

BASIC INCOME 26

Newsletter of the Basic Income European Network

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THIS ISSUE OF BASIC INCOME

was prepared with the help of Ruben Lo Vuolo, Maire Mullarney, Claudio Salinas and all those who spontaneously sent relevant material.

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Please send BIEN's secretary a copy of any relevant publication (by yourself or by others) you come across, with full references and, if possible, author's address and brief summary.

Many thanks!

BIEN's 7th CONGRESS

Amsterdam, 10-12 September 1998

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BIEN's next Congress is scheduled to take place on 10-12 September 1998 in Amsterdam. It will be organized under the auspices of the Dutch basic income network (Vereniging Basisinkomen), and the University of Amsterdam. The venue will be the Felix Meritis Building, which is situated on one of the canals in the city centre, within easy reach of Amsterdam's Central Railway Station and airport. Accommodation at a reasonable rate can be provided at convenient locations to those who register early enough, and free lunches will be available on the premises.

Amsterdam has been regarded from the very beginning of BIEN as a most suitable place to hold the Congress. The Netherlands has had a pioneering role in the basic income discussion, from the launching of a public debate (with Prof. Kuiper in the mid seventies) to the public recognition by some ministers in office that basic income should be taken seriously (Minister Wijers and Zalm, December 1994). It has also been the first country in which a Trade Union unambiguously endorsed it (the Voedingsbond FNV, as from the early 80's) and the first in which an officially appointed Commission recommended it (the WRR, in 1985). As the responses triggered by these events testify, basic income proposals remain highly controversial, in the Netherlands no less than elsewhere in Europe. But it is certain that in Amsterdam, there will be plenty of people around who are reasonably informed on the issues involved and able to engage in a fruitful discussion of the various positions.

PLENARY SESSIONS.

In addition to the country survey, three plenary sessions are currently being planned:

1. FULL EMPLOYMENT WITHOUT POVERTY. The programme takes off from the fact that social policy and economic policy can no longer be conceived separately. Basic income is increasingly discussed as the only viable way of reconciling two of their respective central objectives: the alleviation of poverty and full employment. One of the reasons why basic income has become a political ideal over the last decade is that it seeks to reinterpret these objectives in a way that affirms their compatibility. Thus in the Netherlands, basic income has been placed on the agenda as an institution which combines adequate social protection with the demands of flexible labour markets, and may lead to a more equitable distribution of income, paid work, care work and free time among men and women. As such, it has to be pitted against the claims of other (packages of) policy alternatives in the welfare state: working time reduction, subsidized employment, the role of the minimum wage, and schemes of 'workfare'. There will be one plenary session devoted to this theme in general, which will be followed up - in the programme's event on the Netherlands - by a political debate focused on the Dutch case.

2. SUSTAINABLE FUNDING. In addition to these comparisons of socio-economic policy design, the financing scheme of basic income must be shown to make sense in the long run from different - but related - points of view. First, economic: whatever the scheme, the required funds should be sustainable in the face of how economic agents respond to it. Secondly, ecological: can the method of funding be made compatible with reducing environmental pollution? Thirdly, moral: can one find ways of drawing the funds as much as possible from sources reflecting a 'common endowment', rather than redistributing the fruits of people's productive effort? Taxation of (labour) income - which is still the usual source of funding in most basic income proposals - may be put into question from each of these points of view. One plenary session will focus on the fundamental problems this raises, and explore alternative routes to a solution.

3. SOCIAL EUROPE. However, economic policy in the European Union is becoming increasingly transnational. At this time in preparing for the Congress, the decisions on the next stage of the Economic and Monetary Union (the common currency) have not yet been finalized. But there is a growing awareness that the macroeconomic integration to be developed within this framework may seriously limit the policy space for objectives of social inclusion. In its first plenary session, the Congress aims to reflect on the role that forms of basic income could play in a conception of a 'Social Europe', the questions of institutional design and democratic governance surrounding such a conception, and the possibilities of mobilizing political support for it among unions and employer's organisations.

WORKSHOPS

BIEN members are invited to comment on the following provisional list and make further suggestions to the organizers. A call for papers will be circulated in due course.

1. Between self-interest and solidarity: can unions underwrite basic income?
2. Basic income and lifetime patterns of work, care and leisure
3. From here to there: avenues to an optimal basic income
4. Sustaining a basic income: income tax versus ecological levies
5. Sustaining a basic income: distributive versus redistributive funding (Meade, Duboin, etc.)
6. Shaping a European minimum guarantee: convergence or federalisation?
7. Justifying unconditional income: does freedom conflict with reciprocity?
8. Can it work? Experimentation with basic income or structurally similar schemes
9. Basic income outside Europe: attractions and pitfalls
10. Recent proposals and discussions in Ireland (Clark)
11. "Utopian" basic income proposals (Pieter Kooistra's United Nations basic income scheme, Robert Schutz's \$30.000 solution for the US, etc.)

DUTCH DAY (Saturday 12 September 1997, in Dutch only):
'Basic Income Behind the Dykes?'

The meeting will confront a forum of politicians, policy makers and opinion leaders (the composition of which will in part depend on the outcome of the general elections, in May 1998) with a position paper summing up the history of the Dutch debate with respect to the themes of the three plenary sessions. The presentation of this paper aims to elicit a lively response of the forum on the place of basic income within the future of the Dutch welfare state in Europe.

OTHER EVENTS

Louvain-la-Neuve (B), 19-21 December 1996

Repenser (radicalement?) la solidarité

An international conference on the future of the various aspects of the welfare state. Its proceedings, duly edited and supplemented, are now available as a special issue of the *Revue nouvelle* (n° 5-6, May-June 1997, Boulevard Général Jacques 126, B-1000 Brussels). It includes contributions by Atkinson, Caillé, Cantillon, Vandenbroucke and others to the discussion on basic income.

Brussels (B), 18 April 1997

Euromod international seminar

Hosted by the Université libre de Bruxelles (Prof. Danièle Meulders) and attended by over 100 participants from all EU countries and beyond, this workshop provided an opportunity to present and discuss the main aims and potential achievements of the EC-sponsored EUROMOD project. The central aim is to build, for all EU countries, an essentially common arithmetic microsimulation model of tax and benefit systems, with associated comparable data bases. This would make it possible, for example, to model the budgetary and distributive impact of analogous reforms in different countries or to explore the global impact of Europe-wide reforms. Professor Anthony Atkinson (Oxford) and Dr Holly Sutherland (Cambridge), director of the project, set out the latter's basic objectives. Professor François Bourguignon (DELTA, Paris) illustrated the potential use of the model by simulating the introduction of a budget-neutral basic income at subsistence level in France, the UK and Italy: the redistributive effect would be surprisingly small in France and the UK, but very considerable in Italy. The workshop closed with a panel discussion on the project's potential and limits.

For further information: Dr Holly Sutherland, Director of EUROMOD, Microsimulation Unit, Department of Applied Economics, University of Cambridge, Cambridge CB3 9DE, E-mail: hs117@econ.cam.ac.uk.

Gent (B), 7 May 1997

Labour, Basic Income and Citizenship

A seminar with contributions by Ronald Commers and Jurgen De Wispelaere (University of Gent), Ignace Glorieux (University of Brussels VUB) and Dirk Diels (Socialist Trade Unions)

For further information: Prof. R. Commers, Centrum voor Ethiek en Waardenonderzoek, Faculteit Letteren & Wijsbegeerte, Blandijnberg 2, 9000 Gent, E-mail: martin.commers@rug.ac.be.

Thiviers (F), 30 June - 11 July and 25 August - 3 September 1997

Comment combattre le chômage, l'exclusion et le racisme ?

The annual Summer school of the French unemployed union, whose journal ("Partage") has always been particularly open to the idea of an unconditional basic income. The speakers will include several of the main contributors (pro and con) to the French debate on basic income, including Yoland Bresson, Alain Caillé, Bernard Perret, Roger Sue, Patrick Viveret. For further information: Maurice Pagat, Partage, 54 rue des Entrepôts, F-93400 St Ouen, tel. 33-1-47377476.

Madrid (E), 3-4 July 1997

Alternativas a la desigualdad: ingreso universal y/o reparto del empleo

A conference on basic income and/or working time reduction as the way forward for the left organized on the occasion of the publication of a special issue of the Papeles de la FIM on basic income (Vol 7 n°2, El ingreso universal). Speakers will include Luis Ayala Cañon, Cristina Carrasco, José Iglesias Fernández, Francisco José Martínez, Albert Recio, Josep González i Calvet, Philippe Van Parijs.

For further information: Manuel Monereo Pérez, Izquierda unida, General Rodrigo 6-6a Planta - 28003 MADRID, tel.: 34-1-553.49.09, fax: 34-1-534.97.47.

Firenze (I), September 1998 - June 1999

European Forum: Recasting the European Welfare State: Options, Constraints, Actors

Each year, the European University Institute's European Forum chooses one theme around which it organizes a large set of long- and short-term invitations, seminars and conferences. In the academic year 98-99, it will be directed by Maurizio Ferrera (Università di Pavia) and focus on the current state and possible futures of European welfare states. Its main ambition will be to promote discussion and research on three interrelated fronts: (1) New trends and issues of welfare reform, (2) New dimensions and 'frontiers' of social policy, and (3) Towards a new "social Europe".

A number of one-year post-doctoral or sabbatical fellowships will be available. Deadline for application: 30 July 1997.

For further information: The European Forum, European University Institute, Via dei Roccettini 9, San Domenico di Fiesole (FI), Italy, Fax: 39-55-4685775, E-mail: forinfo@datacomm.iue.it

A GLIMPSE OF

THE ARGENTINIAN DEBATE

On March 3, a project of law which proposes the creation of a "Citizen's Income Fund for Children" (FINCINI - Fondo para el Ingreso Ciudadano de la Niñez) was submitted to the Congress (Chamber of Representatives). The project was presented by representatives Elisa Carca and Elisa Carrió, both members of the UCR Party (Unión Cívica Radical, former president Alfonsín's party). The project was backed by other representatives of the same Party as well as a representative of the FREPASO Party (Frente del País Solidario, a left-of-centre coalition formed in 1994). The preparation of the project benefited from the collaboration of Ruben Lo Vuolo and Alberto Barbeito, following the main lines of the paper presented by them in the past BIEN's International Congress (Vienna, September 1996). It cannot be estimated how long the discussion process will take in the legislative branch. Nor can it be guessed whether the project has a chance of being approved into law. Nevertheless, it constitutes an important step in the discussion of the citizen's income topic in Argentina, particularly because it allows the idea to spread widely in the media and in the political arena.

For further information on the Argentinian debate: Ruben Lo Vuolo, rlovuolo@mail.retina.ar.

THE BRAZILIAN DEBATE

Things keep moving in Brazil around guaranteed minimum schemes linked to the schooling of children. Further evaluations of the existing experiments have been conducted by two researchers at the IPEA (Institute for Applied Economic Research) Ricardo Varsano and Lena Lavina. Two full pages were devoted to them by the daily newspaper O Globo (23 and 24 March 1997). But PT Senator Eduardo Suplicy's ambitious project approved by the federal Senate in 1991 is still stuck at the Finance Commission of the House of Representatives. However, a more modest proposal by Nelson Marchezan (from President Cardoso's party PSDB) is in the process of overtaking it. Approved by the House in December 1996, it is now being considered by Senate commissions and would allow the federal government to finance up to 50% of the minimum income schemes operated by municipalities. As this unprecedented federal involvement would be a major step forward, advocates of more radical formulas, such as Eduardo Suplicy, are now concentrating on improving Nelson Marchezan's proposal, which seems to have a good chance of getting the Executive's backing.

For further information on the Brazilian debate: Senador Eduardo Suplicy, Senado Federal, Edifício Principal, Gabinete 4, BRASILIA, D.F., Cep 70.165.900, esuplicy@senador.senado.gov.br.

THE DANISH AND DUTCH DEBATES

In a survey conducted at the time of Denmark's 1994 general election (presented and discussed in Jorgen Poul Andersen, "Marginalization, Citizenship and the Economy: The capacities of the Universalist Welfare State in Denmark", in *The Rationality of the Welfare State*, E.O. Eriksen & J. Loftager eds., Oslo: Scandinavian University Press, 1996, 155-202, table 14, p.193) a large representative sample of Danish citizens was asked whether they found a "citizen's wage" (as basic income is called in Denmark since the debate was launched in the late 1970's by the authors of *Revolt from the Centre*, London: Marion Boyars, 1981) a good or a bad idea. It turned out that only a minority found it a good idea (40% versus 46% finding it a bad idea, while the others did not know). Women (45/38) were far more favourable than men (35/54). The middle age group (48/40) was more favourable than those aged over sixty (27/55) and, perhaps more surprisingly, less than thirty (38/48). The unemployed (figure not given), the (very few) housewives (52/26) and the unskilled workers (51/31) were the most favourable social categories, while students (32/57) and pensioners (27/54) were least favourable. Voters of the social-democratic party were about equally divided (44/41), while voters for the two left-socialist parties were more favourable (55/33) and voters for the liberal (33/55) and conservative (29/59) parties more hostile. This Danish survey is the most comprehensive one so far anywhere on people's attitudes towards basic income. Its results converge along the gender dimension, but not along the age dimension, with those published in the Dutch magazine *Opzij* (January 1990). The question was whether the respondents were in favour of a low basic income equivalent to 160 ECU a month. Both men (16/52) and women (19/42) drawn randomly from the Dutch population

were very unfavourable, while the magazine's readers (female, younger and more educated than average) were very favourable (45/15). The results also converge along the political dimension with those gathered from a sample of 600 Dutch economists (De Volkskrant, May 1996). Asked whether "the government must reform the social security system along the lines of a basic income", those who agreed to at least some extent approach 50% among supporters of the Labour Party and the two liberal parties (VVD and D'66), while reaching 60% among Left-Green supporters and falling well below 40% among Christian Democrats. As the notion of a basic income spreads among the general public, it would be interesting to start gathering comparable data from different countries.

For further information on the Danish debate: Jørn Loftager, loftager@ps.aau.dk

THE IRISH DEBATE

Every three years or so, the Irish Government, Trade Unions and Employers make a so-called National Agreement. The last one, called Partnership 2000 covers the period 1997-99 and was approved in January 1997. It contains the following binding commitment: "A further independent appraisal of the concept of, and the full implications of introducing a basic income payment for all citizens will be undertaken, taking into account the work of the ESRI, the Conference of Religious of Ireland (CORI) and the Expert Group on the Integration of Tax and Social Welfare and international research. A broadly based steering group will oversee the study. In its critique of the 1997 budget, however, the CORI Justice Office complained that no money was made available for such a study, while forcefully repeating its argument: "The present framework is the problem. An alternative is required which would benefit all, would eliminate poverty and unemployment traps, would ensure that everyone received an income at least equivalent to the poverty line, would substantially increase work opportunities and would balance the Budget. A Basic Income approach is such a framework." On 7 April 1997, CORI published a new study advocating a basic income of £70 for all adults and £21 for all children and backed by detailed costings (Pathways to a Basic Income, by John Healy and Charles Clark, Dublin: CORI, 1997) Under the heading "Paying for Social Justice", The Irish Times gave the report a comprehensive and sympathetic coverage: "the CORI proposals merit further consideration and more rigorous economic analysis; they should help to concentrate minds on the real and persistent level of inequality in Irish society".

(For further information on the Irish debate: CORI Justice Office, Milltown Park, Dublin 6; or Maire Mullarney, mullarney.esper@indigo.ie; or Charles Clark, yccleco@sjmusic.stjohns.edu,).

PUBLICATIONS

DUTCH

BONS, André & JANSSEN, Raf. Het gelukkige einde van de verzorgingstaat, Utrecht: CISO, 1996, DFL. 18.50.

The "happy end of the welfare state" does not consist in its neo-liberal destruction but in its reshaping from a conditional, distrusting system to a conditional, trusting one in a post-scarcity world in which consumerism is tamed and work turned into care. This perspective is developed on the basis of a critical presentation of contemporary discussions of the welfare state from neo-liberal, middle-of-the-road, social-democratic, Marxist, feminist and green standpoints.

(Second author's address: Commissie Oriënteringsdagen, Europalaan 276, NL – 3526 KS UTRECHT.)

DE MIX, "Basisinkomen: betaald worden om te luieren?", in De Morgen (Brussels), Jongerenbijlage, 22 January 1997, p.5.

According to a full-page article of the youth supplement of the main Flemish socialist daily, "what does get talked about more and more is the idea of a basic income, i.e. an income to which anyone above the school leaving age is entitled". From the journalist's survey, it does not only turn out that the Flemish greens are in favour of a modest but fully unconditional basic income. But the chairmen of both the young socialists and the young christian-democrats are in favour of a basic income conditional upon some sort of useful activity

(including studying) — the "right to useful idleness" advocated by the Rector of Antwerp University Josse Van Steenberghe.

HET IDEALE EIGENBELANG n° 3 (3), winter 1996-97, 40 p.

The latest issue of the newsletter promoting the idea of a worldwide basic income, with a new substantial formulation of his vision of a better world by Pieter Kooistra and a number of documents and discussions.

(Author's address: Stichting UNO Inkomen voor alle mensen, Waalbandijk 8, 4064 CB Varik, Netherlands)

NIEUWSBRIEF BASISINKOMEN 19, maart 1997, 28 p.

As usual, this latest issue of the newsletter of the Dutch basic income network contains a number of short articles. One of them is based on an interview with the director of labour affairs at Akzo-Nobel (a major firm in the chemical sector), who turns out to be in favour of a "participation income": a basic allowance restricted to people who work (or would be willing to), but in a wider sense than the one now recognized. Another article echoes the current discussion around a "basic allowance" (basisuitkering) within the main Trade Union Federation FNV. A basic allowance differs from a basic income through its being restricted to wage earners and the involuntarily unemployed. But the Women's Union within the FNV wants to go further and introduce a genuine basic income. One argument is that by making both workers and non-workers dependent on the same benefit a basic income would unite them in the fight against cuts in government expenditure.

(Address: Saar Boerlage, Vereniging Basisinkomen, Herman Heijermansweg 20, 1077 WL Amsterdam, Netherlands, basic.income@pi.net)

VAN PARIJS, Philippe. Van valkuil naar sokkel. Het basisinkomen als strategie tegen de werkloosheid, *Kultuurleven* (Ravenstraat 112, B-3000 Leuven) 63 (8), december 1996, 72-79.

A brief presentation of a partial basic income as a strategy against unemployment. Full text published earlier in French in *Revue française des affaires sociales* 50 (1996).

(Author's address: vanparijs@etes.ucl.ac.be.)

ENGLISH

BASKIN, Jeremy. "A Basic Income for South Africa ?", *Weekly Mail and Guardian*, 24 January 1997.

A brief and lucid presentation of the case for a non-means-tested citizen's income as a strategy for tackling simultaneously South Africa's poverty and unemployment. "Clearly a basic income system does not come cheap and detailed costings are needed. But the potential benefits for society, the sealing of a social contract between citizens and between generations, clearly merits further exploration."

(Author's address: jmbaskin@wn.apc.org)

BESLEY, Timothy & COATE, Stephen. "The Design of Income Maintenance Programmes", *Review of Economic Studies* 62, 1995, 187-221.

According to the authors of this elegant and comprehensive technical paper, the optimal income maintenance policy includes workfare, i.e. the imposition of work requirements in the public sector in exchange for benefits. This conclusion holds even if the work performed in the public sector as part of the workfare scheme has zero productivity and is therefore confined to an incentive function. It rests on two crucial assumptions. One (plausible enough) is that the individuals' income-generating capacities are not adequately observable by the government — which rules out an otherwise optimal system of differentiated lump-sum transfers. The other is that optimality is to be defined by the minimization of the budgetary cost subject to the constraint that every person reaches a given level of income. To put it differently, the objective is to get rid of income poverty as cheaply as possible for the tax-payer. As the authors point out themselves, this amounts to attaching no importance whatever to the leisure of the poor (nor to the attractiveness of their work). If the constraint on cost minimization is defined as the achievement of a minimum level of welfare, rather than of income alone, workfare disappears from the optimal solution, which becomes some standard negative-income-tax-type scheme (section VII). The authors' choice of the former

(income-focused) criterion is not meant to be justified on normative grounds: "Poverty seems universally to be measured without trying to gauge the value of any leisure enjoyed by the poor. Nor does one hear that a benefit of many systems of poor support is that the recipients enjoy so much leisure! It is interesting to ask why. Our preferred view sees this as reflecting the attitudes of tax-payers who have to finance such programmes. We, therefore, prefer to see our paper as a piece of positive economics. There are those, however, who would regard an income, as opposed to a utility maintenance objective, to be normatively justifiable. We do not wish to take a position on this claim." This is fine, even though it is then dangerously misleading to keep talking unqualifiedly about "optimal solutions" and "policy implications". A useful paper anyway for those who want to firmly anchor the case for basic income or negative income tax in the technical discussion on income maintenance programmes — and for anyone who is not convinced that policy recommendations are highly sensitive to the choice of fundamental objectives.

(First author's address: London School of Economics, Department of Economics, Houghton Street, LONDON WC2A 2AE, t.besley@lse.ac.uk)

CALLAN, Tim & SUTHERLAND, Holly. "Income Supports in Ireland and the UK", in *Income Support and Work Incentives: Ireland and the UK* (T. Callan ed.), Dublin: ESRI, 1997, 73-96.

Section 4 of this lucidly written piece presents an illuminating simulation exercise. It consists in simulating and comparing the (arithmetic) impact of the introduction of a basic income at the same percentage of average income in Ireland and in the UK. The version studied is a "family basic income" at 40% of average disposable income for a single person (IRL£47.00 and UK£ 68.50 per week in 1994), 33% for each member of a couple and lower levels for each child. It is financed by a flat tax rate which, it turns out, must be about 49% in both countries for the reform to be budget-neutral. The distributive outcomes, however, are strikingly different. Roughly, the bottom decile would gain in both countries, but far more in the UK than in Ireland. Among the other deciles, the lower ones would lose in Ireland and gain in the UK, while the higher ones would lose in the UK and gain in Ireland. In both countries, one- and two-earner couples without children and pensioners would lose while families with children and single people would gain. But whereas in Ireland unemployed people would lose a lot, they would gain about as much in the UK. This exercise neatly illustrates how the simulation of a basic income scheme can serve as a "revealer" of different countries' current tax and benefit structure.

(Second author's address: Microsimulation Unit, Department of Applied Economics, University of Cambridge, CAMBRIDGE CB3 9DE, E-mail: hs117@econ.cam.ac.uk.)

CREEDY, John. "Comparing Tax and Transfer Systems: Poverty, Inequality and Target Efficiency", *Economica* (London) 63, 1996, 163-174.

Advocates of means-tested minimum income schemes usually invoke greater target efficiency (with given revenues, the alleviation of poverty is greater than under any alternative scheme), while advocates of universal benefits (or linear tax schemes) appeal to incentive effects (the 100% effective rate of tax implied by means-tested schemes creates an unemployment trap). But even if incentives are ignored, this article proves, means-testing does not generally dominate universal benefits as soon as a poverty alleviation is combined with other distributive objectives. Simulations are performed with means-tested schemes and linear income tax schemes which yield the same degree of poverty alleviation (using different indexes), and the resulting post-transfer distributions are evaluated using different inequality measures. Even ignoring any incentive effect, the verdict is then far more favourable to universal benefit systems, as the redistribution that takes place above the poverty line is now no longer considered a sheer waste — which it would be if only target efficiency mattered.

(Author's address: University of Melbourne, Department of Economics, Australia)

DOBELL, Rod. "The Dance of the Deficit and the Real World of Wealth: Re-thinking Economic Management for Social Purpose", in *Family Security in Insecure Times: New Foundations*, Ottawa: National Forum on family Security (441 MacLaren, 4th floor, OTTAWA, Canada, K2P 2H3), 1996.

An elaborate argument for a basic "participation" income/ flat tax proposal inspired by earlier proposals in Canada (Wolfson 1986, Castonguay 1993) and the UK (Parker 1989, Atkinson 1993): "In place of the

abolished programs and tax provisions, there would be a set of basic federal income guarantees which would not be taxable. [...] The federal government would assume full responsibility of the working poor and provide a nationally uniform minimum income for all Canadians. Provinces would then have full responsibility for providing the top-up income support to the poorest, and could tailor this income support to region-specific factors in ways that are perhaps inappropriate for the federal government." Such a scheme "is not inconsistent with - indeed complements well - an alternative approach based on recognizing the possibility of restructuring incentives toward reduced hours of work, particularly in the high-income enclaves of the labour market". It could be financed to a significant extent by greater ecological taxation. It would involve the verification of some (broadly conceived) participation condition, e.g. through the registration of caregivers with local health centres or "participation receipts" delivered by voluntary organizations.

(Author's address: Winspear Professor of Public Policy, University of Victoria, E-mail: rdobell@hsd.uvic.ca.)

ERIKSEN, Erik Oddvar & LOFTAGER, Jorn eds. *The Rationality of the Welfare State*, Oslo-Stockholm-Copenhagen-Oxford-Boston: Scandinavian University Press, (Universitetsforlaget, PO Box 2959 Toyen, N-0608 Oslo), 1996, 248p., ISBN 82-00-42991-1.

There is plenty of food for basic-income thinking in this neat and rich collection. One essay (by Gunnar Skirbekk, professor of philosophy at the University of Bergen, Norway) offers a simple model of a minimal welfare state appropriate to a global situation of great scarcity "from the viewpoint of a culture favourable to social solidarity". It would essentially consist of a system "where every adult person automatically gets a certain sum of money each month, enough to survive but not to live well on", while all other redistributive transactions are abolished. In another essay, Bo Rothstein (professor of political science at Göteborg University, Sweden) argues for the moral and pragmatic superiority of a universal over a means-tested welfare system, and reflects on why the former is proving so resilient in Sweden, even with right-wing coalitions in power, despite the obvious attraction of lower taxes. The answer, he argues, is to be found neither in a self-interest-based rational-choice model, nor in some deep-rooted cultural inclination for equality, but in the institutional context of public discussion which forces to justify social policy proposals, not in terms of "What shall we do with those deviants?", but as a solution to a problem involving all citizens. Bill Jordan's contribution contains only a short allusion to basic income, while Claus Offe's (see below) restates synthetically his own reasons for supporting it. The most explicit and systematic case for basic income is made by Jorn Loftager (professor of political science at the University of Aarhus, Denmark) on the background of Denmark comparatively generous and universalistic welfare state currently subjected to a powerful workfare drift. Both in terms of the fight against exclusion and marginalization and because it strengthens civil society (by recognizing the informal sector, fostering spontaneous solidarity and empowering citizens), he argues, basic income, and not workfare, is the direction in which our welfare state should be moving. Finally, Jorgen Goul Andersen (professor of economics at the University of Aalborg, Denmark) notes that "no system has come as close to a citizen's income system as the Danish system from the late 1970's to the mid-1990s" and believes that "it is difficult to imagine any system that could be more successful in avoiding marginalization and maintaining citizenship", despite a rising rate of unemployment. He finds the recent turn towards more workfare of dubious value, whether for the unemployed or for the economy: even fighting the dependency culture among the young could be achieved by other means (at school and in the family). However, he does not recommend a genuine basic income, as "it may lead to an unbearable tax burden in the long run, the consequences of which could be severe cuts in other welfare areas", and reports survey results that show a majority of the population is still against a "citizen's wage" (see above: A glimpse of the Danish debate).

(Second editor's address: loftager@ps.aau.dk)

GUTMANN, Amy & THOMPSON, Dennis. *Democracy and Disagreement. Why moral conflict cannot be avoided in politics, and what should be done about it*, Cambridge (Mass.): Harvard University Press, 1996, 422p., ISBN 0-674-19765-8.

In chapter 8 ("The Obligations of Welfare") of this major contribution to political theory, Amy Gutmann and Dennis Thompson endeavour to spell out the implications of their deliberative conception of democracy for the current US debate on welfare versus workfare, as triggered in particular by Republican Governor Tommy Thompson's "Work-Not-Welfare" Act in the State of Wisconsin. They introduce their own "fair workfare view" on the background of a critical discussion of the extreme-libertarian "unconditional workfare" view (which they associate with Charles Murray's *Losing Ground*, 1984) and of the extreme-egalitarian "unconditional welfare" view (which they associate with Philippe Van Parijs's "Why Surfers Should be Fed", 1991). Deliberative democracy, according to Gutmann and Thompson,

generates a commitment to equal basic opportunity but also to reciprocity. Hence, even if jobs are scarce, the voluntary and involuntary unemployed should not be treated alike. "Even if some citizens get better jobs because Malibu surfers do not take them, other citizens are likely to receive less support than they would under a policy with a work requirement, and probably less than they need to secure basic opportunities." Hence, "neither the liberal state nor any plausible reciprocal perspective can remain neutral between those conceptions of the good life that include productive work and those that do not". But how can such a view be held consistently with recognizing (as Gutmann and Thomson seem to do) that everyone is entitled to an equal share in inherited external resources? "The analogy between scarce land and scarce jobs is misleading. An individual's labor contributes to a social product that can provide income support in a way that mere ownership of land does not." Consequently, "a deliberative democracy can reasonably reject the claims of those who have a 'taste' for surfing while accepting the claims of those who have a 'taste' for work." (See, on this same issue, the discussion between White and Van Parijs in *Political Studies*, 45, June 1997.)

(Authors' addresses: Prof. A. Gutmann, University Center for Human Values, Princeton University, 424 Robertson Hall, PRINCETON, NJ 08544-1013; Prof. D. Thompson, Harvard University, Kennedy School of Government, 79 J.F.K. Street, CAMBRIDGE, MA 02138.)

JUSTICE COMMISSION, *Planning for Progress. Tackling Poverty, Unemployment and Exclusion*. Socio-Economic Review 1997, Dublin: CORI, 1997, 98 p.

A "new strategic approach" is what Ireland needs according to the Justice Commission of the Conference of Religious of Ireland. It consists in a policy package covering a wide range of subjects (from environmental and housing issues to education and health care). But its first component, and the one which receives most emphasis is a reform of the tax-and-benefit system that "would introduce a full basic income payment for all children and those over 65; introduce a substantial partial basic income payment for all other adults; provide a top-up payment to those with no other source of income, which would insure that nobody's income was below the poverty line; eliminate all unemployment traps and poverty traps so as to ensure that there would always be a substantial gain for a person taking up paid employment", while taxing all earned income from the first pound at a uniform rate of 50%. The argument for this approach is backed by detailed calculations for the 1997 Irish Budget. It also addresses principled objections: "Can human nature be relied on to act responsibly in a 'basic income state'?" The authors think it can: "There will be some who will opt out. This group, however, will be only a small percentage of those who are currently locked out by our social welfare system and we can take comfort in knowing that they are doing so by choice."

(Authors' address: CORI Justice Office, Milltown Park, Dublin 6.)

LITTLE, Adrian. "Flexible Working and Socialist Theories of Welfare", *Imprints. A Journal of Analytical Socialism* (9 Woodland Road, Bristol BS8 1TB, England, C.Bertram@bristol.ac.uk) 1 (3), pp. 37-56. This article examines the implications of flexible working for welfare policy with regard to employment and unemployment. "This incorporates an investigation of emerging ideas on the Left, particularly the growing body of work emanating from Europe on the idea of basic income policy." After a critical discussion of the debates on post-Fordism (esp. in Hall & Jacques eds., *New Times*, Lawrence & Wishart, 1989) and on basic income (esp. in Van Parijs ed., *Arguing for Basic Income*, Verso, 1992), the author concludes: "Ultimately, basic income theorists must persuade trade unions and parties of the Left that citizenship and social welfare can only be facilitated by non-employment-based social policy and reduced working hours".

(Author's address: Department of Politics, Nene College of Higher Education, Northampton, UK.)

OFFE, Claus. "Full Employment: Asking the Wrong Question?", in *The Rationality of the Welfare State* (Eriksen, Erik Oddvar & Loftager, Jorn eds.), Oslo: Scandinavian University Press, 1996, 121-131.

In this essay previously published in German (*Gewerkschaftliche Monatshefte* 45, 1994), Claus Offe expresses his scepticism both about purely defensive responses to the so-called unemployment problem and about working time reduction: "After all, why should 'I' agree to work shorter hours (and thereby give up income or rises) just so that 'you' can also work and earn income, especially since it is uncertain whether 'he', the employer, will (or can) reward my sacrifice by granting you the benefit of additional employment... The game thus involves a classical collective goods problem, where the pessimists defect and their defection spreads more pessimism which soon grows beyond the capacity of trade unions for control and mobilization." Yet, "the proportion of the population that are actually involved in the creation of economic value will continue to shrink; at the same time, the 'capillary'

mechanisms of distribution, such as the family, the welfare-state, and even development-aid policies [...] are being crippled." Under current circumstances, "the problem of distribution can be solved only by establishing specific economic rights that all citizens grant each other as a component of their citizenship. [...] Concretely, this would mean that suggestions such as 'negative income tax', 'citizen's income' or 'degressive income subsidies' surfacing from many corners within the social policy debate today would not become effective only after a person becomes a 'worker'". However, once the market can no longer absorb all available labour, it is essential that non-market activities should "be institutionally 'reinvented', sponsored and encouraged".

(Author's address: Humboldt-Universität, Philosophische Fakultät III, Unter den Linden 6, D – 10099 Berlin, Email: coffe@rz.hu-Berlin.de)

VALLENTYNE, Peter. 1997. "Self Ownership and Equality: Brute Luck, Gifts, Universal Dominance, and Leximin", *Ethics* 107 (2), 321-43.

A comprehensive review essay on Van Parijs's *Real Freedom for All* (O.U.P., 1995), published in the main journal for moral and political philosophy. The author, an American libertarian with egalitarian sympathies, finds the constraint of self-ownership developed in the book too weak. In his view, everyone should be entitled to make untaxed gifts of wealth that (s)he generated. Consequently, the level of basic income that can be sustainably be achieved without breaching self-ownership is quite a bit lower than Van Parijs assumes.

(Author's address: Virginia Commonwealth University, Department of Philosophy, P.O. Box 842025, Richmond, VA 23284-2025, PVallentyne@gems.vcu.edu)

VAN PARIJS, Philippe. 1997. "Interview: The Need for Basic Income", *Imprints* (9 Woodland Road, Bristol BS8 1TB, England, C.Bertram@bristol.ac.uk) 1 (3), March 1997, pp. 5-22.

An in-depth interview on basic income, its ethical justification in *Real Freedom for All* (O.U.P., 1995), its economic and political feasibility, and the future of the European Left.

(Interviewee's address: vanparijs@etes.ucl.ac.be)

ESPERANTO

MULLARNEY, Maire. Baza Enspezo. ilo de verda ekonomio, VERDire. Ekologiisma gazeto en Esperanto (54 Pairc Eabhora, Beann Eadair, Co. Bh.A.C., Ireland, E-mail: dhealy@tcd.ie) 18, 1996, pp. 4-5.

A brief presentation of the state of discussion on basic income by BIEN member and green County Council member Maire Mullarney.

(Author's address: mullarney.esper@indigo.ie)

FRENCH

AIRE, Lettre de liaison n°14, hiver 1997, 14p, 200 FF per year for 4 issues.

This latest issue of the newsletter of the Association pour l'instauration d'un revenu d'existence includes, among other things, a short address by Yoland Bresson on the connection between AIRE's positions and Alain Caillé's "European Call for a Plural Citizenship and a Plural Economy"; a synthesis of pros and cons of basic income by Jacques Berthilliers; and a comprehensive report on the Louvain conference "Repenser (radicalement?) la solidarité" by Serge Dumartin.

(Address of AIRE's secretariat: Mme Ch. Bernard, 33 avenue des Fauvettes, F-91440 Bures-sur-Yvette.)

BOIVIN, Louise. "Un revenu sans condition pour tous: utopie ou urgence?", in *Présence Magazine* (Montréal), février 1997, 26-28.

A brief account of basic income, its advantages and the objections it raises, in the light of the conference organized on the topic at Laval University (Québec) in October 1996.

(Author's address: m205526@er.uqam.ca)

GHERARDI, Sophie & al. "Un revenu pour tous?", *Le Monde* 8 avril 1997, Supplément économie pp. I-III.

A substantial and sympathetic dossier on basic income in France's most prominent newspaper. The number of beneficiaries of the RMI (the French guaranteed minimum

income scheme) has been going up steadily from 400.000 in 1989 to over a million in 1996. This fuels growing interest into forms of social protection that are less destructive of jobs for people with few skills, including the most radical among them: an unconditional basic income. The dossier includes useful data about poverty and social protection in France and other OECD countries, an up-to-date account of the Alaskan Dividend Programme, and interviews with François Bourguignon (EHESS), co-author of recent simulations for France, Yoland Bresson (Paris XII), the "left-gaullist" leader of AIRE (the French association for the introduction of an existence income) network and Philippe Van Parijs (Louvain), secretary of BIEN.

(Coordinator's address: Le Monde Economie, Rue Falguière 15, F – 75501 PARIS Cedex 15.)

MERLE, Jean-Christophe. *Justice et Progrès*, Paris: Presses Universitaires de France ("Droit et société"), 1997, 254 p.

Largely based on the German 19th century philosopher J.G. Fichte's economic thought, this theoretical book contains a substantial critical discussion of an unconditional basic income (as advocated for example by J.M. Ferry and Ph. Van Parijs). Justice requires the means of production to be fairly distributed and workers to be entitled to the fruit of their labour. A basic income, therefore, unjustly favours the "Lazies".

(Author's address: Friedrich-Zundel Str. 9, D – 72074 TÜBINGEN, merle@uni-tuebingen.de)

PIKETTY, Thomas. *L'économie des inégalités*. Paris: La Découverte (Repères n° 216), 1997, 122p.

A lucid and up-to-date introduction to the positive and normative economics of inequality, with an emphasis on France but far broader relevance. The last chapter argues that if one is serious about tackling unjust inequalities, there is not much to be expected from either social insurance schemes or from Keynesian demand boosting. Fiscal redistribution must be the central tool, whether it operates through the free provision of certain goods (health care insurance, education) or through cash transfers. But the way in which fiscal redistribution is currently organized in Europe implies that the highest effective rates of taxation (taking all direct taxes, social security contributions and benefit withdrawals into account) apply to the worst-paid workers. Both for the sake of sustainably increasing the income of those without work and for the sake of reducing unemployment as an end in itself, it is crucial to reduce this trap by extending transfers or tax credits to low-paid workers. There are various ways in which this could be done — for example, along the lines of the American EITC, or by making social security contributions steeply progressive instead of proportional, or by phasing out RMI benefits gradually as claimants start earning, or, most radically, the introduction of a universal transfer or citizen's income. The latter proposal may seem odd, as whatever reduction in the poverty trap it can achieve can also be achieved using the other, more conventional tools. However, Piketty points out, it may have more subtle advantages. For example, it may improve work incentives by giving claimants greater income security when accepting a job. Moreover, left libertarians (including the author ?) are sensitive to the fact that the very universal nature of the transfer would make social policy less inquisitorial than it now is.

(Author's address: CEPREMAP, Rue du Chevaleret 142, F – 75013 PARIS, piketty@cepremap.msh-paris.fr.)

RADEFF, Frédéric. "Le revenu minimum", *Sécurité sociale* 1, 1997, 5-11.

A critical survey of the various existing and possible forms of guaranteed minimum income, including basic income, with special reference to Switzerland's federal context. Also available in German.

(Author's address: Rue de Berne 7, CH – 1201 GENEVE, oblomov@vtx.ch)

REPENSER LA SOLIDARITE, special issue of *La Revue nouvelle* (Boulevard Général Jacques 126, B-1000 Brussels, fax: 32-2-6403107) n°5-6, May-June 1997, 180p., 440 FB, 75 FF.

La Revue nouvelle had launched the French-speaking debate on basic income with its special issue around the Collectif Charles Fourier's utopian scenario "L'allocation universelle" published in April 1985. Twelve years later, basic income is back but in more sober guises. This issue is built around a revised version of the five position papers which structured a conference held in Louvain-la-Neuve in December 1996. In four of these (co-authored by economists Deschamps, De Villé, Pestieau, Roland, Schokkaert and Van der Linden and by

philosophers Vandeveld and Van Parijs), some version of basic income plays a significant role. The co-authors of the paper on solidarity with the young recommend consolidating the quite generous but complicated systems of child benefit and tax allowances into a uniform, fully individualized basic income for young adults (up to 25) the right to which is conditioned on their being in higher education, training or a job with some training content. The co-authors of the paper on solidarity with the old recommend moving towards a redistribution-based contribution-independent household-sensitive basic pension, coupled with capitalization-based contributory fully individualized supplementary schemes. The co-authors of the paper on solidarity across regions and nations suggest the introduction of a very low basic income on a European scale funded by a European tax on energy. Finally and above all, the co-authors of the paper on solidarity within the active population advocate the introduction of a low basic income, coupled with a broadening of the tax base and the reshaping of a number of additional aids and devices to help the less skilled into jobs. This last paper is followed by a note on the microsimulations of a partial basic income performed for Belgium and by a French version of Anthony Atkinson's plea for a participation income. The issue of basic income is picked up by several of the critical comments included in the volume, including those authored by two former deputy prime ministers: Philippe Moureaux, professor at the Université libre de Bruxelles and leader of Brussels's socialist party, is "not pleading for a basic income, which, in the versions in which it has been presented so far, has not completely convinced (him)", but nonetheless insists that solidarity should take a universal, unconditional form; as to Frank Vandenbroucke, now a graduate student at Oxford University after having been chairman of the Flemish socialist party, he warns against a tabula rasa approach, but recognizes that the consolidation and improvement of various existing schemes — career break allowances, employment subsidies, working time reduction premiums, etc — may well lead, not to an unconditional basic income, but to Atkinson's participation income, which "is perhaps the road of political wisdom".

(Coordinator's address: vanparijs@etes.ucl.ac.be.)

SCHWERI, Michel (ed.). "Un débat public pour changer le monde: L'allocation universelle", in *Le Courrier* (Genève), January-June 1997.

A series of articles, discussion reports and interviews for and against basic income published once a week in the Left-catholic French-language Swiss daily newspaper *Le Courrier*. Among the opponents are Geneva's Social Affairs Minister Guy-Olivier Segond (who introduced a means-tested guaranteed minimum income in the canton in 1995) and the social security specialist Pierre Gilliand (Universities of Geneva and Lausanne). BIEN members Martino Rossi (Lugano), Philippe Van Parijs (Louvain) and Guy Standing (Geneva) were called upon to defend the proposal.

Coordinator's address: *Le Courrier*, 3 rue de la Truite, Case postale 238, CH-1211 Genève 8, Switzerland, fax: 41-22-3294274, courrier@worldcom.ch

GERMAN

BECKER, Irene. "Das Bürgergeld als alternatives Grundsicherungssystem: Darstellung und kritische Würdigung einiger empirischer Kostenschätzungen", *Finanzarchiv* (Tübingen, J.C.B. Mohr) 52 (3), 1995, 306-338.

A useful survey of the German costing exercises on citizenship income schemes (from Joachim Mitschke's path-breaking *Steuer- und Transferordnung aus einem Guss*, Baden-Baden 1985, to the Deutsches Institut für Wirtschaftsforschung's sobering "Bürgergeld: keine Zauberformel", *DIW-Wochenbericht* 61, 1994, 689-696) and a meritorious attempt at sorting out why they come up with such different conclusions as to how expensive they would be for a given level of income guarantee (usually, the current social assistance standards) and a given rate of benefit withdrawal (50%). The main sources of discrepancies include methodological differences between macroeconomic estimates and microsimulations; whether or not the Eastern Länder are included, and whether or not one has taken into account the full implications of granting every tax payer a tax exemption consistent with the citizen's income scheme. According to the author's own simulations, even a rate of benefit withdrawal in excess of 50% would involve a significant cost for the tax-payer.

(Author's address: J.W. Goethe Universität, Institut für Konjunktur, Wachstum und Verteilung, Seminar für Sozialpolitik, Postfach 11 19 32, D-60054 Frankfurt am Main.)

KRUPP, H.J. 1995. "Bürgergeld oder zielorientierte soziale Sicherung?", in *Hamburger Zeitschrift für Wirtschafts- und Gesellschaftspolitik* 40, 291-313.

A critique of the citizen's income proposal made by Frankfurt professor Joachim Mitschke (and others) on the grounds that a negative income tax system would provide no adequate substitute for the caring and pedagogical aspects of the social assistance system as currently organized.

PELZER, Helmut. "Bürgergeld-Konzept nach dem "Ulmer Modell" — Arbeitsgruppe an der Universität Ulm", in *Zeitschrift für Sozialökonomie* 112, 1997, p. 39.

The Working Group on Citizen's Income (Bürgergeld) at the University of Ulm has developed and studied a basic income proposal which aims to simplify current tax and benefit systems and to make more low-wage jobs possible again. This basic income could either be paid to all or deducted from taxes for the higher incomes. The variants studied correspond to DM 1000, DM 800 and DM 1200 tax-free for each adult (half for each child), to be supplemented in exceptional cases by means-tested social assistance. This would correspond to tax rates of about 30%, 24% and 36% of gross income, to which either a proportional tax of 10% or a progressive tax of 0-20% would need to be added for other expenditure. Disposable incomes would not change much for the higher and medium-income households. They would increase for the lower-income households, especially families with children. The Working Group has set up an internet discussion forum on the pros and cons of their Bürgergeld proposal:

<http://www.uni-ulm.de/~hpelzer/BG/Text/Titel.html>

(Working Group's address: Prof. Dr. Helmut Pelzer, Beim Tannenhof 24, D-89079 Ulm, helmut.pelzer@medizin.uni-ulm.de)

PELZER, Helmut. "Bürgergeld — Vergleich zweier Modelle", in *Zeitschrift für Sozialreform* 42 (9), September 1996, 595-613.

An earlier article in the same journal (Joachim Weeber, "Radikalreform oder Umbau des Sozialsystems?", *Zeitschrift für Sozialreform* 42, 209-227) criticized Prof. Joachim Mitschke's Bürgergeld (citizen's income) proposal. But there is another variant of this proposal: the Ulm model proposed by the author. The two models need not differ by virtue of the level of the minimum income they guarantee, nor by the distribution of disposable income they imply. The key difference is that Mitschke proposes a negative income tax fully integrated with the positive income tax system, whereas Pelzer proposes a basic income paid to all, rich and poor, and funded by a specific proportional Bürgergeldabgabe (citizen's income levy). With a basic income of DM 1000 (DM 500 for children), this would amount to a linear levy on all income (no deductions allowed) of about 27%. This ("full") basic income would need to be unconditional in order to implement the right to live and physical integrity asserted by articles 1 and 2 of the German Constitution. The principle of subsidiarity would only come into operation on this background, whenever the citizen's income (jointly with any other income a household may earn) happens to be insufficient for a household's dignified existence.

(Author's address: Prof. Dr. Helmut Pelzer, Beim Tannenhof 24, D-89079 Ulm, helmut.pelzer@medizin.uni-ulm.de)

RADEFF, Frédéric. "Modelle des Mindesteinkommens - Konzepte und Problemfelder", *Soziale Sicherheit* 1, 1997, 5-11.

A critical survey of the various existing and possible forms of guaranteed minimum income, including basic income, with special reference to Switzerland's federal context. Also available in French.

(Author's address: Rue de Berne 7, CH – 1201 GENEVE, oblomov@vtx.ch)

SCHILDBACH, Stephan. "Bürgergeldmodell zur integrierten Grundsicherung", *Wirtschaftswissenschaftliches Studium. Zeitschrift für Ausbildung und Hochschulkontakt* (München & Frankfurt a.M.: Verlage C.H. Beck und Vahlen), 26 (1), Januar 1997, 21-28.

A presentation and defence of Professor Joachim Mitschke's "citizen's income" proposal (understood as a full integration of the income tax and social assistance systems) by one of his collaborators.

(Author's address: Professur für Volks- und Betriebswirtschaftliches Rechnungswesen, Johan Wolfgang Goethe Universität, Mertonstr. 17, D – 60054 FRANKFURT–AM–MAIN.)

SPERMANN, Alexander. 1995. "Die Reform der Sozialhilfe im Sinne der Bürgergeldidee", in *Caritas* 96, 82-90.

A proposal for the replacement of social assistance as currently organized by a negative-income-tax-like system.

(Author's address: Universität Freiburg, Institut für Finanzwissenschaft, D–79100 Freiburg.)

ITALIAN

CARTER, Ian. "Reddito di base e giustizia libertaria: conversazione con Philippe Van Parijs", in *Notizie di Politeia* 11 (39/40), 1995, 24-29.

What is a basic income, what are its prospects, what is its fundamental justification? A dialogue on Real Freedom for All, the September Group and the Basic Income European Network.

(Interviewer's address: Università degli Studi di Pavia, Dipartimento di Studi Politici e Sociali, Via Luino 12, I – 27100 PAVIA)

VAN PARIJS, Philippe. Il sussidio universale contro la disoccupazione, *L'Assistenza sociale* 50 (2), Aprile-Giugno 1996, pp. 23-36.

An account of the various dimensions of the unemployment trap and an argument for a partial basic income paid ex ante (not as a negative income tax) as the best way forward to handle it. Originally published in French in *Revue française des affaires sociales* 50 (1996).

(Author's address: vanparijs@etes.ucl.ac.be.)

PORTUGUESE

SPOSATI, Aldaiza (ed.), *Seminário Internacional: Renda Mínima e Exclusão*, Pontifícia Universidade Católica de São Paulo, Programa de Estudos Pós-graduados em Serviço social, Núcleo de seguridade e assistência Social, December, 1996.

This publication puts together the different presentations that were given in São Paulo on 17-18 October 1996 at a Seminário internacional sobre Renda Mínima e Exclusão. Although the focus of the seminar was on means-tested guaranteed minimum income schemes, Philippe Van Parijs's contribution (a Portuguese version of piece published earlier in French in the *Revue du MAUSS*) presents basic income as a horizon for what is being experimented in Brazil. The other contributions are by Robert Castel, on the RMI in France, and by Eduardo Suplicy and Cristovam Buarque, on the experience and the debates in Brazil. The discussants include Vicente Faleiros and Sonia Draibe (Unicamp), who makes a comparison between basic income and a negative income tax. Finally, Aldaiza Sposati presents a thorough analysis of guaranteed minimum income programs in Brazil (*Programas de Garantia de Renda Mínima*).

(Editor's address: Câmara Municipal de São Paulo, Viaduto Jacareí 100, 5º andar, sala 513, aldaiza@uninet.com.br)

URANI, André. *Renda Mínima: Uma Avaliação das Propostas em debate no Brasil* (Série seminários N 06/96, Diretoria de Pesquisa), July 1996.

An extensive discussion of proposals for a guaranteed minimum income in Brazil. It focuses on two proposals by Brazilian senator Eduardo Suplicy. These are respectively, the Programa de Garantia de Renda Mínima (PGRM) and a new proposal similar to the earned income tax credit (EITC) in place in the US. The objective of Urani's contribution is mainly to study different scenarios, in order to improve the format of these proposals. The author makes use of simulations in order to illustrate some of the potential impact of the proposals and discusses them vis-à-vis various alternatives, such as minimum wage legislation, unemployment insurance etc. The main conclusion obtained is that even if some serious targeting errors occur with such a proposal, the positive impact in terms of poverty alleviation is greater than with the systems currently in place in Brazil. However, in order to alleviate these targeting errors, the author proposes two modifications. One is that only people with a positive income be eligible for this scheme. The second is to use per capita family income instead of personal income, in order to determine the amount of the transfers. A non-technical paper based on this research was published in *Proposta* (69, junho 1996, 42-45) under the title "Potenciais e limites da descentralização: A renda mínima".

(Author's address: IPEA, Av. Pres Antonio Carros 51 – 14°, 20020–010 RIO DE JANEIRO, RJ, Brazil)

VAN PARIJS, Philippe, *O que é uma sociedade justa ? Introdução à prática da filosofia política*, São Paulo: Editora Atica, 1997, 332p.

This is the portuguese edition of a critical introduction to the main contemporary answers to the question "What is a just society?" (initially published in French by le Seuil, 1991; also available in Spanish from Ariel, 1993, and in Italian from Ponte alle Grazie, 1995). Starting from Rawls's theory of justice, chapters 8 and 9 sketch the case for making an unconditional basic income a central component of a defensible conception of a just society under contemporary conditions.

(Author's address: vanparijs@etes.ucl.ac.be.)

SPANISH

BARCELO, Alfons, "Sobre el Subsidio Universal Garantizado", *Viento Sur* (Apartado de Correos 50.522, E-28080 MADRID, viensur@nodo50.gn.apc.org), 24, December 1995, 107-112.

A presentation of arguments against basic income, concentrating on the link between work and income and of the cost of a basic income scheme. The author also expresses his concern for behaviour which may lead to individuals taking advantage of the system and trying to "get away" without working to their full potential. He fears a fall in productivity. The incentive structure will be distorted and safety nets are a more preferable means to help the poor. However, he proposes that a basic income scheme be experimented in specific communities for a period of ten years to see what results are achieved.

GISBERT, Rafael and RAVENTOS, Daniel, "El subsidio universal garantizado: notas para continuar con razones" in *Mientras tanto*, 67, January 1997, 79-92.

This article was written as a point-by-point response to critique of basic income published in the same journal by Jorge Riechman. They argue that he does not provide a case against Basic Income that is clear enough to be a substantial contribution to the debate. At the end of the paper, after having refuted Riechman's arguments against a basic income, they discuss some of the alternatives he proposes. The focus is on the idea of reducing the working day. Quoting data from a survey from the Bank of Spain they state that Spain's massive unemployment could not be absorbed totally by this kind of policy.

(Second author's address: CAPS, Paris 150, 1°, 2a, E – 08036 BARCELONA, caps@pangea.org)

MARTINEZ, Francisco José ed., *El ingreso universal*, special issue of *Papeles de la FIM* (Fundacion de Investigaciones Marxistas, c/ Alameda, 5, 2° izqda, 28014 Madrid) Vol. 7 n°2, 2° semestre 1996, pp. 7-98, 1200 ptas.

After a special issue of *Zona abierta* (*Un salario mínimo garantizado para todos*, 1988) and an earlier collection edited by F.J. Martinez (*Una vía capitalista al comunismo*, FIM 1995), this is a third substantial contribution to the basic income debate from the Spanish left. A translation of two pieces by Ph. Van Parijs previously published in French is followed of the economic discussion around basic income by a survey Professor Luis Ayala Cañon (of the University of Castilla La Mancha). Although the basic justification of basic income is not of an economic nature, economic objections have to be taken seriously and some raise unresolved issues. But "it cannot be denied that the idea of an income unconditionally paid to every citizen is already one of the cornerstones in the design of a new mode of socio-economic organization". Next, economist Jose Iglesias Fernandez looks at a gradual implementation of a basic income sufficient for basic needs in the Spanish context. Such a basic income, he concludes, is "a proposal that is economically viable in the medium run", even though financing it will require quite a few shifts in public expenditure. Finally, Professor Francisco José Martínez (of UNED's philosophy department) offers an eloquent plea for basic income as a right of citizenship. He views it as "the best attempt to reconcile social justice and economic efficiency in a fair society of free citizens", but warns that its introduction and viability requires its being considered desirable by a broad alliance including green, women and youth movements, but also a substantial part of the organized workers' movement.

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OVEJERO, Felix and RAVENTOS, Daniel. "El Subsidio Universal Garantizado: algunas credenciales de izquierda", *Viento Sur* (Apartado de Correos 50.522, E-28080 MADRID, viensur@nodo50.gn.apc.org), 24, December 1995, 103-119.

A short defence of basic income's left-wing credentials in the Spanish context.

(Second author's address: CAPS, Paris 150, 1º, 2a, E – 08036 BARCELONA, caps@pangea.org)

RAVENTOS, Daniel and GISBERT, Rafael, "Trabajar o no, pero vivir", Viento Sur, (Apartado de Correos 50.522, E-28080 MADRID, viensur@nodo50.gn.apc.org) 14, April 1994.

Published in the section "ideas against unemployment" of a Magazine of the Spanish "alternative left", this article launches a discussion on basic income (called a guaranteed universal subsidy), in this publication. After briefly presenting some figures of the extent of poverty and unemployment in Spain, it gives a glimpse of the more general arguments for Basic Income and also explains some of the possible objections. The emphasis is put on the individual right not to work and the definition of "real freedom". The authors view basic income as an economically and politically viable prospect which is, at the same time, ethically desirable.

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RIECHMAN, Jorge, "Sobre trabajar, comer, holgar y liberarse: el debate acerca del subsidio universal incondicional", Mientras tanto, 64, October 1996, 19-34.

This paper, written partly as a response to an article by Raventós and Gisbert (reviewed above) makes a case against basic income. According to the author, it is preferable to concentrate on the Spanish debate, since it is less idealised and thus does not generate as many false hopes. The argument against basic income is concentrated on the elimination of the linkage between the "right to work" and the "right to income", as well as the non-means-tested nature of Basic Income. The author lists different problems which may arise as a consequence of an institutionalised basic income. In particular, he believes that a universal income would favour the exclusion of women. As an alternative strategy for fighting unemployment, he proposes a reduction on the working day as well as a "structural ecologization of the economy". Through the latter, he states that by more environmentally friendly means of production, socially desired labour will be increased, since production will be less intensive in energy and materials, and will make more use of human labour.

VAN PARIJS, Philippe, Libertad real para todos. Qué puede justificar al capitalismo (si hay algo que pueda hacerlo), Barcelona: Paidós ("Estado y Sociedad"), translation by J. Francisco Alvarez, 1996, 368 p., ISBN 84-493-0295-1.

Give every citizen an unconditional basic income. At what level? At the highest sustainable level, subject to respecting fundamental liberties and securing the allocation of additional resources to those with special needs. This is what social justice requires. This is also what can justify capitalism, if anything can. The controversial claims made by Philippe Van Parijs in Real Freedom for All (Oxford University Press, 1995) and the arguments he developed to counter countless objections can now be read in Spanish as well as in English.

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BASIC INCOME

is an income unconditionally granted to all on an individual basis, without means test or work requirement.

THE BASIC INCOME EUROPEAN NETWORK (BIEN)

aims to serve as a link between individuals and groups committed to or interested in basic income, and to foster informed discussion on this topic throughout Europe.

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