

BIEN - Basic Income Earth Network

NEWSFLASH 57 June 2009

www.basicincome.org

The Basic Income Earth Network was founded in 1986 as the Basic Income European Network. It expanded its scope from Europe to the Earth in 2004. It serves as a link between individuals and groups committed to or interested in basic income, and fosters informed discussion on this topic throughout the world.

The present NewsFlash has been prepared with the help of *Paul Nollen, Uschi Bauer, Simon Birnbaum, David Casassas, Roland Duchâtelet, Sandro Gobetti, Dirk Jacobi, Lena Lavinias, Jim Mulvale, Rob Rainer, Dorothee Schulte-Basta, Gilles Seguin, Eduardo Matarazzo Suplicy, Benjamin Van Parys, Philippe Van Parijs, Fábio Waltenberg, Karl Widerquist, Almaz Zelleke, and Thérèse Davio.*

This NewsFlash can be downloaded as a PDF document on our website www.basicincome.org

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Editorial: Next BIEN Congress in July 2010, São Paulo, Brazil

BIEN is currently preparing its next Congress, to be held on July 1st and 2nd, 2010, at the Faculty of Economics, Administration and Accounting of the University of São Paulo. Professors Lena Lavinás and Fábio Waltenberg have been appointed Executive Coordinators. They will be the focal point for four committees (funding, executive, academic, and communication), as well as the contact with BIEN's Executive Committee. An e-mail account has been created (bien2010.brasil@gmail.com). There will be a detailed Call for Papers in the next issue of BIEN NewsFlash. The main theme of the congress is "*Basic Income: An Instrument to Attain Justice and Peace*". The President of Brazil, Luis Inácio Lula da Silva, has already accepted the invitation to present the Opening Lecture of the Congress in the morning of July 1st 2010. All members of BIEN and people interested in Basic Income from the five Continents will be most welcome to the Congress.

1. TRIBUTE TO BRIAN BARRY by *Philippe Van Parijs*

Brian Barry died in London on the 10th of March 2009 at the age of 73. He was one of Britain's most prominent political philosophers, with a teaching career that took him to the Universities of Essex, Oxford, British Columbia and Chicago, the European University Institute, the London School of Economics and Columbia University. He also became, in the last two decades of his life, one of the most sophisticated and forceful advocates of a universal basic income.

In September 1989, Brian Barry accepted an invitation to attend a conference on the ethical foundations of basic income at the University of Louvain. His assignment was to comment on John Baker's "egalitarian case for basic income" and his conclusion at the time was unequivocally expressed in the title of his chapter in the collective volume that grew out of the conference: "Equality yes, basic income no" (Barry 1992). A couple of years later, however, he delivered a fiery plea for basic income to a neo-liberal audience at the University of Kiel (Barry 1994). From then on, he became a very consistent, articulate and unusually vigorous advocate of basic income (1996, 1997, 2000). In 2006, in his characteristically despondent style, he even concluded his last seminar at Columbia University by stating that only two important things happened in political philosophy in the course of his career: the publication of Rawls's *Theory of Justice* and the debate on basic income.

Brian Barry was not exactly an easy person nor a charitable critic. Some of his book reviews will be remembered as among the least forgiving in the history of political philosophy. But he was also an incredibly sharp thinker who alerted the philosophical profession to many emerging big and difficult issues, such as intergenerational and global justice, long before they became commonplace. Moreover, as forcefully expressed in his last book (Barry 2005), he was one of those philosophers who believe that their job is not limited to exegetical quibbles and analytical hair splitting, but that they have a role to play in making our world more just.

Brian Barry was a great political philosopher, an invaluable ally on several fronts, someone for whom I have had, ever since I had the privilege of having him as my first Oxford supervisor in 1974, great admiration and great affection.

The basic income movement will miss him greatly, but it will keep benefiting from the stunning strength of his thinking and of his support.

Philippe Van Parijs, May 2009

Further reading:

Barry, Brian. 1992. "Equality yes, Basic income no", in *Arguing for Basic Income. Ethical Foundations for a*

Radical Reform (P. Van Parijs ed.), London: Verso, 128-40.

Barry, Brian. 1994. "Justice, freedom, and basic income", in *The Ethical Foundations of the Market Economy* (H. Siebert ed.), Tübingen: J.C.B. Mohr & Ann Arbor: University of Michigan Press, 61-89.

Barry, Brian. 1996. "Real Freedom and Basic Income", *Journal of Political Philosophy* 5, 242-276; also in *Real Libertarianism Assessed. Political Theory after Van Parijs* (A. Reeve & A. Williams eds.), London : Palgrave Macmillan, 2003, 53-79.

Barry, Brian. 1997. "The attractions of basic income", in *Equality* (J. Franklin ed.), London: IPPR, 1997, pp. 157-171.

Barry, Brian. 2000. "Universal Basic Income and the Work Ethic", in *Boston Review* 25(5), 14-15; also in P. Van Parijs & al. *What's Wrong with a Free Lunch?*, Boston: Beacon Press, 2001.

Barry, Brian. 2005. *Why Does Social Justice Matter?*, New York: Wiley.

2. EVENTS

PAST EVENTS

* **HERZOGENRATH (DE)**, 16-17 May 2009: *Symposium on basic income*

The main goals of this symposium were to foster the cooperation of European basic income supporters, to establish a Europe-wide basic income debate, and to identify strategies to put basic income on the political agenda. The conference provided a stimulating weekend of dialogue and mutual learning. The symposium was the last part of a series of EU-funded events, which had started with the week of Basic Income in September 2008 and the 3rd Basic Income Congress in Berlin in October 2008. About 40 invited participants (social scientists, Members of the European Parliament, activists, members of social associations and the church) from seven European countries discussed the overarching theme of how to bring "Basic Income on its way to Europe". All of the participants agreed on the importance of true European exchange on basic income and the need to create reliable structures of mutual learning about strategies, obstacles and organizational terms. Another topic discussed was the importance of European institutions: the diversity of Europe in terms of social security systems and the limited power of the EU in the field of social policy left quite a few queries if there could be a common European strategy of Basic Income supporters. In spite of this diversity and the obstacles it leads to, the symposium ended with a resolution to the European commission.

Resolution: http://www.grundeinkommen2009.eu/wp-content/uploads/2009/04/resolution_hzgr.pdf

Conference website: <http://www.grundeinkommen2009.eu/>

See also a report in French available at: <http://www.bien-ch.ch/fr/node/96>

* **CALGARY (CA)**, 19-22 May 2009: *Canadian Social Forum*

BIEN Canada, BIEN's Canadian affiliate, organized a workshop at the Canadian Social Forum held in Calgary, Alberta on 19 – 22 May 2009. The workshop was entitled "Guaranteed Income: A Path to Economic Security?" It was moderated by Mike McCracken of Informetrica, and featured a presentation by Chandra Pasma of Citizens for Public Justice and Jim Mulvale of the University of Regina. Various models, approaches and examples of basic/guaranteed income were presented in some detail. The BIEN Canada session was an invited presentation at the Forum, and attracted over 40 people (filling the room to capacity) despite the fact that it was scheduled in the same time slot as a dozen other workshops. The audience included a Member of Parliament, a Senator, and leaders from the social policy community in Canada. The discussion that followed the presentation was thoughtful and

lively. If you wish to receive a copy of the PowerPoint slides from the Workshop, please contact Chandra@cpj.ca

The following day, at the concluding plenary session of the Forum, Senator Hugh Segal made a strong case – as he did at the 2008 BIEN Congress in Dublin – for a negative income tax version of guaranteed income for Canada.

* **PRAGUE (CZ)**, 25-26 May 2009: *Conference on the dignity of the elderly*

This conference was organized within the framework of the Czech Presidency of the European Union, with the support of the European Commission. Yannick Vanderborght (BIEN and Louvain University, Belgium) was invited to give a talk on "The idea of a general income" during the opening plenary session. His presentation was focused on how basic income debates can inform discussions about the future of public pension plans, especially through the implementation of basic pension schemes.

For further information: <http://www.eu2009.cz/event/1/710/>

* **BERLIN (DE)**, 16 June 2009: *Conference on basic income*

A conference was held at the Akademie der Konrad-Adenauer-Stiftung (Tiergartenstraße 35, 10785 Berlin) at 7:30 pm. Guest speakers included Jörg Althammer (Katholische Universität Eichstätt Ingolstadt), Alexander Groß (Bundesministerium für Wirtschaft und Technologie), Michael Hüther (Direktor des Instituts der deutschen Wirtschaft Köln), and Michael Opielka (Fachhochschule Jena).

* **SALERNO (IT)**, 16 June 2009: *New Welfare and Universal basic income*

A conference on basic income and "New Welfare" ("Nuovo Welfare e reddito universale") took place at the Università degli studi di Salerno, Dipartimento di Sociologia e Scienza della Politica. For further information:

<http://www3.unisa.it/detail/view/module/news/idContent/0/idChannel/0/idStructure/1/id/427>

UPCOMING EVENTS

* **EDINBURGH (UK)**, June 29 –July 1, 2009: *Social Policy Association Conference*

The Citizen's Income Trust—BIEN's affiliate in the United Kingdom—is attempting to organize several sessions on basic income at the Social Policy Association's 43rd annual Conference at the University of Edinburgh June 29 –July 1, 2009. The conference will provide a great opportunity for presentations on all aspects of basic income. Now that BIEN has become a worldwide network, it holds congresses in Europe less often. The CIT sessions may provide an opportunity for English-language meetings on basic income in Europe in between BIEN meetings.

For more information: www.citizensincome.org.

* **SANTIAGO DE CHILE (CL)**, 12-16 July 2009: *21st Congress of the International Political Science Association (IPSA)*

A panel on Basic Income entitled "Basic Income – Approaches, Experiments and Developments around the World" has been convened by Carole Pateman (UCLA) and

Matthew Murray (Cardiff University) within the framework of the next IPSA Congress. Speakers will include David Casassas (Universitat Autònoma de Barcelona), Louise Haagh (University of York), and Matthew Murray (Cardiff University). This panel will explore some of the many different ways in which Basic Income is being used a method of empowering citizens socially, politically and economically around the world. Through the inspection of these applications of Basic Income systems, it will begin to explore some the benefits and challenges of Basic Income solutions. This panel will also explore the underlying aims of Basic Income as a device for realizing equality within states and how these aims affect schemes of institutionalization. In exploring these aims, the panel intends to raise potential issues these conceptions cause us to consider when institutionalizing Basic Income given differences between citizens in abilities and initial social standing.

For further information: <http://secure.santiago2009.org/>

* **OTTAWA (CA)**, October 1-2, 2009: *Basic Income Colloquium*

BIEN Canada will be holding a Basic Income Colloquium in Ottawa on 1-2 October 2009. Featured speakers include Senator Hugh Segal (a proponent of guaranteed income in the Canadian Federal Parliament) and Jurgen De Wispelaere of *Trinity College Dublin*, who also is co-editor of *Basic Income Studies*.

For further information: Dr. Jim Mulvale, University of Regina: jim.mulvale@uregina.ca

2. GLIMPSES OF NATIONAL DEBATES

* **CANADA: “Dignity for All” Campaign Launched**

At the Canadian Social Forum (Calgary, May 19-22, 2009), a national campaign called “Dignity for All” was officially kicked off. This campaign is led by two organizations - *Canada Without Poverty* and *Citizens for Public Justice* – but is working to garner broad and deep support across the country. It calls for vigorous and sustained action by the federal government to combat the structural causes of poverty in Canada, and is focused on the need for:

- A federal plan for poverty elimination that complements provincial and territorial plans.
- A federal anti-poverty Act that ensures enduring federal commitment and accountability for results.
- Sufficient federal investment in social security for all Canadians.

The campaign addresses poverty as a violation of human rights, and poverty reduction/elimination as steps towards the full realization of universal human rights. In discussions among organizations leading and supporting Dignity for All, it has been argued that more universal, unconditional, and adequate economic security measures are necessary to achieve the campaign’s goals.

In this context, it is interesting to note that Father Raymond J. de Souza, a conservative columnist in the right-leaning *National Post*, just published a piece called “A ticket out of poverty” (May 21, 2009) in which he endorsed guaranteed income. “Why not turn to an old idea whose time may have now come?”, de Souza asked. “Hugh Segal, our local Senator here in Kingston, Ontario, made his case for a negative income tax -- or guaranteed annual income -- a few weeks ago when giving the annual public policy lecture at Queen's University's School of Policy Studies. The negative income tax (NIT) is a rather simple social policy concept: There is an income floor, set somewhere above the poverty line, and if your

income for whatever reason fails to reach it, the government sends you a cheque to bring you up to that level. If you earn above that amount, then you pay taxes on the progressive scale as per usual."

The need for an effective poverty reduction strategy for the Canadian federal government has also been a topic of discussion and debate at the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (called the HUMA Committee). Although this committee has not endorsed the specific goal of a guaranteed income program, much of its discussion (particularly by members from Opposition parties) has focused on the need for more generous and wide reaching income security measures for broad categories of Canadians (such as persons with disabilities).

For further information about the national campaign: <http://www.dignityforall.ca/>

For de Souza's article:

<http://www.nationalpost.com/opinion/columnists/story.html?id=18302d98-25ff-4fa5-8816-6d6249e6431a>

For further information on the discussion with HUMA:

<http://www2.parl.gc.ca/CommitteeBusiness/CommitteeHome.aspx?Cmte=HUMA&Language=E&Mode=1&Parl=40&Ses=2>

*** EUROPEAN UNION: EU-Commissioner Fischer supports basic income for farmers**

In the framework of the ongoing discussion on the future of the EU *Common Agricultural Policy* (CAP), EU-Commissioner for Agriculture Marianne Fischer Boel (Denmark) has advocated some sort of guaranteed income for farmers. At a meeting held in Brno (Czech Republic) on June 2nd, 2009, she declared "I believe that some form of basic income safety-net will be needed, especially if we want to avoid more costly, and more distorting, forms of income support. But what this level will be is still very open, as well as the issue of whether and how it should be linked to payments for the delivery of the "basic" public goods."

Read her speech at:

<http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/09/279&format=HTML&aged=0&language=EN&guiLanguage=en>

*** GERMANY: A new basic income for children?**

At the May 2009 congress of the Green party (May 2009), the delegates have voted on the manifesto for the upcoming German Federal elections. They voted for the introduction of a new child benefit which would replace the existing transfer schemes to families. The new unconditional child benefit will be sufficient for the child to live from and subject to income taxation. The delegates also approved the introduction of a guaranteed minimum level in the pension insurance for all citizens (*Garantierente*) and a new system of financial support for students incorporating a basic income.

In the same vein, several associations, such as the *Arbeiterwohlfahrt*, the Trade union of teachers and employees in the educational sector (GEW) and *pro familia*, have united to lobby for the introduction of a new benefit for children. The new benefit, called *Kindergrundsicherung*, would amount to 500 Euro for each child up to the age of 27. It would be counted as income and subject to income tax.

See : http://www.gruene.de/einzelansicht/artikel/beschluesse-der-bdk.html?tx_ttnews%5BbackPid%5D=222&cHash=165d45f65f

A synopsis of the Green party resolutions which are relevant from a basic income perspective: http://www.strengmann-kuhn.de/wp-content/uploads/uebersicht_wahlprogramm.pdf

For further information on the *Kindergrundsicherung*: <http://www.kinderarmut-hat-folgen.de/>

*** GERMANY: Petition to the German Bundestag**

More than 52.000 German citizens signed an online petition to the German Federal parliament (Deutscher Bundestag) for the introduction of a basic income. The petition was initiated by Susanne Wiest, who wasn't politically active in any organisation lobbying for a basic income. The petition demands the introduction of an unconditional basic income in Germany. In a statement introducing the petition Susanne Wiest argues for a basic income of about 1500 Euro for all adults and 1000 Euro for each child. The basic income should be financed by consumption taxes only. Given the fact that the petition received widespread support, the Petition Committee of the German Bundestag is now required to discuss the petition. The committee has the option to convene a hearing or to make recommendations as to whether the Bundestag should take action on the matter. Several prominent basic income supporters, such as Wolfgang Strengmann-Kuhn (member of parliament for the Green Party), Goetz Werner (entrepreneur) and Katja Kipping (member of parliament for the Left Party) and several organizations as the Netzwerk Grundeinkommen and Attac Germany reacted to the petition.

Link to the petition:

<https://petitionen.bundestag.de/index.php?action=petition;sa=details;petition=1422>

Links to reactions to the petition:

<http://www.strengmann-kuhn.de/?p=666>

http://www.archiv-grundeinkommen.de/werner/PM_OnlinePetition.pdf

<http://www.katja-kipping.de/kpresse.htm>

<https://www.grundeinkommen.de/18/02/2009/bundestagspetition-stuetzt-breite-debatte-zum-bedingungslosen-grundeinkommen.html>

<http://www.attac-netzwerk.de/ag-genug-fuer-alle/neuigkeiten/>

*** IRAN: Presidential Candidate supports Oil Dividend for all**

Reformist Mehdi Karroubi, aged 72, was speaker of the Iranian parliament from 1989 to 1992. He was a candidate for the General election of June 12th, 2009. According to the BBC, during an electoral debate on television M. Karroubi strongly criticized President Ahmadinejad's economic policy and said that, if elected, « he would distribute Iran's profits from oil production to everyone over the age of 18. »

See: http://news.bbc.co.uk/2/hi/middle_east/8080999.stm

*** ITALY: Call for a EU-wide guaranteed income**

The Basic Income Network (BIN) Italia, BIEN's Italian affiliate, and ten other Italian associations have launched a call for a guaranteed income in Europe on the occasion of the elections of the European Parliament (June 5, 6 and 7, 2009). Their main goal was to foster the discussion about basic income in Europe, but they mainly focused their action on the Italian candidates, asking them to promote a debate on basic income within the EU institutions.

The call is online at: www.bin-italia.org/PETITION/index.php

BIN-Italia is still very active in promoting basic income in Italy. It organized several events in the past few weeks. A few examples among many others:

- on April 4th, a meeting was organized in the city of Fabriano about "Crisis and precarity, the necessity of a basic income", with the participation of Luca Santini, president of BIN-Italia.
- on April 23rd, a meeting took place in the city of Perugia about "Crisis and citizen income", with the participation of Sandro Gobetti and Rachele Serino, two founding members of BIN-Italia.
- on April 24th, BIN-Italia co-organized a meeting about "Rethinking welfare: the basic income challenge", along with the University of Florence and the MFE. Participants included Andrea Fumagalli (vice-president), Giuseppe Bonzini, and Guy Standing (Honorary member of BIN-Italy and former co-chair of BIEN).
- on May 29th, the Province of Rome organized a meeting about "Citizen income and active work policy", with the participation of Giuseppe Bronzini.
- On May 30th and 31st, a two-day meeting on "welfare and the guarantee of an income" took place in Milano, with the participation of various prominent members of BIN-Italia, including Luca Santini, Andrea Fumagalli, Cristina Morini, and Laura Curcio.

*** ITALY: Precarious workers ask for political asylum in Sweden**

A few days before Labour Day (May 1st), a delegation of Italian precarious workers went to the Swedish embassy in Rome, and claimed for social rights similar to those in place in Sweden. They had several posters saying "Political asylum", "Reclaim your house", "Reclaim your time", "We want rights", "Rights and Freedom for All", and a very big poster with the slogan "A basic income for all". The Swedish ambassador met with the delegates and said that the demonstration would be reported to the relevant institutions.

Press Release (in Italian): http://www.bin-italia.org/informa.php?ID_NEWS=63

Video: <http://italy.euromayday.org/?p=7765#more-7765>

*** NAMIBIA: The Namibian BIG Pilot Project shows positive results**

USBIG reports that the *Basic Income Grant Coalition* of Namibia has released the Assessment Report for the first year of the Basic Income Grant (BIG) pilot project. The BIG Coalition has run a pilot project distributing a basic income to the residents of a Otjivero-Omitara, a small town of less than 1000 people in Namibia. Key findings from the first year Assessment Report include the following:

The BIG resulted in a huge reduction of child malnutrition. Children's weight-for-age has improved significantly from 42% of underweight children in November 2007 to 10% in November 2008.

Household poverty has dropped significantly. Using the food poverty line, 76% of residents fell below it in November 2007. Among households that were not affected by immigration (see below), the food poverty rate dropped to 16%.

“The introduction of the BIG has led to an increase in economic activity. The rate of those engaged in income-generating activities (above the age of 15) increased from 44% to 55%. Thus the BIG enabled recipients to increase their work both for pay, profit or family gain as well as self-employment. ... This finding contradicts critics' claims that the BIG would lead to laziness and dependency.”

The BIG has led to a significant increase in school attendance. Drop-out rates at the school fell from almost 40% in November 2007 to almost 0% in November 2008.

The BIG has led to significant migration towards Otjivero-Omitara even though only those residents who lived in the town before the start of the project are eligible to receive the grant. The new residents are typically impoverished relatives who came to live with local residents who are receiving the grant.

“The residents have been using the settlement's health clinic much more regularly since the introduction of the BIG. Residents now pay the N\$ 4 payment for each visit and the income of the clinic has increased fivefold from N\$ 250 per month to about N\$ 1,300.” Average debt fell from N\$ 1,215 to N\$ 772 and average savings rose between November 2007 and November 2008.

“Overall crime rates – as reported to the local police station – fell by 42%”

“The criticism that the BIG is leading to increasing alcoholism is not supported by empirical evidence.”

The full 100-page report, which details how these and other findings were calculated and their implications of a national BIG in Namibia, is online in PDF format at <http://www.bignam.org/>.

Despite the positive news about the pilot project that has been coming out for months, the Inter Press Service News Agency (IPS) reports: “There was no mention of a special grant to tackle poverty in the Namibian national budget speech delivered on March 19.” Nevertheless, pressure for basic income is growing. According to IPS, “with an election looming later this year, attitudes appear to be softening.”

Links to stories on the pilot project and the BIG Coalition in Namibia:

The First Year Assessment Report: <http://www.bignam.org/>

New Era, “The Basic Income Grant Coalition says the implementation of a national BIG in Namibia is now a matter of political will,” April 27, 2009:

<http://www.newera.com.na/article.php?articleid=3980>

Servaas van den Bosch, “Namibia Gets BIG on Poverty” Inter Press News, March 21, 2009:

<http://www.ipsnews.net/africa/nota.asp?idnews=46221>

Rodrick Mukumbira, “Namibian church-backed coalition urges basic grant to citizens,” Ecumenical News International, May 6, 2009:

<http://www.eni.ch/featured/article.php?id=2976>

Herbert Jauch, « Kind of a BIG Deal », June 4, 2009:

<http://www.alterinter.org/article3290.html?lang=fr>

*** SPAIN: Debate on Basic Income moves forward within wracked-by-crisis Spain**

Red Renta Básica, the Spanish affiliate of BIEN, has just issued a manifesto entitled “A Basic Income in the Current Situation of Economic Crisis” that has quickly spread into all Spanish-speaking countries and has been translated into many other languages. The manifesto states the essential features of Basic Income and underlines their importance in an economic crisis context, where poverty and social exclusion increase and traditional measures fail to give a comprehensive and effective response to old yet hard-hitting social problems. The manifesto can be found in several languages:

in Spanish at <http://www.nodo50.org/redrentabasica/descargas/Manifestcrisi.pdf>;

in Catalan, at <http://www.nodo50.org/redrentabasica/descargas/manifescatala.pdf>;

in Galician, at <http://www.nodo50.org/redrentabasica/descargas/Manifestogalego.pdf>;

in English, at <http://www.nodo50.org/redrentabasica/descargas/Manenglish.pdf>;

in French, at <http://www.nodo50.org/redrentabasica/descargas/Manfranc.pdf>;

in Italian, at <http://www.nodo50.org/redrentabasica/descargas/manitaliano.pdf>;

in German, at <http://www.nodo50.org/redrentabasica/descargas/Mandeutch.pdf>;

in Esperanto, at <http://www.nodo50.org/redrentabasica/descargas/manesperanto.pdf>.

Also, Daniel Raventós, President of Red Renta Básica, has published an article in Spanish massive circulation newspaper *El País* on “A Minimum to Survive in Times of Crisis”

(http://www.elpais.com/articulo/opinion/minimo/sobrevivir/tiempos/crisis/elpepiopi/20090507elpepiopi_5/Tes/). Finally, Daniel Raventós and Rubén Lo Vuolo, President of BIEN’s Argentinean affiliate (Red Argentina de Ingreso Ciudadano - Redaic) have written a joint piece on “Basic Income in Times of Grave Economic Crisis” that can be found at <http://www.nodo50.org/redrentabasica/descargas/ECRISIS.pdf>.

In parallel with the manifiesto and articles, on April 28 2009, a debate on Basic Income took place in a plenary session of the Spanish Parliament, which decided to create a Parliament sub-commission to study and evaluate the political justification and, especially, the feasibility of basic income in Spain. This has been the result of the efforts of a set of coalitions of left-wing parties, Esquerra Republicana de Catalunya and Izquierda Unida-Iniciativa per Catalunya-Esquerra Unida i Alternativa, who have been supporting Basic Income for many years. Although the Socialist Party does not endorse Basic Income in full, it believes that such a measure has important things to offer and hopes to use the Sub-Commission as a space to clarify some relevant aspects of this proposal. Finally, right-wing parties Convergència i Unió and Partido Popular oppose Basic Income but support the creation of the Sub-Commission, which they see as an opportunity to promote other measures. The full transcription of the session at Parliament can be found in pages 1-7 of the PDF file at <http://www.nodo50.org/redrentabasica/descargas/subcom.pdf>.

*** SWITZERLAND: Everyone a King!**

In 1995, Belgian social scientist Walter Van Trier published a PhD thesis on basic income entitled "Everyone a King". Swiss basic income supporters recently started an action which clearly echoes this famous title. On May 1st, 2009, they crowned queens and kings in Lörrach near Basel (CH). The video (English version) is available online at: http://www.youtube.com/watch?v=Y_oh6uyKC2M. The German version – <http://www.youtube.com/watch?v=tmz1OkwPhyQ> – which has been online since May 7th, already has more than 2.500 viewers on YouTube.

For further information: www.initiative-grundeinkommen.ch

*** UNITED STATES: Carbon Tax Dividend proposal finds new advocates**

According to USBIG, the idea of a reducing carbon emissions by taxing them and redistributing the proceeds as a basic income has received increasing attention lately in editorials by environmentalists, scientists, and even by Republicans who write in *Forbes Magazine*.

Dr. Matt Prescott is an environmental consultant and the founder of highly successful “ban the bulb” campaign, which has worked to promote compact florescent lights in the United Kingdom. He wrote an editorial on the carbon-tax dividend last year for the BBC website. According to Prescott, Sweden introduced the tax (without the dividend) in 1991, writing “It has been a huge success and enabled the country to achieve a 9% reduction in its emissions while simultaneously achieving economic growth of 44% between 1990 and 2006.” This is at a time when carbon emissions in most countries in the world were growing substantially.

When the entire carbon tax is redistributed as a basic income, it need not discourage economic activity at all because it doesn’t take any money out of the economy. People who use less than an average amount of carbon end up with more money than before. People who

use more than an average amount of carbon end up with less than before, and people who use exactly the average amount are financially no better or worse off than before. There is no incentive to reduce economic activity, only to redirect it towards things that use less carbon.

James Hansen, head of NASA's Goddard Institute for Space Studies has been active in Washington this year promoting the idea of a carbon-tax dividend. He sees this proposal as an alternative to the cap-and-trade strategy for reducing carbon emissions favored by the Obama administration (so far with little success). Cap-and-trade would limit carbon emissions, sell the rights to emit that amount of carbon, and use the funds for general revenue. Tax-and-dividend would instead devote all revenue from carbon taxes to a dividend that would establish a small basic income guarantee. Hansen wrote about the carbon-tax dividend in an open letter to Obama, and spoke about it in testimony before the House Ways and Means Committee on February 25, 2009.

Reihan Salam endorsed Hansen's approach in a recent column in *Forbes Magazine*. Salam argues that tax-and-dividend would be a superior strategy for carbon reductions because it would develop its own constituency of middle class voters who might otherwise balk at the increased energy prices that any emissions-reduction scheme will create. Salam mentions drawbacks to the approach. For example, recipients of the dividend will see it shrink over time as emissions fall. Salam calls for Republican environmentalists to adopt this plan to gain back some of the ground they lost to the Democrats.

Reihan Salam, of the New America Foundation, is co-author of *Grand New Party: How Republicans Can Win the Working Class and Save the American Dream*. The full text of the article is online at: <http://www.forbes.com/2009/04/11/congress-climate-legislation-opinions-columnists-cap-and-trade.html>

Hansen's letter to Obama is on line at:

http://www.columbia.edu/~jeh1/mailings/20081229_DearMichelleAndBarack.pdf

His testimony before Congress is online at:

http://www.columbia.edu/~jeh1/2009/WaysAndMeans_20090225.pdf

Matt Prescott's BBC column, along with reader comments is online at:

<http://news.bbc.co.uk/1/hi/sci/tech/7471197.stm>

See also: banthebulb.org Prescott can be reached by email at: matt.prescott@gmail.com

*** UNITED STATES: Alaska Fund recovers slightly, but its prospects remain uncertain**

USBIG reports that the Alaska Permanent Fund (APF), which finances Alaska's Basic Income Guarantee [known as the Permanent Fund Dividend (PFD)], has recovered slightly in the last few months after suffering heavy losses last year. The dividend will be significantly smaller than its record high level last year, and it is likely to shrink even more over the next few years. Following the drop in the fund, strong controversy has arisen about the Alaska Permanent Fund Corporation's (APFC) investment policy and its dividend distribution policy. According to the *Anchorage Daily News*, the fund reached a peak of \$40.4 billion in October 2007, fell to a low of \$26 billion in March, and by early May recovered to \$30.39 billion. These movements have largely followed the movement of the stock market. The comparatively modest recovery will make it easier for the Alaska Permanent Fund Corporation (APFC) to pay a dividend this year, which might reduce the controversy over whether, under the circumstances, it should pay a dividend at all.

The APF is constitutionally prohibited from distributing any of its "principal," which under the current definition (total deposits into the fund) is only \$29.6 billion. Therefore, the APFC might not have been able to pay any dividends this year. The legislature moved quickly to redefine the word "principal" in a way that would yield a lower figure and make payment

of this year's fund constitutional. Even if the principal is redefined, the dividend is likely to shrink below \$1500 this year, and Mike Burns, the fund's executive director, warns that it could shrink much more without changes to the way dividends are managed. According to KTUU-TV, Burns warned that dividends could fall below \$1000 next year, and below \$500 the year after that.

Gregg Erickson, an economist and editor-at-large of the Alaska Budget Report, heavily criticized the redefinition of the fund in a column in the *Anchorage Daily News*. He called instead for the APFC to request a loan from the state treasury to pay this year's dividend. Erickson also called for a change in strategy for how the APFC calculates each year's dividend. Currently each dividend is based on the fund's average return over the past five years. He argued that each year's dividend should instead be based on a fixed percentage of the fund's current market value. Erickson did not, in this piece, elaborate on how this would create a more stable dividend, but the process is easy to see. Under current rules, if the fund's returns are high, it pays out a large percentage of the fund's value in dividends. But if the fund's returns are low, it pays out a very small percentage of the fund's value in dividends. Five-year averaging is supposed to smooth out the returns, but it is possible to have very good returns for five years in a row, and then have one very bad year that wipes out all or most of the gains from those five good years. This is pretty much what happened between 2002 and 2008. If returns are negative, the APFC cannot distribute a negative dividend. It has already paid out much of the returns it made during the good years, and so it has difficulty recovering from a big down year.

Basing the fund on percentage of market value would reduce some of these fluctuations. When the fund goes up, people would get a slightly higher dividend because they would get the same fixed percentage of a higher principal. High short-term returns would go increase the principal more than the dividend. When the fund goes down people would get the same fixed percentage of the lower principal. The principal is always more stable than its returns, and so dividends would be much more stable. As long as the fixed percentage is below what the fund actually makes on average over the long term, this strategy will lead to more stable returns and a faster long-term growth rate of the principal. The APFC could go a long way toward ensuring this goal was reached by setting the percentage at half of the average return experienced by the fund since its inception.

The APFC's investment strategy has been even more controversial than its dividend-calculation policy. Many editorials have come out criticizing the APF's handling of the investment crisis. The APFC has followed a strategy of investing in a diversified portfolio of U.S. and world stocks, real estate, and bonds. Diversity of stock and real estate investment allows the fund to make high returns and avoid heavy losses as long as some assets go up while others go down. However, in the financial crisis of 2008, most world stocks and real estate went down at the same time. Hence the "heavily diversified" fund dropped by 30 percent in 18 months.

The mood across all the recent editorials on the Permanent Fund is favorable to the Permanent Fund concept, if critical of its recent investment and payout strategies. The goal of a stable, permanent fund is enormously popular. The most common concern seems to be how to make it happen.

Links to recent news on the permanent fund:

Alaska News Minor: "Market rally pushes Permanent Fund over \$30 billion" May 5th, 2009:

<http://www.adn.com/money/story/784680.html>

KTUU-TV, "Permanent Fund dividends expected to shrink," March 13, 2009:

<http://www.ktuu.com/Global/story.asp?S=10001455>

Gregg Erickson, "Lawmakers' Permanent Fund raid will gut future payouts," Anchorage Daily News, March 15, 2009: <http://www.adn.com/opinion/comment/story/723540.html>

Rich Seifert, Fairbanks Daily Newsminer, "The hole in the Permanent Fund," March 5, 2009: <http://newsminer.com/news/2009/mar/05/hole-permanent-fund/>
Wesley Loy, "Despite losses, PFD distribution still likely," Anchorage Daily News, February 27th, 2009: <http://www.adn.com/news/alaska/story/705348.html>
Dermot Cole, "Permanent Fund and its advisers should say where the forecasts went wrong," Fairbanks NewsMiner, February 10, 2009: <http://newsminer.com/weblogs/dermot-cole/2009/feb/10/permanent-fund-and-its-consultant-should-address-why-the-forecasts-were-wrong/>
Dermot Cole, "We absolutely did not see the financial meltdown coming," Fairbanks NewsMiner, February 11, 2009: <http://newsminer.com/weblogs/dermot-cole/2009/feb/11/we-absolutely-did-not-see-the-financial-meltdown-coming-permanent-fund-consultant-says/>

4. PUBLICATIONS

* DUTCH

HARDIES, Kris (2009), 'Het basisinkomen. Een ethische beschouwing', *Ethische Perspectieven*, 19 (1), pp. 60-70. Author's address: kris.hardies@vub.ac.be, journal's website : <http://www.ethische-perspectieven.be/>

Kris Hardies (Free University of Brussels) tackles some of the most crucial ethical issues regarding basic income, such as parasitism and fair access to natural resources and jobs.

*ENGLISH

TERWITTE, Johannes (2009), *Should proponents of basic income advocate basic income social experiments in Germany?*, Hertie School of Governance, Berlin: MPP Thesis, May 2009 (Advisor: Claus Offe). Author's address: jokerwitte@gmail.com
Available online at: <http://www.archiv-grundeinkommen.de/terwitte/200905-MPP-Thesis.pdf>

The author argues that basic income social experiments (a specific type of pilot project) are a very useful tool for meeting a number of strategic challenges currently confronting basic income (BI) supporters. Firstly, such experiments are the best available method for starting to address the fundamental lack of knowledge which currently exists regarding the consequences of a BI introduction. Secondly, social experiments are useful because they help to overcome the discursive impasse which is partly a result of the current lack of knowledge. They could help to move the currently stuck debate and – most importantly – show great promise for shifting the burden of proof back to the defenders of the status quo. Lastly, the author finds ethical objections to BI social experiments to be insubstantial and ascertains the feasibility of BI social experiments in the German context.

VAN DONSELAAR, Gijs (2009), *The Right to Exploit. Parasitism, Scarcity, and Basic Income*, Oxford: Oxford University Press, Hardback, 208 pages

In 1895 an English farmer diverted the course of a stream that was flowing through his land, thereby cutting off the supply to the water reservoir of the neighboring community. The courts established that it had been his purpose to "injure the plaintiffs by carrying off the water and to compel them to buy him off." Regardless of what the law says, most people will feel that the farmer's intentions were morally unjust; he was trying to abuse his property rights in order to take advantage of others. Yet, as Gijs van Donselaar explains, the major traditions in the theory of economic justice, both from the libertarian right and from the egalitarian left, have failed to appreciate the moral objection to exploitative behavior that this case displays. Those traditions entertain radically opposed views on how private property should be distributed, but

they do not consider the legitimacy of constraints on the exercise of property rights - however they are distributed. The book demonstrates how this failure clears the way for a recent egalitarian argument, gaining in popularity, for a so-called unconditional basic income. If all have an initial right to an equal share of the resources of the world, then it soon seems to follow that all have a right to an equal share of the value of the resources of the world, which could be cashed in as a labor-free income. That inference, the author argues, is only valid if moral behavior similar to that of the farmer is tolerated. Van Donselaar argues that, ultimately, a confusion about the nature and value of freedom of choice is responsible for the odd conception of private rights in resources that would justify exploitation. Gijs Van Donselaar is Assistant Professor of Philosophy at the University of Amsterdam, the Netherlands

* GERMAN

NEUMANN, Frieder (2009), *Gerechtigkeit und Grundeinkommen. Eine gerechtigkeits-theoretische Analyse ausgewählter Grundeinkommensmodelle (Justice and Basic Income. An analysis of different models of basic income on the basis of certain theories of justice)*, Berlin: LIT-Verlag; Author's address: frieder.neumann@uni-heidelberg.de, Publisher's website : <http://www.lit-verlag.de/isbn/3-643-10040-5>

What kind of justice profiles do different models of basic income offer? Where can we identify strengths and weaknesses with regard to the issue of justice? A multi-dimensional concept of justice comprising justice of chances and opportunities, justice of distribution, justice of performance, justice of needs and intergenerational justice is used to answer those questions. As a result, the author identifies clear differences between the analyzed models of basic income reflecting three distinctive paradigms: a libertarian, a liberal-egalitarian, and a welfare-egalitarian one.

5. NEW LINKS

* BI for All in Latin America

A short article which reports on the movement for basic income in Latin America: Marcela Valente, "Latin America: Movement for Basic Income for All", *IPS.org: The Inter Press Service: Journalism and Communication for Global Change*, March, 19, 2009. Online at: <http://www.ipsnews.net/news.asp?idnews=46179>
- From USBIG

* French Universal Dividend

Maurice Druon, an important figure in France's political and cultural circles, died on April 14, 2009. In her tribute to Druon, French Minister Christine Boutin stressed the fact that he had been a faithful advocate of basic income in recent years. See: http://www.emediat.fr/general/christine-boutin-salue-la-memoire-de-lacademicien-maurice-druon-et-son-engagement-personnel-en-faveur-du-dividende-universel-et-du-partage-des-richesses_2901.html

* New Zealand's welfare mess

According to Susan St. John, "A comprehensive review of the welfare state in New Zealand for the 21st century social and economic conditions is well overdue. Longer term reform may also involve the use of basic income ideas such as provided by refundable tax credits". See <http://www.scoop.co.nz/stories/PO0904/S00187.htm>

* USBIG in Second Life

The USBIG Network announces that it now exists in the cyberspace virtual reality world of Second Life. Marcus Link, known in Second Life as Fim Fischer, created USBIG's Second Life, which can be found at: <http://slurl.com/secondlife/Merx/100/79/23>. The meetings will be held there. For those who don't have Second Life, it can be previewed at: <http://ddd.threedservices.com/preview/USBIG/>.

* Belgian tribute to Thomas Paine

Dirk Verhofstadt is a prominent and influential member of the Belgian liberal think-tank "Liberales.be", and the brother of the former Belgian Prime Minister Guy Verhofstadt. On June 8th, 2009, he gave a lecture on Thomas Paine in the "Liberal Archives" in Ghent. The fact that Paine was in favour of a basic income was mentioned, and is also stressed in a recent column by Verhofstadt: <http://www.liberales.be/columns/hetliberaledenken>

* ACORN (Canada) and a living wage

The Canadian ACORN (*Association of Community Organizations for Reform Now*) is advocating a living wage in the city of Ottawa. ACORN Members are now taking to the streets to lobby their councilors, and ask everyone to support their efforts through a message of solidarity: www.ottawalivingwage.ca

* A bailout for Canadians

As more and more Canadians lose their job, Green Party Industry and Business Critic Huguette Allen says the Harper government should look at implementing a Guaranteed Livable Income to support Canadians while industry and government work at implementing a new sustainable economic model. <http://vernonblog.blogspot.com/2009/03/green-party-critic-says-people-need.html>

* Short essay on basic income

A short essay by Andrew Usher, online at <http://menswiki.wikidot.com/essay:basic-income>

6. ABOUT THE BASIC INCOME EARTH NETWORK

Co-chairs:

Ingrid VAN NIEKERK ivanniekerk@epri.org.za, Economic Policy Research Institute, Cape Town, South Africa

Karl WIDERQUIST Karl@Widerquist.com, University of Reading, United Kingdom

Further details about BIEN's Executive Committee and International Board can be found on our website www.basicincome.org, as well as further information about the Recognised National Networks.

MEMBERSHIP

All life members of the Basic Income European Network, many of whom were non-Europeans, have automatically become life members of the Basic Income Earth Network.

To join them, just send your name and address (postal and electronic) to David Casassas david.casassas@uab.cat, Secretary of BIEN, and transfer EUR 100 to BIEN's account 001 2204356 10 at FORTIS BANK (IBAN: BE41 0012 2043 5610), 10 Rond-Point Schuman, B-1040 Brussels, Belgium. An acknowledgement will be sent upon receipt.

BIEN Life-members can become "**B(I)ENEFACTORS**" by giving another 100 Euros or more to the Network. The funds collected will facilitate the participation of promising BI advocates coming from developing countries or from disadvantaged groups.

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