

BIEN

BASIC INCOME EARTH NETWORK

NewsFlash Volume 26, no. 68, Winter 2013

www.basicincome.org

This is the newsletter of the Basic Income Earth Network (BIEN), which was founded in 1986 as the Basic Income European Network and expanded to become an Earth-wide Network in 2004. It serves as a link between individuals and groups committed to or interested in basic income. It fosters informed discussion on this topic throughout the world.

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

This NewsFlash goes out to more than 1,500 subscribers four times a year. If you would like to be added or removed from the subscription list, please go to:

<http://www.basicincome.org/bien/subscribe.php>.

For up-to-date information about basic income, see:

<http://binews.org/>

CONTENTS

1. [Opinion: Guy Standing, “Can Basic Income Cash Transfers Transform India?”](#)
2. [Special report \(opinion\): European Citizens Initiative: A historical campaign is born](#)
3. [Basic Income News from Around the World](#)
4. [Upcoming events](#)
5. [Recent Events](#)
6. [Recent Publications](#)
7. [Book Reviews](#)
8. [Recent BI News opinion pieces](#)
9. [Blogs](#)
10. [New Links](#)
11. [Videos](#)
12. [About the Basic Income Earth Network and the BIEN NewsFlash](#)

1. Opinion: Guy Standing, “Can Basic Income Cash

Transfers Transform India?”

By Guy Standing, February 4, 2013

This article will be published in the next edition of the Citizen’s Income Newsletter, and is included here by permission of the Citizen’s Income Trust

Since the 1990s, on average the Indian economy has been growing at over 6% a year. Yet hundreds of millions remain mired in poverty, and inequality has grown steadily. For decades, although there are 1,200 centrally-funded social policies on the statute books and hundreds more at state level, successive governments have relied largely on the Public Distribution System (PDS) to redress poverty.

The PDS subsidises consumers via subsidised grain, rice, sugar and kerosene if they have a Below Poverty Line (BPL) card or something similar. Producers of many goods receive huge subsidies as well. Altogether, subsidies eat up 7% of GDP.

They do not work. The system is wasteful, inefficient, market-distorting, regressive and deeply corrupt. Rajiv Gandhi famously said that 85% of subsidised food did not reach the poor. The Deputy Chair of the Planning Commission said in 2009 that only 16% of it reached them. Others have estimated that for every Rupee spent 72% is lost in transit.

While continuing with the PDS, in 2005 the Congress Party, long regarded as the bastion of Indian democracy, launched a grandiose National Rural Employment Guarantee Scheme (NREGS), supposedly guaranteeing every rural household 100 days of labour a year at the minimum wage. Huge numbers have supposedly benefited, vast sums spent, many eulogies uttered.

In reality, ghosts have been resurrected, recorded as having done labour. Most rural people have had few if any days of labour under the scheme (renamed to give it the status of having Gandhi's name preface it). Much of the money has gone into local bureaucrats' pockets. One study estimated that only 8% of recipients had been employed for 100 days in one year. Another suggested that only a minority of projects had been completed, another that it has not reduced rural poverty at all. Corruption is endemic. The scheme only awaits a journalist to write a book entitled *The Greatest Social Policy Scam in History*.

Meanwhile, something remarkable has been brewing. A radical alternative has been gaining ground. In 2009, led by SEWA (the Self-Employed Women's Association), we launched the first of three pilot cash transfer schemes. The principle is simple: Give people cash, a basic income, instead of subsidies or make-work labour. And do not attach conditions, directing people how to spend the money; they can work that out for themselves. We do not claim credit for what has happened since, for other factors have contributed. But the pilots have proved timely.

The first, financed by UNDP, took place in a low-income area of Delhi, where hundreds of households were offered the alternative of continuing with the subsidised items or receive a monthly cash transfer of equivalent value. Many initially chose the cash. Later, when we did the evaluation, many more wished to do so. Although a political campaign was organised, involving physical violence towards our women fieldworkers, the results have been very positive, with improvements to living standards.

Meanwhile, with financial help from UNICEF, we launched a bigger pilot in the state of Madhya Pradesh. In eight villages, for eighteen months, every man, woman and child has received an unconditional monthly cash transfer. Over 5,500 villagers have

been recipients. We have been evaluating the effects by comparison with people living in comparable villages, in a so-called randomised control trial.

Such pilots take a long time. Politics does not wait. Suffice it to note that the results of this and the third pilot in tribal villages are heart-warming. Even though the amount paid is very modest, about 30% of bare subsistence, we have observed improvements in nutrition, school attendance and performance, women's status, economic activity and sanitation. Many villagers have told us they want a substitution of cash for subsidies. More have come round to that as experience has been gained.

What seems to happen is that the cash provides liquidity and a sense of security that infuses confidence and gives people a greater sense of control over life. So the positive effects exceed the value of the transfer.

It is what has happened back in Delhi that is so intriguing. In the past few months, we have been asked to brief senior officials, and they have been emboldened to push cash transfers into the centre of national debate.

In November, the Prime Minister went on television to announce the government is to launch a cash transfer scheme, rolling it out to 51 districts in 2013 by raising the price of kerosene and compensating people by cash paid into bank accounts. Not to be outdone, on December 15, Delhi's Chief Minister launched an unconditional cash transfer scheme in her state for those omitted from the cap put on BPL card holders. A torrent of media comment has followed.

The Congress Party has been converted. Earlier this month, its leader Sonia Gandhi, the Prime Minister and several Cabinet colleagues descended by helicopter on a village and announced its cash transfer policy to a crowd of 30,000.

Indian social policy is at a crossroads. Opposing cash transfers, a group of diehard supporters of the PDS have been promoting a Right to Food bill that would universalise the PDS and subsidised food. They have also organised hostile protests. They claim cash benefits would lead to abandonment of public social services.

They are being Canutish. The PDS is literally rotten, as Delhi's Chief Minister has admitted. Often grain comes in sacks that contain numerous small stones to make up the weight; often the grain and rice are stale; often villagers travel long distances only to find the rations are not there. All this is ignored. Let them be supplicants, say the paternalists in effect.

The risk now is that, in the rush to operationalize cash transfers across the country, design faults and excessive politicisation will put back the cause for years. Here we have a lesson for government. In the villages receiving the basic income, the payments have been an extra, not a substitute for something. We asked everybody to open a bank account within three months of receiving their first payment. There were predictable teething problems. But soon, everybody had accounts, with help from our colleagues. In that time, suspicions were allayed and support for cash transfers strengthened.

The government is doing it the wrong way. It is raising the price of a subsidised item,

kerosene, telling people they will be compensated through a bank and by means of an identity card, the Aardaar. But, as the government's pilot has shown, many will lose in the short-term since they do not have accounts and cannot obtain the cash. This risks a backlash.

The solution must be based on realising that while villagers are always on the edge financially a government can take a medium-term perspective. If they rolled out their scheme to those 51 districts by offering extra money in the first year while stating that everybody must open a bank account in that time, the fiscal cost will be small. In the second year, they could phase out selected subsidies, sharing the gains by disbursing a third of the subsidy in additional payments while saving the fiscal coffers the other two-thirds. Remember that most money spent on subsidies does not reach the intended beneficiaries.

Will wisdom prevail? One cannot be optimistic. It is a pre-election year and Congress is set on making cash transfers what a leading politician has called "a game-changer", an election-winning measure. This will galvanise opposition. Everybody would gain if only the politicians had the wisdom to de-politicise the reform. The Government should set up an independent Cash Transfers Commission to oversee the process and to ensure the level of benefits is set by economic criteria and not raised just before elections.

How much better it would be if unconditional, universal, individual cash benefits were rolled out slowly and quietly. We know they have made a great difference to the lives of those thousands of villagers in our pilots. We have heard their stories, seen their children and analysed the data gathered by our fieldworkers. There is a great chance of transforming Indian social policy. Let us hope the politicians take it.

Guy Standing is Professor of Development at SOAS, a trustee of the Citizen's Income Trust, and honorary co-president of BIEN.

2. Special Report (opinion): European Citizens initiative: A historical campaign is born

By Stanislas Jourdan, January 21, 2013

After an unsuccessful first attempt, the European Citizens' Initiative for Unconditional Basic Income finally got accepted by the European Commission, thus opening the possibility for the organizers from 14 European countries to start collecting their signatures of support. Hereby starts a 12-month European-wide campaign for basic income in Europe, with the goal of collecting one million signatures.

ECI UBI 2013 The citizens committee members got it right not to give up after the EU commission rejected the first attempt, back in september. Indeed, the second attempt was finally accepted, the citizens committee members were noticed on the 14th of

January in a communication by Klaus Sambor, the head organizer of the initiative.

Under the European Citizens Initiative (ECI) new procedure, the EU commission must certify that the goal of the initiative submitted by citizens falls under its competences and attribution before citizens start collecting signatures, so that they don't do it for nothing.

Following the first rejection by the EU commission, which stated at the time that the proposal "manifestly fall outside the framework of the Commission's powers to submit a proposal for a legal act of the Union for the purpose of implementing the Treaties", the citizens committee decided in Munich to keep on working on a second attempt, with the main objective of having it accepted by the EU commission.

Citizens met again in Firenze (Italy) and, after discussion and consensus, submitted a new proposal – the one that just got accepted by the commission. In order to meet the commission's requirements, the new text (available here on the website's commission), does not demand a "legal act", but instead requests the commission to explore the feasibility of a European basic income. What fiscal harmonization would be necessary for implementing a basic income in the EU? What would a basic income imply for other social policies and labor rights? These questions must find clear answers. Hence the new title of the initiative: "Unconditional Basic Income (UBI) – Exploring a pathway towards emancipatory welfare conditions in the EU".

This can be done by organizing conferences, calling for studies, giving subsidies and any other means the commission has. Long story short, we're asking the commission to make a serious case for the implementation of basic income in Europe, and to feed the debate on how to do it in a harmonized way inside the European Union. As we expected, this request could hardly be rejected by the commission.

Now the next step is to have the online signature collection system be authenticated as 'secure' by the EU authorities, so that people can directly sign the initiative online. The ECI citizens committee decided to use the system and servers provided by the EU Commission in Luxembourg, which implies a delay.

In other words, citizens cannot sign online yet, but of course we will let them know as soon as they can through our facebook page.

If we collect more than one million signatures, then the commission will offer a hearing to the organizers at the European Parliament in Brussels. The EU commission will then have to accept or refuse the demand expressed by citizens, and give justifications for it.

We admit, our demand is very modest – and the results highly hypothetical. But one has to start somewhere. In France, the ECI has inspired and empowered groups of citizens who are now working hard to create a broader social movement. Being at the front line of this, I can assure you: nothing would have happened without such a challenge like the ECI.

And this is why I completely agree with Philippe Van Parijs, who said in a message of support to the organizers: "Whatever the exact wording and whatever the number of

signatures that will ultimately gathered, it is good to seize this new opportunity for spreading the idea of basic income far beyond the circles in which it has been thought about so far. The challenge presented by the mobilization of a civil society spread over 27 countries and speaking 23 different official languages is huge. But is is definitely worth taking on.”

The road may be long, but the way is clearly free. Let’s make it a historical campaign!

Stanislas Jourdan, editor in chief at Ouishare.net and member of the citizens committee for the European citizens initiative on unconditional basic income.
<http://binews.org/2013/01/opinion-european-citizens-initiative-a-historical-campaign-has-born/>

3. Basic Income News from Around the World

INDIA: Government announces major move in the direction of basic income guarantee

[USBIG – December 2012]

India’s ruling coalition government suddenly and unexpectedly announce a major move in the direction of a basic income guarantee by replacing many transfer and expanding them into a cash transfer program. The government will begin phasing-in the program on January 1, 2013. Details are sketchy at this point. According *the New York Times*, “The plan is to replace existing pensions, scholarships and subsidies on household items by directly disbursing cash to the beneficiaries’ bank accounts. It could apply to 720 million people.”

A group of private NGOs has been conducting a pilot project on basic income in India for over a year. It is unknown the extent to which this project influenced the government’s decision. But, according to Guy Standing, one of the principle researchers on the project, members of their team have been requested for television interviews and newspaper articles are pouring out about the new decision.

For more on the issue see:

Bal, Hartosh Singh, “Will Vote for Rupees,” *The New York Times*, December 7, 2012
<http://latitude.blogs.nytimes.com/2012/12/07/indias-cash-transfer-for-the-poor-is-an-electoral-gambit/?ref=opinion>

THE UNITED STATES: Noble Laureate, James M. Buchanan dies

[USBIG – January 2012]

Economist, James M. Buchanan died on January 9, 2013. Most famous as one of the founders of the “public choice” field in economics, James Buchanan won the Noble Prize in economics in 1986. Although he was known as a “free market” economist, he was one of several Noble Prize-winning economists who endorsed the basic income guarantee (BIG). Excerpts from his 1997 article, “Can Democracy Promote the General Welfare?” (in which he makes a public-choice argument for BIG) will appear in *Basic Income: An Anthology of Contemporary Research*, due out on Wiley-Blackwell later this year.

A New York Times obituary of him is online at:

http://www.nytimes.com/2013/01/10/business/economy/james-m-buchanan-economic-scholar-dies-at-93.html?_r=0

His Wikipedia page is at: http://en.wikipedia.org/wiki/James_M._Buchanan

NORWAY: New basic income network is founded

[BIEN – January 2013]

Borgerlonn-BIEN Norge was founded on October 12, 2012 to promote basic income in Norway. The organization’s main purpose is to inform the Norwegian population on universal, unconditional basic income guarantee (BIG) in hopes of getting BIG on the political agenda. The organization will promote BIG for all Norwegian citizens and one that is large enough to cover all necessary living expenses.

- Borgerlonn-BIEN Norge has already made news or organized events in Norway:
- October 19: The news magazine, NY TID, ran a story about the startup of the organization.
- November 2: Borgerlonn-BIEN Norge organized a lecture on BIG at a Globalization Conference.
- November 12: Network for Social Entrepreneurship invited Borgerlonn-BIEN Norge to a dialogue in Parliament.
- November 24: Borgerlonn-BIEN Norge organized a lecture at the Romsas volunteer center for “Free Philosophical Forum” on BIG in a green perspective.
- December 5: Borgerlonn-BIEN Norge gave a brief introduction to BIG at a “Green Drinks” at Lillehammer.
- December 9: Organizers of Borgerlonn-BIEN Norge were interviewed in NA24. According to the editor, it was read 63,370 times within a few days.
- December 13. Borgerlonn-BIEN Norge had a lecture at “Litteraturhuset”. The title of the lecture was “BIG - In a green perspective.”

In the coming year Borgerlonn-BIEN Norge hopes to get BIG on the agenda for the Norwegian parliamentary elections scheduled for September 9th, 2013. Otherwise Borgerlonn-BIEN Norge will continue to organized lectures and workshops on BIG.



The board of Borgerlonn-BIEN Norge, from left: Ole A. Seifert, Ali Reza Nouri, Lexander Wist, Sjur C. Papazian, Espen X. Leinaes, Anja Askeland (Chair) and Grete Antona Nilsen (Vice Chair).

UNITED STATES-KENYA: New non-profit uses unconditional cash transfers

[USBIG – January 2013]

A new Massachusetts-based non-profit, called GiveDirectly, transfers donations to poor Kenyans with no conditions attached whatsoever. According to GiveDirectly, their model of giving is based on a simple, four step process: “1. You donate through our webpage. 2. We locate poor households in Kenya. 3. We transfer your donation electronically to a recipient's cell phone. 4. The recipient uses the transfer to pursue his or her own goals.” No conditions or restrictions are imposed on the recipient. The nonprofit was founded in 2008 by four people who were then graduate students at the Massachusetts Institute of Technology, Paul Niehaus, Michael Faye, Rohit Wanchoo, and Jeremy Shapiro. GiveDirectly went public in 2012, and it has recently received a grant to expand beyond Kenya.

According to a recent story in *the Atlantic Monthly*, initial results of the transfers appear extremely positive. Although the popular stereotype of the poor is that they will spend money they receive on vices such as alcohol and prostitution, “recipients are spending their payments mostly on food and home improvements that can vastly improve quality of life, such as installing a weatherproof tin roof. Some families have invested in profit-bearing businesses, such as chicken-rearing, agriculture, or the vending of clothes, shoes, or charcoal.”

Although the GiveDirectly website makes no mention of basic income, the organizers are inspired by, “a wealth of evidence on the positive impacts of cash transfers,” and their values are similar to those usually behind support of basic income. For example, their website compares their values to what they call “industry standard” values (i.e. values of most charities working in Africa; under the value of “respect,” the website reads, “Industry standard: Empower experts to decide what is best for the poor based on an assessment of needs or on personal ideology. Our standard: Empower the poor to set their own priorities.”

GiveDirectly’s website is online at:
<http://www.givedirectly.org/>

The two following news stories have additional info on GiveDirectly:

Goldstein, Dana, “Can 4 Economists Build the Most Economically Efficient Charity Ever?” *the Atlantic Monthly*, Dec 21 2012, 9:51 AM ET 4
<http://www.theatlantic.com/business/archive/2012/12/can-4-economists-build-the-most-economically-efficient-charity-ever/266510/>

Yglesias, Matthew, “Fighting Poverty By Giving Poor People Money” *Slate Magazine*, Dec. 25, 2012, writes, “I’ve come to think that directly transferring [sic] cash money to people in need is the most underrated tool around for fighting poverty.”
http://www.slate.com/blogs/moneybox/2012/12/25/give_directly_the_new_charity_th_at_fights_money_by_giving_poor_people_money.html

GERMANY-NAMIBIA: Television network requests donations for the BIG project in Namibia

[BI News – December 2012]

The German television show, “Bread for the World,” on the public-service German television broadcaster, ZDF, recently called for donations to support Otjivero's BIG pilot project in Namibia. Requests for donations are not unusual in the pre-Christmas period, but a request to support Basic Income is unusual on major German TV.

Broadcasters called it “a beautiful project.” A video of the show, in German is at this link: <http://www.youtube.com/watch?v=ocwaFwyIaIM>

The “Bread for the World” website is online at:
<http://www.brot-fuer-die-welt.de/so-helfen-sie/ihre-spendenmoeglichkeiten/spendengala.html>

GERMANY: economic program of the Pirate Party endorses BIG

[USBIG – December 2012]

The German Pirate Party, which has endorsed BIG in recent elections, has made it official by producing an official economic program including a basic income guarantee. According to the program, “For us, work is not just a commodity, but also always the personal effort of an individual. Therefore, it is an imperative of human dignity that every human is free to decide what career they want to pursue and what work they want to accept, but also, that this effort is appreciated correspondingly. The technological development allows that not every monotone, little meaningful or even dangerous task must be done by human hands. We see this as a great step forward that we welcome and want to advance further. Therefore, we consider the pursuit of absolute full employment as neither timely nor socially desirable. Instead, we want to commit ourselves to ensuring that all humans receive a just part of the overall prosperity and will for this purpose examine the introduction of a unconditional basic income guarantee.” The program was adopted at the party convention on November 24-25, 2012 in Bochum, Germany.

For more on the Pirate Party’s economic program (in English), go to:
<http://en.thecitizen.de/2012/11/27/the-departure-from-the-dogma-work-pirate-party/>

GERMANY: Activist challenges sanctions of social support system

[Wolfgang Müller – BI News – December 2012]

The case of Ralph Boes has gained a lot of public attention in Germany recently. Boes, a longtime beneficiary of the German social support system “ALG-II” - also known as “HartzIV”--and an activist against the sanctions of this system, provoked the responsible German state agency until he was sanctioned at the beginning of November. His benefits were reduced by 90 percent, from €374.00 per month to only €37.40 per month. With only this much left, he saw himself as forced to starve.

Boes refused any private help in order to demonstrate the consequences of the sanctions policy. In 2012, Germany imposed sanctions on more than 1,000,000 times. This number represents an increase of about 38 percent compared to 2009. In more than two-thirds of these cases, the reason for the sanction is failure to appear.

After 26 days, the authority recognized a formal error, and Boes received the full amount of his benefits again.

More information about Boes can be found here:
<http://wir-sind-boes.de/presse.html>

More information about rising sanctions can be found here:
<http://www.sueddeutsche.de/wirtschaft/neuer-rekord-jobcenter-verhaengen-mehr-als-eine-million-hartz-iv-sanktionen-1.1527783>

An article about Boes in English can be found here:
<http://www.vice.com/read/hunger-strike-against-the-welfare-state>

ALASKA, USA: Permanent Fund Improves Performance

[USBIG – Feb 2012]

The Alaska Permanent Fund has increased by more than 7% in the first six months of its fiscal year, which runs from July to July. The fund is the financial base for Alaska's Permanent Fund Dividend, a small and variable basic income for all Alaska residents. The state of Alaska deposits a small amount of its oil revenue into the fund, which is invested in stocks, bonds, and other assets around the world. Each year, each Alaskan receives a share of the returns to that fund in the form of a cash dividend. Dividends have been declining gradually since the financial crises began to affect dividends in October of 2009. Usually between \$1000 and \$2000 per person per year, the dividend was only \$878 in October of 2012. If this year's performance continues, the dividend will start going up again in 2013. According to *the Alaska Dispatch*, the fund rose by 4.6% in the first quarter of the fiscal year and 2.7% in the second quarter for a total of 7.3% this year. That would be a solid increase even if the fund were to stagnate for the rest of the year. The fund is now at an all-time high of \$44.6 billion.

For more on the fund's recent performance, see: "Permanent Fund is off to a roaring start this fiscal year," *Alaska Dispatch*, Jan 24, 2013:
<http://www.alaskadispatch.com/article/permanent-fund-roaring-start-fiscal-year>

CANADA: Green Party Leader Endorses Basic Income

[BICN - Jenna van Draanen - November 2012]

Elizabeth May, the leader of the Green Party in Canada and an MP in British Columbia recently endorsed basic income. The endorsement of a "Guaranteed Livable Income" came through a press release on October 17, the United Nations (UN) International Day for the Eradication of Poverty. May's press release reminds her audience that the Green Party is the only political party in Canada to advocate for a basic income as a means to eradicate poverty. The endorsement occurring on the International Day for the Eradication of Poverty is an apt response to the UN resolution for all member states to create and implement concrete strategies to eliminate poverty.

More about her remarks can be found online at:
<http://www.canadianprogressiveworld.com/2012/10/18/elizabeth-may-calls-for-a-guaranteed-livable-income-in-canada/>

UNITED STATES: Proposal for a Great Lakes Commons Trust that may provide a

BIG

[CIT – January 2013]

At the Great Lakes Commons Gathering at Notre Dame University in the United States last October James Quilligan, who has recently spoken at a series of seminars in London, proposed a Great Lakes Commons Trust and Community Bank.

‘Bioregional trusts are an emerging horizon in environmental sustainability and financial stability for the people of a common resource area. ... The purpose of a bioregional trust is to safeguard a resource for future generations. Just as some communities across the world have become adept at preserving, creating and replenishing their local commons, bioregional trusts can also apply the principles of subsidiarity, polycentricity and inclusive decision-making to the protection and production of resources that are shared on a broader scale. Integrative commons management contributes not only to a clean and healthy biological environment, but also to people’s social well-being. In addition, a bioregional trust may generate funds which could be used for ecological restoration as well as a basic income for the people of a region.

For more on James Quilligan’s proposal, go to:

http://thefinancelab.ning.com/events/meetings-with-remarkable-commoners-james-quilligan-finance-lab-ch?xg_source=activity

BRAZIL: Senator Suplicy reaffirms that a BI is attainable now

[Ian Orton – BIEN – December 2012]

In a recent interview, Senator Eduardo Suplicy reiterated the case for a basic income (BI) in Brazil, underlining that is not only desirable but something that is practically attainable now. At present, the BI in Brazil still exists in a truncated form as the *Bolsa Familia* conditional cash transfer (covering 25% of the population). Suplicy was the architect of the 2004 law that established the BI in Brazil. This law was charged with introducing the BI there gradually, with the *Bolsa Familia* being the first step in the process. Suplicy argues that that the time has come for the *Bolsa Familia* to be extended to cover all Brazilians. He calculates that covering all Brazilians with a modest BI of USD\$35 a month would require an eight-fold increase in the budget of USD\$80 billion (4% of GDP) currently assigned to the *Bolsa Familia*. In spite of such fiscal challenges, he believes this is possible given the prosperity the world is seeing and the potential of natural resources as an additional funding source.

For more on this issue see:

Nagarajan, Rema, “Brazil: Imagine a World Free of Hunger and Need,” *the Times of India*, September 6, 2012.

<http://pulitzercenter.org/reporting/brazil-economy-dreaming-world-free-hunger-and-need-Eduardo-Suplicy>

4. Upcoming events

Lisbon, Portugal, 18-20 July 2012: Summer school on Basic Income

[USBIG – February 2013]

Summer School by Professor Stuart White (Oxford University) on: Basic income: communism, liberalism and republicanism

When: 18-20 July 2013

Where: University of Minho, Braga (Portugal)

The School will consider the ethical arguments surrounding the idea of unconditional basic income, focusing specifically on arguments appealing to interpretations of communism, liberalism and republicanism. What are the strengths and weaknesses of these arguments? How successfully do they meet the main ethical objections to basic income, including the objection, itself derivable from within currents of socialist, liberal and republican thought, that basic income is unfair because it allows some who are able to work to live off the labor of their fellow citizens?

Fee: 50 Euros

Inscription: Please send a short letter of motivation and CV by e-mail to Roberto Merrill (nrbmerrill@gmail.com) by 15 April 2013.

This event is organized by the Political Theory Group of CEHUM, University of Minho (Braga).

Information about registration, accommodation and travelling will soon be available online at the school's website:

<http://basicincomeschool.weebly.com/>

5. Recent Events

Tunis, Tunisia, March 23-28, 2012: World Social Forum to discuss BIG

[USBIG – January 2013]

According to Vereniging Basisinkomen (VB, the BIEN Affiliate in the Netherlands) the 2013 World Social Forum, taking place in Tunis from March 23rd to 28th, will include a collaborative workshop on Basic Income. According to VB, this workshop could be the occasion to show how an unconditional basic income reduces poverty, emancipates individuals from an alienating productivist economic system, and gives them the means to get more involved in their communities.

For more information, see the story on the VB website:

http://basisinkomen.nl/wp/ai1ec_event/2013-world-social-forum/?instance_id=

And the World Social Forum webpage for the workshop:

<http://www.fsm2013.org/en/node/1862>

Napoli, Italy, 14th November 2012: Public Meeting on Precarity and Basic Income

[BIN-Italia – November 2012]

A public meeting on precarity and basic income has been held on November 14th at the Cultural Centre “La città del Sole” in Naples. The meeting represented an occasion to talk about precarity and the various declinations of basic income (universal basic income, citizens' income, and guaranteed minimum income) on the very same day of the European General Strike against the E.U.'s austerity policies. The meeting has been organised by ALBA [Alliance of Labour, Public Goods and the Environment] – a new political formation launched by academics, writers, lawyers, trade unionists and others to the left of the Italian Democrats. The event has been attended by Giuseppe Allegri (Bin Italia), Roberto Ciccarelli (author of *La Furia dei Cervelli* [The Fury of the Brains]), Stefano Iannillo (Uds – Union of Students), and Catia Uccello (Link-Students' Union). The debate has been coordinated by Prof. Alessandro Arienzo, a historian of political thought at the University of Naples “Federico II”.

<http://www.bin-italia.org/>

Taranto, Italy, 16th November 2012: Presentation of BIN Italia last book

[BIN-Italia – November 2012]

BIN Italia last book, *Reddito minimo garantito, un progetto necessario e possibile* [Guaranteed Minimum Income, a feasible and necessary project] published by Edizioni Gruppo Abele has been presented in the city of Taranto on November 16th. The event has been organised by Comitato Cittadini e Lavoratori Liberi e Pensanti [Committee of Free and Thinking Citizens and Workers], a local association formed by workers at ILVA in Taranto – Italy's biggest steelworks – and residents to demand health and jobs. Luca Santini, President of BIN Italia, took part in the discussion.

<http://www.bin-italia.org/>

Salerno, Italy, 17th November 2012: Presentation of BIN Italia last book

[BIN-Italia – November 2012]

BIN Italia last book, entitled *Reddito minimo garantito, un progetto necessario e possibile* [Guaranteed Minimum Income, a feasible and necessary project] (published by Edizioni Gruppo Abele), has been presented in Salerno at Spazio Donna on November 17th. The book is the result of a research carried out by BIN Italia. It looks at the experiences of guaranteed minimum income in force in many European countries, it tells about the experimentation of implementing a guaranteed minimum income in some Italian regions, and finally it suggests a possible way to implement a national law on guaranteed minimum income in Italy by making suggestions and proposals, giving insights, and providing analyses.

Luigi Narni Mancinelli, member of Comitato per il Reddito Minimo Garantito [Committee for Guaranteed Minimum Income], Luca Santini, President of BIN Italia and co-author of the book, Mario Avoletto, member of the social centre Officina 99,

and Loredana Marina, who is the Provincial Secretary of PRC - Partito della Rifondazione Comunista [the Communist Refoundation Party] in Salerno took part in the debate that followed the book presentation.

<http://www.bin-italia.org/>

Teramo, Italy, 19th November 2012: Public Debate on Basic Income and Social

Rights in Europe

[BIN-Italia – November 2012]

A public debate entitled 'Basic Income, Employment and Protection of Fundamental Rights in the European policies post Lisbon Treaty' has been held in Teramo at the Multipurpose Hall of the Province of Teramo on November 19th. The event has been attended by Giorgio Anselmi, who is the national secretary of the European Federalist Movement, Giuseppe Bronzini who is a judge of the Supreme Court and author of the book *Reddito di Cittadinanza* [Citizens' Income], Gianni Chiodi who is the Governor of the Abruzzo region, Valter Catarra who is the President of the Province of Teramo, and Michele Picciano who is the President of AICCRE that is the Italian section of CEMR (Council of European Municipalities and Regions of Europe).

Info about the event is online at:

www.aiccre.it

www.provincia.teramo.it

<http://www.bin-italia.org/>

<http://www.bin-italia.org/>

Prato, Italy, 24th November 2012: Presentation of BIN Italia last book about

Guaranteed Minimum Income

[BIN-Italia – November 2012]

BIN Italia last book, *Reddito minimo garantito, un progetto necessario e possibile*

[Guaranteed Minimum Income, a feasible and necessary project] published by Edizioni Gruppo Abele has been presented in the city of Prato on November 24th.

Luca Santini, President of BIN Italia, and Sandro Gobetti, co-ordinator of BIN Italia took part in the presentation. The book presentation has been followed by a debate moderated by Lanfranco Nosi who is a member of the Committee for Guaranteed Income in Prato. The event has been organised also to support the campaign in favour of a popular initiative bill on guaranteed minimum income in Italy. Many signatures in favour of this petition have been collected during the event.

<http://www.bin-italia.org/>

Milano, Italy, 28th November 2012: Presentation of BIN Italia last book

[BIN-Italia – November 2012]

BIN Italia continues its book tour across Italy. On November 28th the book entitled *Reddito minimo garantito, un progetto necessario e possibile* [Guaranteed Minimum Income, a feasible and necessary project] published by Edizioni Gruppo Abele has been presented in Milan. Andrea Fumagalli (BIN Italia) and Corrado Del Bò (Researcher in Philosophy of Law at the State University of Milan) took part in the event.

<http://www.bin-italia.org/>

Torino, Italy, 29th November 2012: Presentation of BIN Italia last book about

Guaranteed Minimum Income

[BIN-Italia – November 2012]

BIN Italia last book, entitled *Reddito minimo garantito, un progetto necessario e possibile* [Guaranteed Minimum Income, a feasible and necessary project] (published by Edizioni Gruppo Abele), has been presented in Turin at the bookshop “Torre di Babele” on November 29th. Luca Santini, President of BIN Italia, Sandro Gobetti, co-ordinator of BIN Italia (both co-authors of the book), and Marco Revelli (historian and sociologist) attended the book presentation.

6. Recent Publications

Journal of Moral Philosophy: Debate on Resource-Financed BIG

Three well-known philosophers debated taxing resources and distributing the proceeds in cash (a basic income guarantee by another name). All three of the authors support the idea. They debated the details of how best to implement it. The debate included a proposal by Paula Casal, responses from Hillel Steiner and Thomas Pogge (both of whom had written proposals along similar lines in the past), and a rejoinder by Casal. The four articles are:

Casal, Paula (2011) “Global Taxes on Natural Resources,” *Journal of Moral Philosophy* 8, pp. 307–327

Abstract

Thomas Pogge’s Global Resources Dividend relies on a flat tax on the use of natural resources to fund the eradication of world poverty. Hillel Steiner’s Global Fund taxes the full rental value of owned natural resources and distributes the proceeds equally. The paper compares the Dividend and the Fund and defends the Global Share, a novel proposal that taxes either use or ownership, does so (when possible) progressively, and distributes the revenue according to a prioritarian rather than a sufficientarian or egalitarian principle.

Steiner, Hillel (2011) "The Global Fund: A Reply to Casal," *Journal of Moral Philosophy* 8 328–334

Abstract

The Global Fund is a mechanism for the global application of the Left Libertarian conception of distributive justice. As a form of luck egalitarianism, this conception confers upon each person an entitlement to an equal share of all natural resource values, since natural resources – broadly, geographical sites – are objects for the production of which no person is responsible. Owners of these sites, i.e. states, are liable to a 100% Global Fund tax on their unimproved value: that is, their gross market value minus the value of the improvements added to them by human effort. It is argued that the revenue yielded by this tax would be correspondingly reduced by a further tax on the use of natural resources.

Pogge, Thomas (2011) "Allowing the Poor to Share the Earth," *Journal of Moral Philosophy* 8, pp. 335–352

Abstract

Two of the greatest challenges facing humanity are environmental degradation and the persistence of poverty. Both can be met by instituting a Global Resources Dividend (GRD) that would slow pollution and natural-resource depletion while collecting funds to avert poverty worldwide. Unlike Hillel Steiner's Global Fund, which is presented as a fully just regime governing the use of planetary resources, the GRD is meant as merely a modest but widely acceptable and therefore realistic step toward justice. Paula Casal has set forth various ways in which this step might be improved upon. Solid counter-arguments can be given to her criticisms and suggestions. But to specify the best (effective and realizable) design of an appropriate global institutional mechanism with some confidence, economists, political scientists, jurists, environmental scientists, and activists would need to be drawn in to help think through the immense empirical and political complexities posed by this urgent task.

Casal, Paula (2011) "Rejoinder to Pogge and Steiner," *Journal of Moral Philosophy* 8, pp. 353–365

No abstract

The four papers are available (for a fee) on the *Journal of Moral Philosophy's* website: <http://www.brill.com/journal-moral-philosophy>

Special offers on two books about the Alaska Permanent Fund

The Georgist News has special offers on two books that came out last year about the Alaska Permanent Fund (Alaska's small basic income). Each book is reduced from \$100 to \$65. The books are:

Karl Widerquist and Michael W. Howard (eds.) 2012. *Alaska's Permanent Fund Dividend: Examining its Suitability as a Model*, New York: Palgrave Macmillan

Karl Widerquist and Michael W. Howard (eds.) 2012. *Exporting the Alaska Model: Adapting the Permanent Fund Dividend for Reform around the World*, New York: Palgrave Macmillan

The special offer can be found online at:
<http://georgist.com/9-rsf-news-special-offers-on-alaska-permanent-fund-books/>

Two publications suggest putting basic income on the agenda for the second Obama administration

[USBIG – December 2012]

Mike Konczal, of the Roosevelt Institute, begins as article in *The American Prospect*, writing, “Now that Obamacare—the largest expansion of the social-safety net in the last 60 years—is safe, what's next for the liberal economic project?” He suggest basic income as one of two strategies that could answer that question. Byron York carries on the same conversation in *the Washington Examiner*.

Konczal, Mike, “The Great Society's Next Frontier,” *the American Prospect*, November 19, 2012
<http://prospect.org/article/great-societys-next-frontier>

York, Byron, “After victory, liberals want income redistribution,” *the Washington Examiner*, November 26, 2012
<http://washingtongexaminer.com/after-victory-liberals-want-income-redistribution/article/2514401#.ULTsb4WFbIp>

Crocker, Geoff, “Opinion: So what’s really wrong with the economy?”

[USBIG – December 2012]

This article argues that the income gap is a source of the Britain’s financial weakness, and suggests Citizens Income as part of the solution.

Crocker, Geoff, “Opinion: So what’s really wrong with the economy?” *Liberal Democratic Voice*, December 10th, 2012
<http://www.libdemvoice.org/opinion-51-32053.html>

De Wispelaere, Jurgen and Lindsay Stirton, “The Politics of Unconditional Basic Income: Bringing Bureaucracy Back In”

[USBIG – December 2012]

Abstract: We challenge the view, typically assumed by advocates of unconditional basic income (UBI), that its administration is uncontroversial. We identify three essential tasks which, from the point of view of the administrative cybernetics literature, any income maintenance policy must accomplish: defining criteria of

eligibility, determining who meets such criteria and disbursing payments to those found to be eligible. Building on the work of Christopher Hood, we contrast two alternative ways in which the design of a UBI might apply the principle of ‘using bureaucracy sparingly’ to the performance of each of these three tasks. Relating these alternative designs to the politics of basic income, we show a correspondence between contrasting senses of using bureaucracy sparingly and ‘redistributive’ and ‘aggregative’ UBI models.

Wispelaere, Jurgen De and Lindsay Stirton, “The Politics of Unconditional Basic Income: Bringing Bureaucracy Back In,” *Political Studies*, Early View published online November 26, 2012.

<http://onlinelibrary.wiley.com/doi/10.1111/j.1467-9248.2012.01004.x/abstract>

DieStandard.at: “Armen-Grundeinkommen in der Testphase”

[Wolfgang Müller – BI News]

The Austrian newspaper dieStandard.at published a report on the basic income pilot project in India, organised by the All India Federation of Self-Employment Women's Associations (SEWA) and financed by UNICEF.

DieStandard.at: “Armen-Grundeinkommen in der Testphase,” *DieStandard.at*, December 26, 2012

The report is in German and can be found here:

<http://diestandard.at/1355460457667/Armen-Grundeinkommen-in-der-Testphase>

Citizen’s Income Trust, *Citizen’s Income Newsletter*, Issue 1 2013

[BIEN – January 2013]

The first issue of the *Citizen’s Income Newsletter* (CIN) for 2013 is now available. The CIN is the newsletter of the Citizen’s Income Trust (CIT), BIEN’s affiliate in the United Kingdom. This issue includes an editorial, a research article, entitled “A rule-of-thumb basic income model for the UK, with and without an earnings/income disregard” (see below for more information), news, a report from the BIEN Congress of 2012, a research note, entitled, “a French microsimulation,” and book reviews of Simon Birnbaum, *Basic income Reconsidered: Social justice, liberalism, and the demands of equality* (reprinted on BI News) and Robert Skidelsky and Edward Skidelsky, *How Much is Enough? The Love of Money, and the Case for the Good Life* (reprinted on BI News).

Citizen’s Income Trust, *Citizen’s Income Newsletter*, Issue 1 2013

<http://www.citizensincome.org/resources/Newsletter20131.htm>

For more information about the CIN, contact the director of the CIT, Malcolm Torry at citizens-income@lse.ac.uk.

Citizen's Income Trust, "Editorial," Citizen's Income Newsletter, Issue 1 2013

[BIEN January 2013]

This article argues that the United Kingdom's proposed "Universal Credit" fails largely because it fails to be universal enough. If it was structured more like the UK's child benefit system, it could be more effective and more of a step toward a Citizen's (or Basic) Income.

Citizen's Income Trust, "Editorial," *Citizen's Income Newsletter*, Issue 1 2013.

<http://www.citizensincome.org/resources/Newsletter20131.htm>

Flassbeck, Heiner, Friederike Spiecker, Volker Meinhardt and Dieter Vesper,

Frankfurt, Westend *Irrweg Grundeinkommen: Die große Umverteilung von unten*

nach oben muss beendet werden [The Basic Income Aberration: The Great

Redistribution from Bottom to Top Must be Ended]

This book argues against the change of income distribution in the last decades ("the great redistribution from bottom to top"), but it also reject the basic income as a solution.

Flassbeck, Heiner, Friederike Spiecker, Volker Meinhardt and Dieter Vesper (2012), Frankfurt, Westend. *Irrweg Grundeinkommen: Die große Umverteilung von unten nach oben muss beendet werden* [The Basic Income Aberration: The Great Redistribution from Bottom to Top Must be Ended], Frankfurt, Germany: Westend.

A critical review of this book entitled Kein Irrweg [no aberration] is online in German is at:

http://www.grundeinkommen.de/content/uploads/2012/11/kumpmann_rezension-zu-flassbeck-et-al_15nov2012.pdf

A translation of that review into English is online at:

<http://www.indybay.org/newsitems/2012/11/28/18726623.php>

Hansen, James, "Storms of My Grandchildren's Opa"

[USBIG – Dec 2012]

In this article, James Hansen, head of the NASA Goddard Institute for Space Studies, endorse a fee-and-dividend approach to greenhouse gas emissions reduction. This approach includes a small basic income.

Hansen, James, "Storms of My Grandchildren's Opa." Columbia.edu, December 13, 2012

<http://www.columbia.edu/~jeh1/mailings/>

http://www.columbia.edu/~jeh1/mailings/2012/20121213_StormsOfOpa.pdf

Howard, Michael W. “Want the public to heed global warming threats? Cap carbon emissions, pay dividends to everyone”

This op-ed piece argues that a good solution to global warming is to cap carbon emissions, auction off the rights to them, and distribute the revenue as a dividend (sort of a carbon-based basic income).

Howard, Michael W. “Want the public to heed global warming threats? Cap carbon emissions, pay dividends to everyone,” *Bangor Daily News*, Wednesday, Dec. 12, 2012

<http://bangordailynews.com/2012/12/11/opinion/want-the-public-to-heed-global-warming-threats-cap-carbon-emissions-pay-dividends-to-everyone/>

Manning, Lowell “The Manning plan for permanent debt reduction in the national economy,” *Integrated development.org*.

[USBIG – December 2012]

Summary, “A low risk politically acceptable and practical way to resolve the world debt crisis without sudden or radical change to the world’s financial system is presented. It is worked out for conditions in New Zealand. Applicable to any economy, it includes the introduction of Universal Basic Income (UBI), Debt Jubilee Income (DJI), and “Quantitative Easing” and takes non-debtors’ interests equitably into account. Three administrative institutions are introduced: A national debt management authority (NDMA), A national public development fund (NPDF), A national public investment trust account (NPITA). The UBI and the DJI are structured to avoid inflation by matching incomes with the physical and human resources available to the economy.”

In English, with French translation available.

Manning, Lowell, “The Manning plan for permanent debt reduction in the national economy,” *Integrated development.org*. September 11, 2012

<http://www.integrateddevelopment.org/manningplan20120913.htm>

Manning, Lowell, “How to introduce a guaranteed minimum income in New Zealand”

[USBIG – December 2012]

Summary, “This paper offers a practical plan to resolve the world’s problem of exponential debt growth and to control inflation. The plans are based on a revision of the well-known Fisher Equation of exchange enabling it to take account of interest-bearing debt. They are designed to ensure that no low or middle income group in the

community is worse off than it is now. The plan involves introducing a guaranteed minimum income (GMI) for each person in the country to replace the existing welfare system. The GMI can be funded on an income-positive basis by phasing out existing welfare transfer payments, by realigning existing tax thresholds and by introducing a wealth tax of 1% of all net assets. This paper shows that a fair result is produced using a flat tax of 41.5% on all earned income.”

In English, with French translation available.

Manning, Lowell, “How to introduce a guaranteed minimum income in New Zealand,” *Integrated development.org*. August 8, 2012
<http://www.integrateddevelopment.org/lowellgmi.htm>

Miller, Anne G. “A rule-of-thumb basic income model for the UK, with and without an earnings/income disregard: Design and cost your own Basic Income scheme”

[BIEN – January 2013]

This article demonstrates how a BI scheme can be designed to fulfill a set of stated objectives according to given priorities, such as redistribution, poverty prevention, work incentives, and so on. It provides a simple, illustrative model, with partial and full BIs set at proportions 25 percent and 50 percent respectively of mean income. It finds that there is a variety of potential levels for the partial BIs without increasing the standard rate of income tax. This offers a remarkable degree of flexibility. And it demonstrates that even fairly generous BI schemes are economically feasible in the UK.

Miller, Anne G. “A rule-of-thumb basic income model for the UK, with and without an earnings/income disregard: Design and cost your own Basic Income scheme,” *Citizen’s Income Newsletter*, Issue 1 2013.
<http://www.citizensincome.org/resources/Newsletter20131.htm>

O’Grady, Mary Anastasia , “How to Break the Tyranny of Oil Wealth: If Chávez believes the nation's oil billions belong to the people, why not give it to them directly?”

This article reports on and discusses the political implications of a recent publication by the Center for Global Development, Rodríguez, José Pedro L., R. Morales, and Francisco J. Monaldi “Direct Distribution of Oil Revenues in Venezuela: A Viable Alternative?” (see above). Both articles discuss direct distribution of Venezuela’s oil revenue to its citizens in cash.

O'Grady, Mary Anastasia , “How to Break the Tyranny of Oil Wealth: If Chávez believes the nation's oil billions belong to the people, why not give it to them directly?” *The Wall Street Journal*, January 28, 2013

Power, Nina “What might a world without work look like?”

[USBIG – January 2013]

“As ideas of employment become more obscure and desperate, 2013 is the perfect time to ask what it means to live without it.” This article mentions the campaign for a citizens income in response to increasing job insecurity and low pay.

Power, Nina “What might a world without work look like?” *The Guardian*, Thursday 3 January 2013:

<http://www.guardian.co.uk/commentisfree/2013/jan/03/world-without-work>

Rodríguez, José Pedro L., R. Morales, and Francisco J. Monaldi “Direct Distribution of Oil Revenues in Venezuela: A Viable Alternative?”

In this paper, Pedro L. Rodríguez, José R. Morales, and Francisco J. Monaldi ask whether the direct and automatic distribution of oil rents to citizens is a viable option in Venezuela. Government accountability there has weakened as oil revenues have been diverted more and more to toward discretionary spending channels. Would direct distribution improve accountability? What do citizens think about the approach? The authors confront these questions, focusing on the fiscal contract between citizens and their government.

Rodríguez, José Pedro L., R. Morales, and Francisco J. Monaldi (2012) “Direct Distribution of Oil Revenues in Venezuela: A Viable Alternative?” *Center for Global Development* Working Paper no. 306, September 14

<http://www.cgdev.org/content/publications/detail/1426486>

Widerquist, Karl “Commentary: Let's change the way Alaska Permanent Fund pays dividends”

[USBIG – December 2012]

This commentary argues that Alaska should change the formula for calculating its yearly Permanent Fund Dividend (Alaska’s basic income) to create more stable dividend payments.

Widerquist “Commentary: Let's change the way Alaska Permanent Fund pays dividends,” *the Alaska Dispatch*, December 5, 2012

<http://www.alaskadispatch.com/article/lets-change-way-alaska-permanent-fund-pays-dividends>

7. Book Reviews

Simon Birnbaum, Basic income Reconsidered: Social justice, liberalism, and the demands of equality

[CIT – January 2013]

‘Radical liberalism ... holds a substantial universal and unconditional tier of social rights to be one of the ideal requirements of liberal-egalitarian justice.’ (p.8) Equality and freedom can and should be pursued at the same time, a universalist welfare state is the means to this combination, and an important element of such a welfare state is a Citizen’s Income. This is the agenda that Birnbaum has pursued through the research project of which this book is the outcome: an agenda with which he constantly contrasts more conditional forms of welfare state based on ideas of ‘reciprocity’.

In his introductory chapter, Birnbaum locates his treatment between the quite general theorizing of John Rawls and an empirical approach more concerned with feasibility: ‘between’ in the sense that his ‘feasibility’ takes the long view and does not allow short term political realities to determine feasibility in the longer term, and in the sense that his method is one of ‘reflective equilibrium’: a moving backwards and forwards between different propositions in an attempt to resolve contradictions.

In Rawlsian fashion, the first part of the book argues for a Citizen’s Income on the basis that it maximises the economic prospects of the least advantaged member of society more effectively than would more conditional benefits systems. The second part answers the objection that a Citizen’s Income requires taxation and therefore exploits workers. Birbaum follows Philippe Van Parijs in showing that much of the income earned through employment is the result of resources that belong to all of us, and that taxing earned income is therefore a redistribution of gifts. The argument is then extended to jobs: if *they* are gifts, then everyone has a claim on their value.

The third part of the book tackles feasibility. Birnbaum argues that a Citizen’s Income ‘would be particularly well-suited to foster economic initiatives, meaningful work and a rich associational life’ (p.169), making formal reciprocity requirements unnecessary; and he finds that ‘basic income proposals that seek to build on and develop the social insurance and in-kind benefits of existing welfare state institutions are far better suited to serve objectives [of political legitimacy, sustainability, and gender equity] than radical replacement strategies’ (p.204).

The book is full of enlightening argument, and particularly compelling is a method which sets out from a situation in which a Basic Income has been implemented and then studies a situation in which it has been abolished. This method is well employed on p.59 to demolish the ethical argument for ‘welfare to work’ policies.

The book is also full of quite dense argument which assumes some acquaintance with the terminologies and literatures of moral philosophy and political economy: but readers without such an acquaintance will still find the book invigorating because the

argument is both thorough and coherent, and because it contains a persuasive riposte to arguments for a welfare state based on enforced reciprocity. (It is no surprise that Stuart White has the longest author entry in the index after John Rawls and Philippe Van Parijs.) In social policy terms, the book is a persuasive argument for a Citizen's Income and against both today's 'welfare to work' benefits structure and a Participation Income.

Anyone coming to this book will need to work hard at it, but the work will be worth it.

Simon Birnbaum, *Basic income Reconsidered: Social justice, liberalism, and the demands of equality*, Palgrave Macmillan, 2012, xii + 246 pp, hbk, 0 230 11406 7, £62.50

<http://us.macmillan.com/basicincomereconsidered/SimonBirnbaum>

Robert Skidelsky and Edward Skidelsky, How Much is Enough? The Love of Money, and the Case for the Good Life

[CIT – January 2013]

The thesis of this book is that there is a 'good life' which can be defined independently of our subjective desires, and that it is possible to determine the elements of that good life and some of the means for attaining it.

The first chapter sets out from Keynes' prediction that increasing automation would enable us to experience a good life at the same time as working shorter hours: but Keynes 'did not understand that capitalism would set up a new dynamic of want creation which would overwhelm traditional restraints of custom and good sense' (p.42) – and, as the Skidelskys correctly note in chapter 2, capitalism 'has given us wealth beyond measure, but has taken away the chief benefit of wealth: the consciousness of having enough' (p.69).

Chapter 3 surveys pre-modern economic thought, and particularly Aristotle's, for whom money is the servant of the good life rather than being an end in itself. The Skidelskys then divert us down two cul-de-sacs in order to back us out again. They explore the modern 'happiness economics', find it methodologically and ethically suspect, and decide that the pursuit of happiness is no more likely to lead to the good life than is the pursuit of money:

Our proper goal, as individuals and as citizens, is not just to be happy but to have reason to be happy. To have the good things of life – health, respect, friendship, leisure – is to have reason to be happy. (p.123)

Similarly, the authors urge us not to argue from the dangers of climate change to a necessity to reduce economic growth. They prefer a 'good life environmentalism': the pursuit of an objectively good life which requires us to treat nature kindly because 'harmony with nature is part of the good life' (p.140).

Chapter 6 is the heart of the book because it describes the good life in terms of a set of 'basic goods', defined as goods which are 'universal, meaning that they belong to the good life as such ... final, meaning that they are good in themselves, and not just as a means to some other good ... sui generis, meaning that they are not part of some other good ... indispensable, meaning that anyone who lacks them may be deemed to have suffered a serious loss or harm' (pp.150-52). On the basis of this definition the authors list seven basic goods: health, security, respect, personality ('the ability to frame and execute a plan of life reflective of one's tastes, temperament and conception of the good' (p.160)), harmony with nature, friendship, and leisure.

The authors study indicators related to the elements of the good life and find that in many ways life in the UK is less good than it was forty years ago. They recommend a 'non-coercive paternalism' (p.193), and at the heart of their prescription is an argument for a Citizen's Income on the basis of their definition of the good life. For instance: leisure and self-directed activity are necessary constituents of the good life, so to enable more people to be employed part-time, which a Citizen's Income would do, would enable more people to experience the good life.

It is unfortunate that the book advocates the pursuit of the good life purely in terms of our generation of homo sapiens, and explicitly does so in the chapter on 'limits to growth'. A good life for the planet, and a good life for future generations, are surely just as important as the good life for us. The reader will need to decide whether the Skidelskys have made an adequate case for downplaying that importance. It is also a pity that the book contains no separate bibliography.

But having said that, it is a pleasure to see a book which in general so cogently combines a clearly formulated principle, diagnosis of our current plight, a clear route towards a desired end, and detailed policy prescription designed to take us along that route.

We are of course most encouraged that the Skidelskys have concluded that the attainment of the good life requires a Citizen's Income.

Robert Skidelsky and Edward Skidelsky, *How Much is Enough? The Love of Money, and the Case for the Good Life*, Allen Lane/Penguin Books, 2012, xi+243 pp, hbk, 1 846 14448 6, £20

8. Recent BI News opinion pieces

Opinion: A report on the BIEN Congress 2012, Munich, 14th to 16th September

By Malcolm Torry, January 7, 2013

BIEN now stands for 'Basic Income Earth Network'. Once every two years BIEN holds a congress, and this year's showed just how appropriate the name now is and how inappropriate it would be to still call it the 'Basic Income European Network'.

There were participants from South Africa, Namibia, India, Japan, South Korea, the United [...]

<http://binews.org/2013/01/opinion-a-report-on-the-bien-congress-2012-munich-14th-to-16th-september/>

OPINION: Basic Income and the fear of self-reliance

By Joerg Drescher, December 17, 2012

Even if the term “emancipation” was devalued by feminism to a purely female topic, its original Latin meaning remains “to discharge a slave or adult child into self-reliance.” Thereby it is not a question of competence, but rather one of having the possibility and right to take responsibility. [. . .]

<http://binews.org/2012/12/opinion-basic-income-and-the-fear-of-self-reliance/>

OPINION: Basic Income, QE3 Plus, and the Euro crisis

By Gary Flomenhoft, December 10, 2012

Not everyone follows the actions of central banks, such as the private bank cartel called the US federal reserve (the fed), but you should know what the fed is up to lately: QE3[1] PLUS! See article here. You may know that QE3 is a fed program to purchase \$40 Billion in mortgage bonds per month from [...]

<http://binews.org/2012/12/opinion-basic-income-qe3-plus-and-the-euro-crisis/>

9. Blogs

Gary Flomenhoft, “QE3 PLUS!” *Vermont Commons*, Wed, 12/05/2012

[USBIG – December 2012]

This blog on Quantitative Easing 3 (QE3) argues that a temporary basic income would be much more equitable and effective way to stimulate the U.S. economy. Flomenhoft finds that the \$85 billion per month the Fed is buying mortgage debt and treasury bonds could finance a basic income of \$270 per person per month or \$3240 per year. It's online at:

<http://www.vtcommons.org/blog/qe3-plus>

10. New Links

Citizen-Ownership Democracy

[USBIG – December 2012]

Edited by Johan Nygren, “BipedalJoe,” this website has a large number of articles related to basic income. It’s online at:

<http://cod-democracy.blogspot.com/>

You can contact the editor, Johan Nygren <bipedaljoe@gmail.com>

NGO Another Way (Stichting Bakens Verzet)

[USBIG – December 2012]

This website describes itself as providing, “Self-financing, ecological, sustainable, local integrated development projects for the world’s poor” and “a model for development with creative practical solutions to poverty reduction.” The website includes several papers on debt reform, some of which involve a basic income.

<http://www.integrateddevelopment.org/index.html>

The Staatsbuergersteuer system

Staatsbuergersteuer is a tax system that incorporates a basic income. Joachim Mitschke and Bernd Starkloff are the coauthors of Staatsbuergersteuer, which released its first publication more than 40 years ago. The system incorporates the concept of Buergergeld, a negative income tax, comparable to Basic Income along with other ideas. Their website (available only in German), is online at:

<http://www.staatsbuergersteuer.de>.

An English-language abstract of the system is online at:

<http://www.staatsbuergersteuer.de/abstract.htm>

For more information contact: b.starkloff@gmx.de

OpenOil seeks research partners for project involving BIG

OpenOil is an energy and transparency consultancy based in Berlin. They are modelling a policy proposal to model a universal cash distribution in 20-30 countries around the world to replace fossil fuel subsidies and are looking for research partners at field level, to help increase the stock of information about current energy use patterns.

For more information visit <http://openoil.net/current-projects/dividends/> or contact stefanie.heerwig@openoil.net

Young Greens (UK) discuss BIG

[USBIG – January 2013]

The website of Young Greens (the youth and student branch of the Green Party in the United Kingdom) includes a discussion of basic income. According to the website, The Green Party would introduce a Citizen's Income that would:

1. Guarantee that everyone's basic needs are covered by a non means-tested weekly payment, as of right.
2. Replace benefits such as Job Seeker's Allowance, as well as replacing personal tax-free allowances with a payment which is worth much more.
3. Ensure that anyone who takes paid work will be better off for doing so.
4. Make working part-time an option for many people who would prefer it, but who are currently discouraged from it.
5. Put an end to demeaning benefits procedures.
6. Act as a safety-net to those considering self-employment, so that they have less to fear if their business isn't successful.

It's online at:

<http://younggreens.greenparty.org.uk/AboutUs/Policy/CitizensIncome>

11. Videos

West, Johnny: "Give It Back! Oil and the Smart Citizen Dividend"

[USBIG - January 2013]

This TEDx Talk discusses BIG under the name, Citizen Dividend: "Why can't Nigeria be like Norway? With 20 years experience in and around the oil industry journalist and consultant Johnny West claims a simple policy tool, that can switch the situation of countries in which natural resources are produced and which, as a consequence, suffer from conflicts, war and corruption."

West, Johnny: "Give It Back! Oil and the Smart Citizen Dividend," *TEDx Talk*, Berlin 2011: <http://www.tedxberlin.de/tedxberlin-2011-johnny-west-give-it-back-oil-and-the-smart-citizen-dividend>

12. About the Basic Income Earth Network and the BIEN

NewsFlash

Co-chairs:

Ingrid VAN NIEKERK ivanniekerk@epri.org.za, Economic Policy Research

Institute, Cape Town, South Africa
Karl WIDERQUIST Karl@Widerquist.com, Georgetown University, SFS-Qatar

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

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 Almaz Zelleke <azelleke@gmail.com>, 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.

For a list of members and B(I)Enefactors go to www.basicincome.org.

BIEN NewsFlash:

Editor: Karl Widerquist

BIEN's NewsFlash is mailed electronically every two months to over 1,500 subscribers throughout the world. If you would like to be added or removed from the subscription list, please go to:

<http://www.basicincome.org/bien/subscribe.php>.

News on basic income is posted as it happens on BInews.org.

Items for inclusion or review in future NewsFlashes and BI News are to be sent to BIEN's News Editor, Karl Widerquist.

Thanks for help with this issue to Steve Shafarman, Geoff Crocker, Jurgen de Wispelaere, Gary Flomenhoft, Jeff Smith, and Alanna Hartzok.

The items included in BIEN NewsFlashes are not protected by any copyright. They can be reproduced and translated at will. But if you use them, please mention their source, the address of the Basic Income Earth Network (including its web site www.basicincome.org), and the exact references of the events or publications concerned. Thank you.