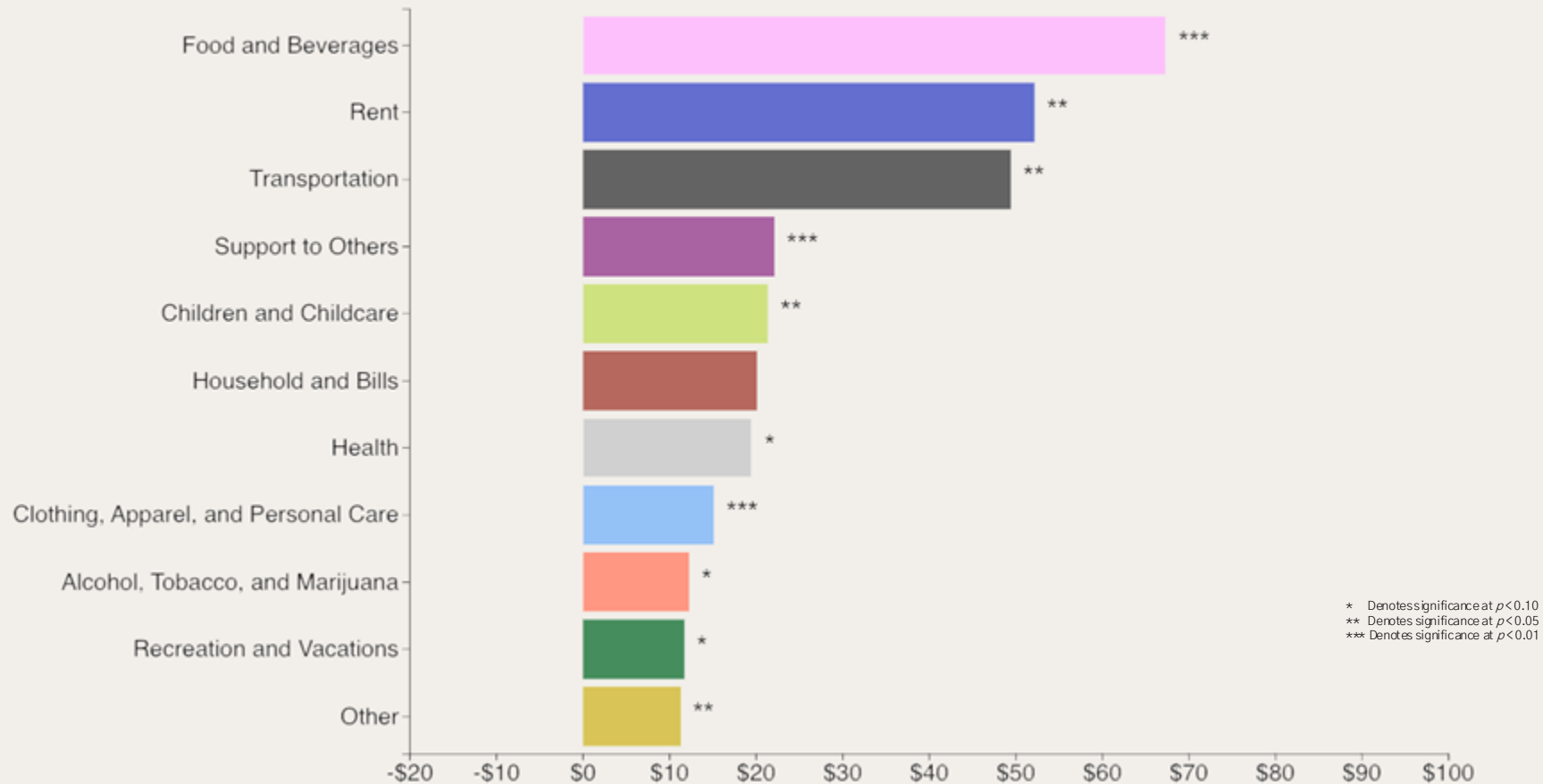
The Effect of Cash Transfers on Monthly Spending

All Recipients

Lower Income

Middle Income

Higher Income



Savings & Financial Health

Increased savings

- On average, household savings in bank accounts increased by **\$792** (a 12% increase) Individual savings increased by **\$1,048**, a 24% increase compared to the average among control participants
- The maximum savings held at any point during the program was **\$2,372** higher for recipients than control participants -- a 35% increase over the average maximum savings for control participants

Greater financial resilience

- Recipients were, on average, **24%** more likely to report paying for an unexpected or emergency expense out of savings compared to the average control participant
- Recipients were also **31%** more likely to pay for an unexpected expense by reducing spending in other areas, suggesting that they had more flexibility to absorb these expenses

No effect on net worth

- Modest positive effects on asset values, driven by financial assets, but these gains are offset by higher debt, resulting in a near-zero effect on net worth

Employment

Average effect of the cash transfers

Modest reduction in employment and hours worked

- **2%** less likely to be employed
- **1.3 fewer hours** worked per week
- Recipients were employed roughly **8 days less** per year (0.26 months)

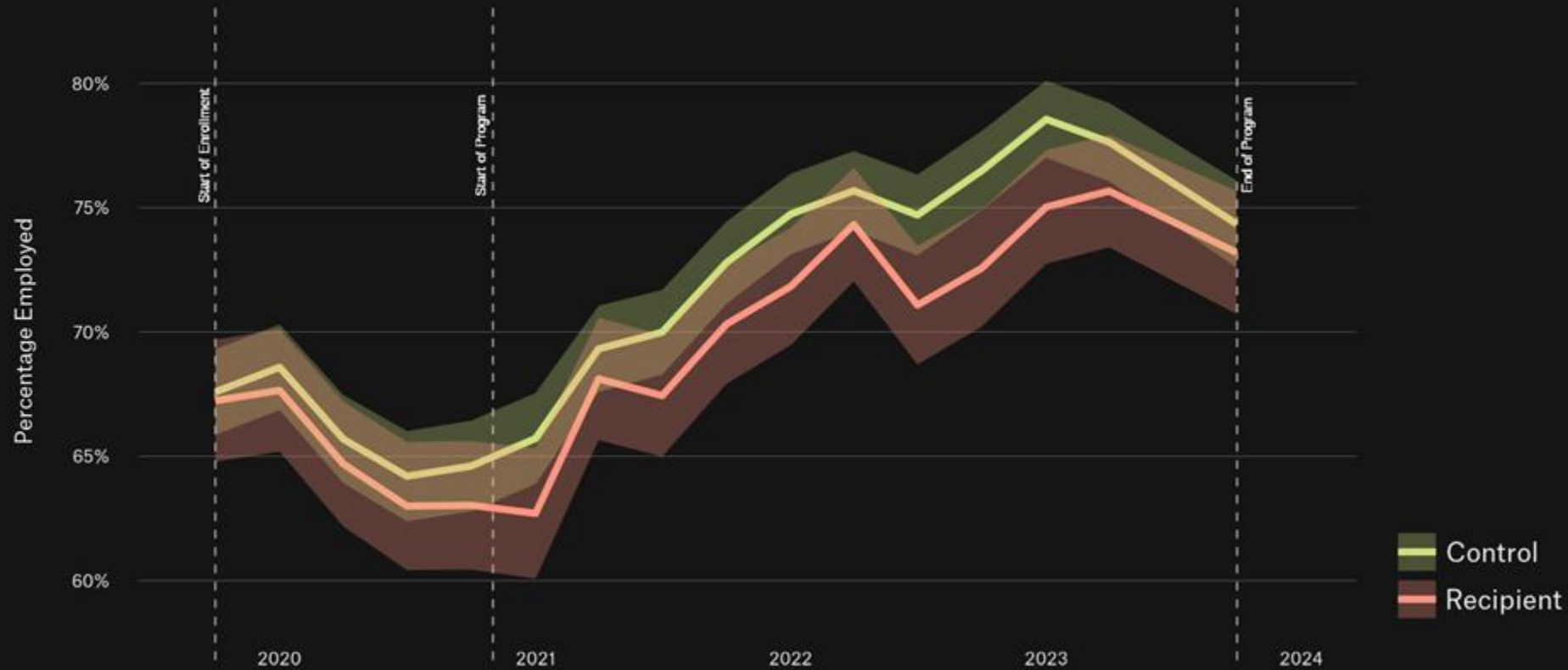
Longer periods of unemployment

- Average duration of continuous unemployment is about **1 month** longer for recipients than control participants

Increased job search, but more selective

- Recipients were **6%** more likely to be searching for a job at any time period
- **4.5%** more likely to have applied for a job
- Applied to a smaller number of jobs when searching compared to control participants

Employment over Time



The trend line represents percentage of participants ever employed within quarter, colored bands are a 90% confidence interval of these estimates.

Employment

Averages obscure significant variation

Single parents

Reductions in both employment and hours worked are larger for single parents

Recipients under 30 at enrollment

Reductions in both employment and hours worked are larger for recipients under 30
We also observe larger effects on formal education among this group

Recipients over 30 at enrollment

No significant effect on employment or work hours

Entrepreneurship

The cash transfers had a large and significant impact on **entrepreneurial interest** and **entrepreneurial mindset**

No significant effect on starting businesses across the full sample

Exploratory analyses suggest that the impact may have been greater for underrepresented groups

BY YEAR 3:

26%

Black recipients were 9 percentage points more likely to report starting or helping to start a business than control participants (a **26% increase**)

15%

Women were 5 percentage points more likely to have started a business (a **15% increase**)

Income

Average effect of the cash transfers

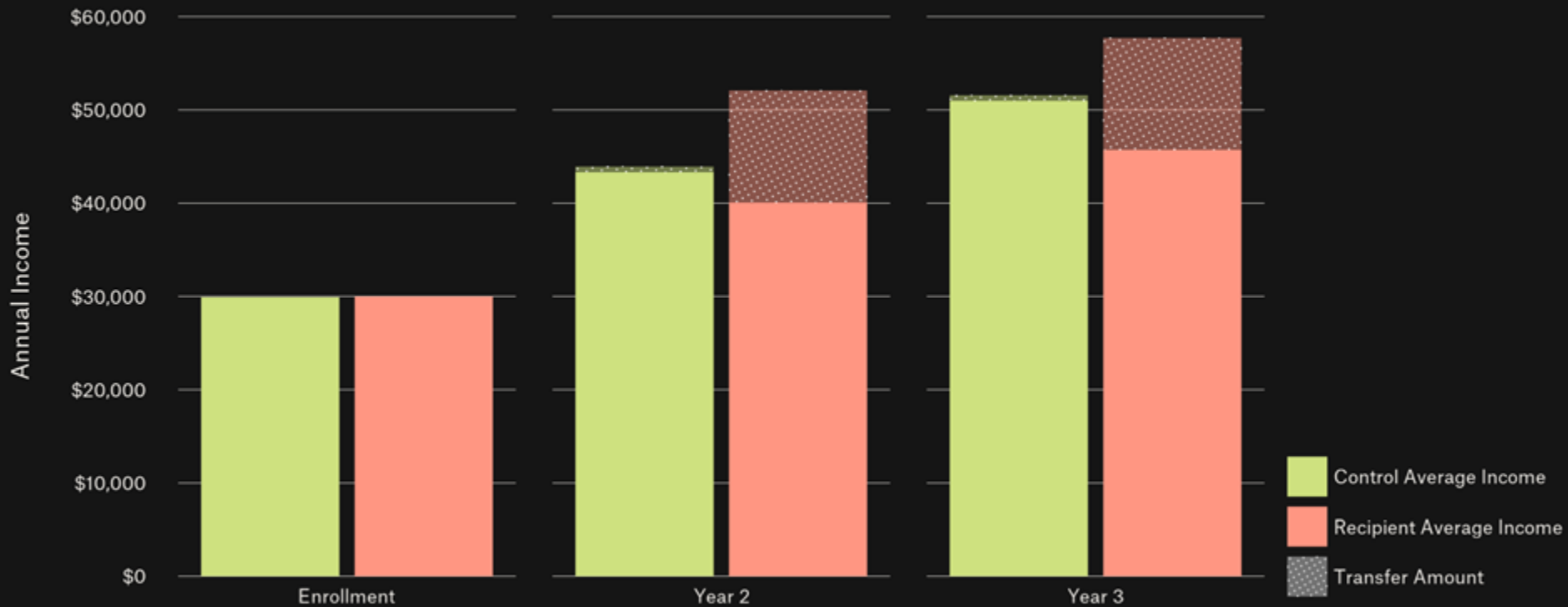
Self-reported individual income increased less (excluding the transfers)

- Individual earned income grew more slowly for recipients and was roughly **\$1,500** less per year
- Most of the reduction came from salaried income and wages (~\$1,100), followed by government benefits (~\$200) but none of the component estimates are statistically significant
- Among Illinois recipients, we do not see a significant difference in individual income between recipients and control participants in the survey data

Self-reported household income increased less (excluding the transfers)

- Total household income was roughly **\$2,500 to \$4,100** per year less for recipients than control
- In many cases, participants' partners appeared to reduce their work hours by a similar amount
- Among Illinois recipients, the difference in household income was smaller

Average Household Income Over Time



Self-reported total household income over last twelve months. Includes formal employment, gig work, passive income, government benefits, and gifts.

Geographic Mobility

Receiving the transfer led to a **10%** increase in moving both housing units and neighborhoods.

Recipients were also **5%** more likely to pay for housing, as opposed to staying with family or friends or another living arrangement that does not involve regular payments.



Education

No effect overall

- Estimates are generally positive but not statistically significant
- By the final year recipients were 3.3 percentage points more likely to have pursued education or job training—an increase of **14%** relative to the average among control participants

Impact is stronger for recipients under age 30 at enrollment

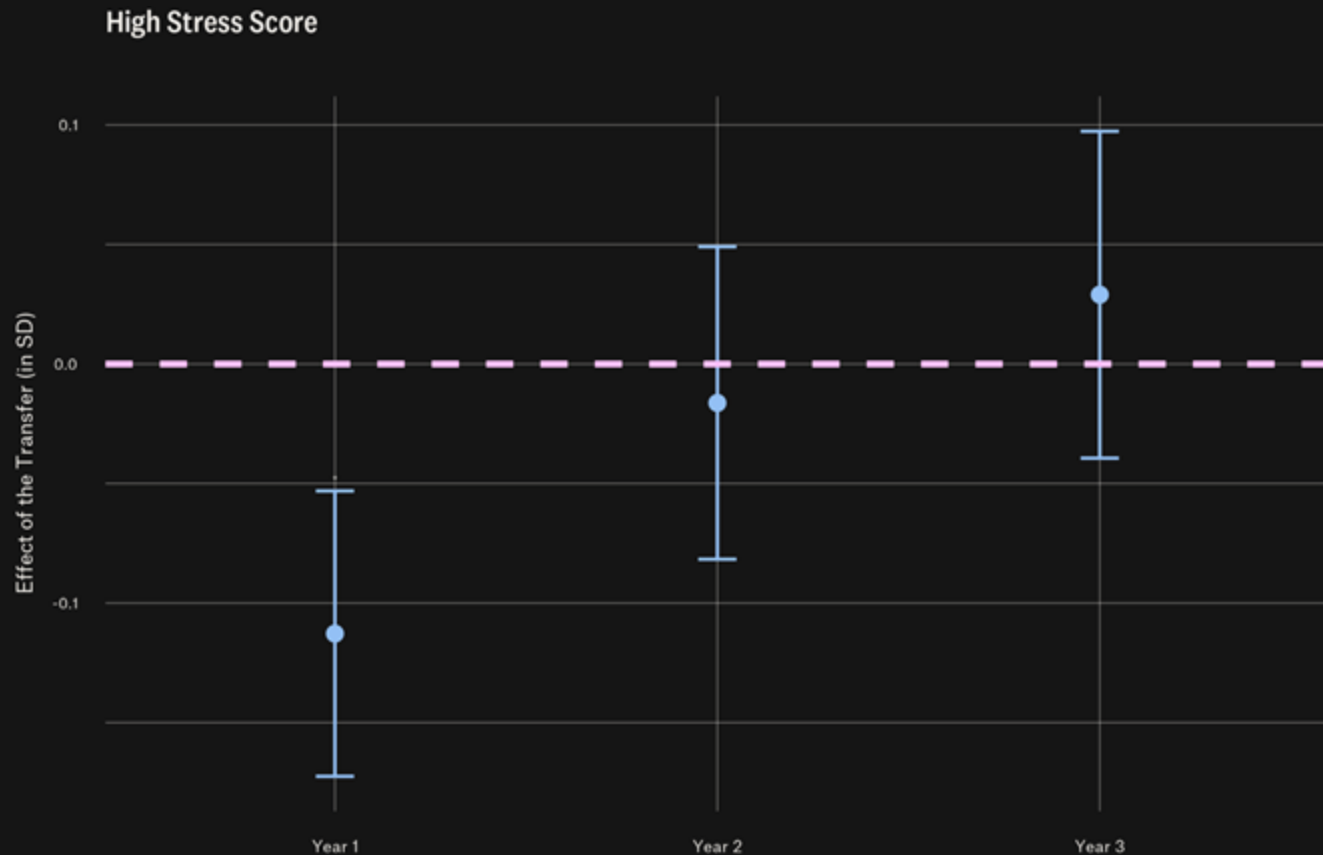
- Though subgroup analyses are exploratory and should be considered suggestive, recipients under 30 are more likely to be enrolled in postsecondary education and complete more years of postsecondary education

Increase in plans to pursue further education or training

- By the end of the program, recipients were significantly more likely to report plans to pursue further education. The estimated effect is a **15%** increase compared to the average control participant.
- Recipients were also more likely to plan to pursue job training. The increase is equivalent to **43%** of the average among control participants.

Mental Health

Notable improvements in year 1 fade out by years 2 and 3



Health

Average effect of the cash transfers

Increased health care utilization



10% increase in receiving dental care at least once per year



26% increase in the number of hospitalizations per year



Recipients spent an average of **\$20 more per month** on health care than control participants

No direct evidence of improvements to physical or mental health

Significant reductions in stress and food insecurity and improvements in mental health in year 1 fade by years 2 and 3

Decrease in certain types of drug and alcohol abuse



20% decrease in reported alcohol use that interferes with responsibilities



53% decrease in the number of days reported using non-prescribed painkillers

Health

Averages obscure significant variation

Reported skipping needed medical care at enrollment

For recipients who reported skipping needed medical care during the previous year at enrollment because they could not afford it, we find significant improvements in access to medical care, food security, and nutrition – and the largest increase in the use of hospital care.

Cash is one
piece of the puzzle



Motivation and Context

Revisited

- AI is no longer hypothetical — it's already reshaping daily life
- COVID-19 was a major disruption — it offers lessons for navigating change
- Interest in unconditional cash is growing, but implementation lags behind
- The social contract is under pressure from rapid technological and social change
- Public attitudes are increasingly complex and polarized



2025

This is a defining moment.

“The steps that we take now will determine who has power and voice and input in the long-term decisions.”

Sam Altman

