



A Legitimate Guaranteed Minimum Income?+

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Contents

Abstract	v
1. Introduction.....	1
2. The guaranteed minimum income and justice attitudes.....	5
3. The evaluation of the guaranteed minimum income	7
3.1 Data	8
3.2 The factorial survey design: construction of the vignettes.....	9
3.3 Data generation: justice evaluations.....	11
3.4 Data processing: the just income subsidy.....	13
3.5 Results	15
4. Discussion of the empirical findings	19
Bibliography.....	23

List of tables

Table 1. Description of the sample (N = 121).....	9
Table 2: Income subsidy and traits of the vignettes for respondents favouring or opposing a state financed basic income (linear regression models).....	17
Table 3: Regression results for employed and unemployed (only respondents favouring a state financed basic income, linear regression model)	18

Abstract

Within the debate about the future of the welfare state a guaranteed social minimum income is often discussed as an alternative to the current social security system. One objection to such a proposal argues that a social minimum income lacks social acceptance and normative recognition. In order to address this issue a Factorial Survey Design study consisting of 121 employed persons in Germany has been undertaken. The focus within the study is on the criteria used and the differentiations made when people are asked to evaluate a just minimum income. Though the results provide evidence of the normative attraction of a social minimum, it is also apparent that the social judgments of the respondents are influenced by the normative principles of the existing social security arrangements. It can be shown that a uniform social minimum possesses less legitimacy than a transfer system that differentiates entitlements according to the beneficiaries' relation to the employment sphere and certain need criteria.

1. Introduction

For a number of years academics and some political circles have been discussing the concept of the so-called guaranteed minimum income or basic income (e.g. Atkinson, 1996; Offe, 1995; Goodin, 1995; Van Parijs, 1992, 1995). The basic ambition of this policy proposal is to depart from wage-centred, stigmatizing and selective forms of welfare provision and to arrive at an unconditional and universal mode of entitlement. Starting from the premise that the labour market and the existing welfare systems cannot generate sufficient income security it has been suggested that a decoupling of basic income security and the beneficiaries' relation to the labour market is a promising alternative to the current arrangements (Standing, 1992; Vobruba, 1986). To those proposing the introduction of a basic minimum income it seems to be advantageous in many respects: it helps to tackle basic needs, assures the dignity of the poor, responds to the challenges of globalization and market liberalization, fills the welfare gaps left by insurance schemes and overcomes the flaws of the conventional organization of state welfare (Blasche, 1998, p. 152).

The animating and unifying idea of setting up a basic minimum income programme with strong elements of universalism and citizenship rights fleshes out some of the built-in principles of social assistance and also cures some of its ills. It also gives priority to the prevention of poverty and the creation of a minimum income floor. However, it breaks with a particular notion of conditionality that demands that people reciprocate benefits by demonstrating their willingness to work. It is also to be distinguished from performance-based insurance entitlements since it is not tied to foregone contributions and fosters a de-commodification of the status of individual's *vis-à-vis* the market at the minimum income level. Citizenship-based entitlements such as a basic income place emphasis on the coverage of "basic needs" rather than on the protection of the relative status (Offe, 1994). Ideally, such an arrangement should entitle people to an income in its own right, independent of their household attachment, their labour force participation and any forms of bureaucratic monitoring and disciplinary controls.

There are numerous versions of the basic income proposal. The version which has been most elaborated on was put forward by Philippe van Parijs (1992) who suggested that a guaranteed minimum income should be paid unconditionally to all on an individual basis, without means-test or work requirements. Since it is paid to all citizens irrespective of their income resources not only does it deal with socio-economic needs but moreover, it conveys an entitlement to a fair share in the national wealth. An affluent society owes its members a stake in the social surplus, which should be equally distributed amongst them. In van Parijs vision, therefore, the basic income is not merely assigned to cover the basic needs. The idea is that the basic income is granted, as an unconditional entitlement to all and that income from other resources will come on the top of this. Other concepts rest on the notion of minimal conditionality where a basic income is paid to all those with insufficient resources. Here people would have to provide evidence that they lack resources but would not take into account household attachment and work orientation. Such a basic income would “strive to secure people’s autonomy by ensuring that people receive an income adequate to their needs, on terms which impinge minimally their freedom of action.” (Goodin, 2001, p. 17) This strategy has been coined as “non-productivist“ (Offe, 1991) or “post-productivist“ policy design (Goodin, 2001).

Four basic arguments in favour of a guaranteed social minimum can be identified: First, it is viewed as an efficient political device to eliminate income poverty and to give all citizens access to a decent standard of living (Blasche, 1998, p.144). According to its political protagonists, the level should be well above the level of social assistance and enable people to participate in the social and material welfare of society. A second argument in support of a guaranteed minimum income underlines its universalist notion. From this perspective, the minimum income proposal fully develops the notion of social rights. Such provision comes close to the type of welfare arrangements as envisaged by Titmuss (1968, p. 129) “There should be no sense of inferiority, pauperism, shame or stigma in the use of publicly provided service: no attribution that one was being or becoming a “public burden“. Hence the emphasis on social rights of all citizens to use or not to use as responsible people the services made available by the

community.” Third, the guaranteed minimum income can be regarded as a vehicle for the reduction of income inequality since it lifts up the income position of those on the bottom. The fourth argument suggests that the minimum income is a “social dividend“ or a collective surplus-sharing system that gives every citizen his or her stake in the national wealth. It is, in its deepest sense, a “participation income” (Atkinson, 1996) providing everybody with a basic stake in the societal resources.

The more practical political concepts of the guaranteed minimum income do not fully match the philosophical accounts. Within the German context we find a variety of proposals ranging from a tax-financed basic pension (Meinhard Miegel/Kurt Biedenkopf), negative income tax (Kronberger Kreis), and a need-oriented minimum-security scheme (Social-democratic Party) to an unconditional basic income scheme (Green Party) and an existence income (*Bundesarbeitsgemeinschaft der Sozialhilfeinitiativen*). In some concepts the social minimum is assigned to supplement the contributory social insurance schemes and to replace only some tax financed transfers (e.g. housing allowances, social assistance). More far-reaching and for our paper more relevant are the concepts that aim at replacing all social transfers, including the insurance benefits, with a guaranteed minimum income. The basic aim is to provide a reliable, universal and non-stigmatizing safety net for those with insufficient resources. Such an equal income would represent a baseline sufficient to satisfy fundamental needs while facilitating some form of equal opportunity. There are hardly any political actors that would go as far as to call for a basic income that would be given to all irrespective of an actual need, as proposed by Van Parijs. Thus, the baseline condition the political actors stick to is that income from other resources should be regarded. In some proposals, the basic income idea has been related to the negative income tax where the state subsidizes incomes below a defined level and levies taxes on those above it (Scharpf, 1994). For those without an income the state grants a full basic income. With rising incomes, the state subsidy diminishes and at a certain point of income level the negative income tax becomes a tax burden, that is, it becomes normal income tax. This system has the virtue of being in accord with labour market incentive structures.

However, such a concept does not remain uncontested. On the one hand, opponents doubt whether such a programme can be financed by the state budget,¹ on the other hand, the question was raised as to whether the basic principles are in accord with accepted justice principles. The latter point of view casts doubt on whether the guarantistic and universalistic ethic of the guaranteed basic income can find social and political approval. It is seen as one of the basic requirements of implementation that the general public understands and approves the norms of justice incorporated in the guaranteed basic income scheme. Without it, it would run the risk of lacking social and political legitimacy. Behind this consideration stands the fact that the guaranteed income proposal breaks with some of the fundamental principles of social security provision. This is especially salient in the German case, which is studied in this paper. The German Bismarck system heavily depends on social insurance schemes with contributory financing and earnings-related benefits. Since welfare entitlements are closely tied to the contributory record and the employment position of the claimants, the benefits are perceived as “just” compensations for contributions made. Due to this institutional design most of the redistributions are horizontal redistributions that assist the individual to reallocate resources over his or her lifetime, to save when they are earning a market income and to lay claim to social benefits when there is a loss of income, such as in periods of unemployment or when entering retirement age. This system is morally undemanding since it gives the participants the impression that inter-personal redistribution are prevented and that everybody gets what they have paid for (Offe, 1990, p.4). The notion of “deserved benefits” in such a system rests on norms of work and employment where those who contribute accumulate entitlements while those less attached to the sphere of paid labour are less protected. That the norms of the “work society” guide and govern the understanding of social entitlements was also noticeable during the vivid “shriker”

¹ Countering the cost argument, the protagonists of the basic income proposal highlight the cost saving measures related to the introduction of the basic income. Accordingly, other welfare expenses in the areas of unemployment provision, housing allowance and social assistance would decrease significantly once the minimum income scheme was introduced (see Meinhard, 1996). A sceptical evaluation of the cost factor has been put forward by Hauser (1996) and Becker (1998), though their analysis assumes that the social insurance schemes are fully retained.

debate of the year 2001 (Mau, 2001). However, as with most welfare states the German system can be characterized as a two-tier system with a higher-level social security provided by social insurance and a lower-level social assistance scheme. Although this last resort net provides benefits for those with insufficient income resources it does not fully resemble the guaranteed minimum income proposal. The main difference being that it still requires people to make attempts to re-enter work, regards other income sources and savings within the household and is paid to the family unit rather than to the individual. Hence, it is a conditional welfare provision in reserve rather than a universal grant.

2. The guaranteed minimum income and justice attitudes

As the guaranteed minimum income proposal demands a departure from the well-entrenched principles of benefit entitlement, it stands to reason to ask whether such a proposal can find social acceptance. Are the normative principles compelling enough to gain political support? Do the normative principles underlying the guaranteed minimum income correspond with people's sense of justice? On a theoretical level, some have argued that since everybody can feel the potential benefit of such a minimum income it would also be in accord with the rational interests of a large proportion of the electorate (Offe et al., 1996, p. 214). The basic income is also supposed to respond to people's wish that the state guarantee a bottom line under which nobody should be allowed to fall (Pioch, 1996). Social justice research is highly supportive of the fact that arrangements that place priority on the basic security objective can find social recognition. It has been demonstrated that citizens exhibit a deep aversion to allowing people to fall below the poverty line (Alves/Rossi, 1978). Frohlich and Oppenheimer's experimental study (1992, p. 59) confirms that a system with a guaranteed minimum income possesses a high moral attraction. They report: "Groups generally choose a floor constraint. The groups wanted an income floor guaranteed to the worst-off individual. The floor was to act as a safety net for all individuals. But after this constraint was set, they wished to preserve incentives so as to maximize production and hence average income. Only occasionally was

there a sustained interest in the imposition of a ceiling of incomes (a range constraint)”

However, if one consults the empirical literature concerning the social acceptance of the welfare state the picture is less clear. Most of the research focuses on the general support for the welfare state rather than on concrete principles and entitlement modes (e.g. Roller, 1992). It has been established that the German welfare state rests on a broad consensus that the state should be responsible for the policy areas of health, poverty, unemployment and pensions and that nobody should suffer social hardship (see Andreß et al., 2000, p. 132; Mau, 1997). In addition, Lipsmeier (1999) has found that there is also a consensus with regard to a social minimum. People agree upon the question as to what should be supplied in order to enable people to live a decent life. However, these findings are somewhat inconsistent: While some studies report that in the mid-90s over 80 percent of the German population was in favour of low income social support schemes such as housing allowance and social assistance (Lipsmeier, 1999), others report that a social minimum income was welcomed by only half of the West-Germans and 87 percent of the East-Germans (Andreß et al. 2000, p. 118). At the same time, it can be shown that people support the idea that welfare benefits should be conditional upon an individual’s readiness to move off benefits and to attain a market income (Lippl, 2001, p.11). This picture confirms the findings of social justice research, namely that people show a high commitment to the egalitarian notion of a minimum income while, at the same time, stick to the idea that goods should be allocated according to individual achievements and contributions (Wegener/Liebig, 2000).

However, this body of data and studies can be scrutinized in more detail and still not come to terms with the central question of this paper: How do people evaluate the guaranteed minimum income from a normative point of view? The problem with the existing studies is that they are too general and are not complex enough to provide us with a full answer. Item-based research focuses on the social acceptance of single normative principles while we get little information on how much should be provided and under which conditions. Yet, this concrete information is necessary in order to grasp the chances for the minimum income

proposal. What we can expect on the level of justice attitudes is that people tend to combine and weigh up different principles when making justice judgements within specific situations (Leventhal, 1980). They are not prone to adhere to one single principle; rather justice judgements blend different principles and concerns. Therefore, one needs to distinguish between order-related justice judgements and result-related judgements, with the former representing a type of evaluation that focuses on principles while the latter focuses on the actual outcome of an allocation rule (Wegener, 1999; Liebig, 1997; Liebig/Verwiebe, 2000). The plus side of asking people to evaluate the outcome of a distribution rule rather than the principle itself is that they can combine and mix different justice principles. Social justice research also stresses that people need sufficient information in order to make an unambiguous justice judgement (Boudon, 2001). Where this information is withheld their judgements tend to be inconsistent and ramshackle. We can infer from this brief account, that the question of how people evaluate the guaranteed minimum income from a normative point of view requires more sophisticated instruments. The simple question of whether people agree that the state should supply a basic income does not seem to be satisfactory and research, therefore, runs the risk of dealing with rather dubious results. Hence, we are in need of an instrument that is able to record people's attitudes towards a social minimum in a more refined manner and which gives the respondents more specific information regarding the object of evaluation.

3. The evaluation of the guaranteed minimum income

The instrument we are using as an alternative approach to the research question is the factorial survey design.² It fulfils the requirement of enabling us to depart from item-based research and to reveal important qualifications and determinants of people's attitudes towards the minimum income. The factorial survey design asks the respondents to evaluate vignettes with descriptions of persons - age, employment status, sex etc. - with regard to a specific dimension.

² For a detailed description of this instrument see Alves, 1982; Alves/Rossi, 1978; Jasso, 1978, 1990, 1998; Jasso/Wegener, 1997, 2001; Rossi, 1979; Rossi/Anderson, 1982; Hox et al., 1991.

The vignette design has the major advantage that it does not ask for the degree of agreement or disagreement with an abstract principle, but that it translates issues of the allocation of goods into concrete situations. In many instances, people's attitudes are more informed and knowledgeable in a concrete situation where they have to judge how much injustice exists under the given circumstances. Vignettes make it possible to vary the attributes of persons and situations systematically so that one can specify how much weight a specific personal attribute holds in determining the justice evaluation. The procedure applied in our study permits us to establish the level of a just minimum income and the importance of different personal attributes in the determination of a just minimum income.

3.1 Data

The data basis of this study consists of a questionnaire that was posed to 121 employed persons in Germany. The sample universe consisted entirely of German-speaking employees eligible to vote in national elections living in private households in Germany. From this a stratified random sample was drawn up within the framework of the ADM-master-sample.³ Since the sample is rather small no conclusions can be made for the population. The computer-supported interviews were carried out between the 19th of July and the 2nd of August 2000. Two instruments were used: A selection of 24 vignettes and a standardized questionnaire comprising a number of attitude questions and socio-demographic information. The average duration of the interview was 33 minutes of which the vignette question lasted 22 minutes. The description of the sample can be seen in Table 1.

³ Three-level selection process with 40 sample points, random-route procedure and choice of the person with the next birthday. The 40 interviewers were given instructions via a written document. The fieldwork was carried out by a commercial institute.

Table 1. Description of the sample (N = 121)

	Age	%
Mean		40.6
Std.		9.97
Min		18
Max		65
Gender		
Woman		37.27%
Man		62.73%
Education		
School not completed		2.51%
9 years		42.98%
10 years		34.70%
12 or 13 years		19.84%
Occupational Position		
Self-employed		12.40%
Civil servant		11.57%
Clerk (non-manual occupations)		38.84%
(Un-)Skilled Worker (manual occupations)		37.19%

3.2 The factorial survey design: construction of the vignettes

In the first part of the interview the respondents were asked to evaluate a given income transfer in terms of being just or unjust. Every vignette consisted of two parts: the description of the person receiving the minimum income and the amount of money transferred. For the description of the persons we used criteria that related to need and to achievement principles (figure 1). For example, the number of children relates to the need criteria whereas the occupation can be interpreted as indicating a person's productive contribution. In order to capture people's attitudes towards the issues of work orientation we distinguished between voluntary and involuntary unemployment. For income we have defined six classes from 0 up to 1,600 DEM. The second part of the vignette was the income subsidy, which ranged from 0 up to 3,000 DEM.

Figure 1. Vignettes

1. Introduction

„In Germany we have a number of different types of social welfare payments which provide those who are needy with a decent standard of living e.g. unemployment payments, retirement pension, benefit payment, housing subsidies etc. Recently, politicians have been discussing different ways of simplifying the whole German system of social welfare transfers. One suggestion made within these debates was to replace the different types of payments with a general income subsidy. All citizens who are needy would get a fixed amount of money from the state and all other types of social welfare payments would be abolished. Those citizens who have a job but whose income is very low would also get an income subsidy from the state. With this new regulation everybody in Germany would have a guaranteed minimal income.

The question now is, what should be the amount of income subsidy provided by the state and should these payments differ according to the individual situation of the subsidiee, what is your opinion? In the following we are going to present you with a number of examples of fictitious persons who may get a state financed income subsidy. We want to know if, in your opinion, the amount of income subsidy is just and fair or if you think the income subsidy is unjust. The only thing we are interested in is your personal opinion and your views on how just or unjust the particular income subsidies in the presented examples are.“

2. Dimensions of vignettes

<i>Dimensions</i>	<i>Values</i>
Gender	man, woman
Age	25, 40, 55
Marital status	single
Children	no children, 1 child, 4 children
Occupational position	worker, self-employed
Employment status	voluntarily unemployed, involuntarily unemployed, part-time job, full-time job
Income before taxes	0 (for unemployed), 400, 700, 1000, 1300, 1600
Income subsidy	0, 300, 800, 1500, 3000

3. Example of a vignette

A 25 year old man,
with 4 children,
was self-employed and had to close his business.
He has no income.

The vignette presented is a selection from the vignette universe, i.e. all possible combinations. At first, the universe of all eight dimensions was generated, the result being 4,320 different vignettes. From this sample 48 vignettes were drawn within which one part of the sample described an unemployed person and the other an employed person. The selection was carried out in such a way as to vary all dimensions efficiently and to guarantee the orthogonality of the dimensions. Since 48 vignettes were regarded as too numerous we have divided the vignette sample into two 24-vignette sub-samples by random distribution. The 121 respondents were also divided into two groups and confronted either with the first or the second vignette set. That meant that

every respondent had to judge the income subsidy for 12 unemployed and 12 employed fictitious persons.⁴

3.3 Data generation: justice evaluations

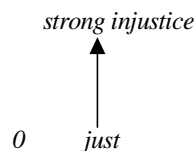
People were asked to evaluate the income supplement in terms of it being just or unjust. If the income supplement was perceived as unjust - either too high or too low - people were asked to express the extent of injustice using numbers chosen by them. The justice evaluations were not made on a classical scale - e.g. Likert-scale - but using a self-rated scale in which people could choose their own numbers in order to express the intensity of the feeling of injustice. This approach allows people to make a fine-tuned judgement rather than having to rely on a given scale. The central problem with using such an open measure is that people must learn how to use it and to make adjustments to the scale (Wegener, 1980). Following the handling of the magnitude-measure it became necessary to anchor the scale by fixing a reference point. This was carried out in three steps (figure 2): At first respondents had to indicate the amount of money in DEM, which would be necessary to afford the most basic things in life (clothing, housing, food). In a second step respondents had to practise the use of numbers. Therefore, they were asked to mark a starting number on a vertical line. Subsequently, the interviewer asked the respondents to indicate a number, which expressed an injustice twice as great. In a third step, respondents were asked to evaluate a vignette, which was not part of the successive vignette module. In order to make sure that it was recognized as “weak injustice“ the amount of state subsidy was 20 per cent lower than the value, which people had given, in the first step.⁵

⁴ In order to avoid a lack of clarity the family status was kept constant. Otherwise people would also have regarded the possible income of a partner.

⁵ If people regarded this reduced income as just, the interviewer continued lowering the income subsidy in 10 per cent steps until people stated that it was unjust.

Figure 2. Evaluation task

1. Minimal income
“How much money does a single person need per month to afford reasonable accommodation, enough food and basic clothing? Please tell me the amount of DEM required.”
2. Building an individual scale for the vignette evaluation
A vertical arrow describes the degree of injustice a person feels. The interviewer points at one point on the arrow and asks what number the respondent would use to describe this degree of injustice. The interviewer then asks for a number the respondent would choose to express a degree of injustice which is twice as high. Subsequently, the same procedure is repeated for half the initial degree of injustice.



3. Building a reference point for evaluating the 24 vignettes
Evaluating the intensity of injustice for a reference case using the individual scale.

Reference:

A 40 year old man, with no children, was employed as a worker und was laid-off by his employer. He has no monthly income.

He is paid a monthly income subsidy by the state of DEM [minimal income mentioned in step 1 minus 20 %] and no other social welfare payments.

“Do you think the income subsidy which replaces all other kinds of social welfare payments is just or do you think the income subsidy is unjustly too high or too low?”

[if unjust]:

“What is the extent of the injustice of this income subsidy? Please describe to me how great the degree of injustice is using those numbers which best express your feeling of injustice. You can use any number. Some people take 10, others 50 or some people 100. The most important thing when using these numbers is that the particular number best expresses your feelings of injustice regarding the income subsidy for this 45 year old man. What number would that be?”

4. Evaluating the 24 vignettes
[Description of a fictitious person (cf. figure 1)]
“Do you think the income subsidy for the person described is just or unjust?
[If unjust]: How would you express the intensity of injustice, using any number, if the injustice of the unemployed 45 year old man in our example from the beginning was [XX] ?”

The main part of the investigation was comprised of the 24 vignettes, which were presented to the respondents on a computer screen. In each case they were asked to indicate whether the given income supplement was just or unjust, and if the second case applied, whether it was too high or too low. Subsequently, they were asked to express the extent of the injustice with reference to the initial judgement (cf. figure 2). The data were entered directly into the computer. If people stated that the state subsidy was just it was coded as 0. Negative numbers reflect the feeling of injustice with regard to benefits being too small, whereas a

positive number expresses the extent of injustice with regard to benefits being too great.

3.4 Data processing: the just income subsidy

After having acquired justice evaluations from our respondents we need to transform the data in order to obtain the concrete amount of income subsidy, which is regarded as just. This is possible by applying Guillermina Jasso's theory of justice (Jasso 1978, 1990, 1998). According to this model empirical justice evaluations (J) can be reconstructed as the product of an individual expression coefficient (q) and the logarithm of the ratio of the actual reward (A) and the just reward (C) a person should get. In our case the "actual reward" (A) is the income subsidy presented in the vignettes and the "just reward" (C) is the just income subsidy each respondent has in mind when judging the fictitious person presented in the vignettes (Equation 1).

$$J_{ij} = q_i \ln \left(\frac{A_j}{C_{ij}} \right) \quad (1)$$

- C = just income subsidy
- A = presented income subsidy
- J = justice evaluation
- q = individual expression coefficient
- i = respondent
- j = person described in a vignette

Two terms in equation 1 are known: the respondents' justice evaluation (J) and the income subsidies presented in the 24 vignettes (A). The other two terms are unknown (q and C). As we are interested in the concrete amount of the just income subsidy we have to solve equation 1 for C (Equation 2).

$$C_{ij} = A_j \cdot \exp\left(\frac{-J_{ij}}{q_i}\right) \quad (2.)$$

- C = just income subsidy
- A = presented income subsidy
- J = justice evaluation
- q = individual expression coefficient
- i = respondent
- j = person described in a vignette (subsidies)

To obtain a measure for the second unknown term in this equation we have to estimate for each person his or her expressiveness coefficient. This can be done by running separate bivariate linear regressions for each respondent. The 24 justice evaluations (J) of each respondent are the dependent and the presented income subsidies (A) are the independent variables in the model. With a sample of 121 respondents we have to run 121 regression analyses. The estimated slope for each regression can be interpreted as the expressiveness of each respondent. In other words q is the scaling coefficient, which reflects the use of the scale and the numbers when making the 24 justice judgments. Knowing q for each respondent we have enough information to calculate the exact amount of the just income subsidy our respondents have in mind: We insert the presented income subsidy (A), the respondent's justice evaluation (J) and the estimated expressiveness coefficient (q) into equation 2 and calculate the just income subsidy (C) for each vignette.

Using descriptive statistics we may draw our first conclusions with regard to the variation of the just income subsidy. If our respondents favour a basic income paid equally to everyone we should not observe any variation over the presented vignettes. For each fictitious person described in the vignettes the same amount of income subsidy would be seen as just. In this case our respondents would not, for example, differentiate between the person who was made unemployed involuntarily and one who is unemployed by choice or between those who are workers and those who are self-employed. Each person should then receive the same amount of income subsidy. To get an idea of whether or not our respondents

prefer a basic income, which is differentiated according to certain traits, held by the subsidies we might calculate the impact of the vignette dimensions on the just income subsidy. For this we ask, for example, how much the just basic income should be raised if the subsidies has four children. To get an answer to this type of question we estimate a regression model with the just income subsidies as the dependent variable and the dimensions of the vignettes as the independent variables. For each of the traits used in our vignettes we can then tell if it is relevant in defining a just income subsidy and how, if a person possesses this trait, the just income subsidy should be increased or decreased (Equation 3).

$$C_{ij} = a_j + \sum_{k=1}^n b_{ki} X_{kj} + e_i \quad (3)$$

C = just income subsidy
 i = respondent
 j = subsidies
 b_{ki} = weighting by respondent
 X_{kj} = subsidy's traits: X_{1j} gender; X_{2j} age; X_{3j} number of children; X_{4j} occupation; X_{5j} employment status; X_{6j} income before taxes.

3.5 Results

102 of the 121 respondents made complete and meaningful statements for all 24 vignettes. We assumed that the evaluation of the single vignettes was dependent on the general attitudes towards welfare state activities. Therefore, we used a filter question where people could express their support for, or rejection of, a state-financed minimum income. 77.7 per cent of our respondents answered the question: "Do you think that the state should grant every citizen a minimum standard of living?" with "agree" or "agree fully". 22.3 per cent responded as being against or as being indifferent. The comparison of both groups elucidates the fact that the justice judgements (J) of those against or indifferent are less determined by the traits of the single vignettes. By calculating a linear regression with the justice judgements (J) as dependent variables and the vignette traits as independent variables (equation 3) the explained variance (R-square) is much lower than for the comparison group.

The more interesting results are reported in table 2. The left side displays the results for those who are in favour of a state financed social minimum. The right column reports the results for the remainder who have not supported state responsibility. The table shows the results of linear regression models. As a change from the common procedures the units of analysis are not the respondents but the 24 judgements of the vignettes. Accordingly, the sample of analysis consists of 24 judgements multiplied by 76 cases - those agreeing with the basic income scheme - or 24 cases - those who are indifferent or against. A dependent variable serves the just income subsidy, which was calculated for each judgement separately according to equation (2). The independent variables are the traits of the vignette: sex, age, number of children, occupation, and employment status and gross-income. The reported coefficients for the independent variables can be interpreted as DEM-sums.⁶

For those who are in favour of a state-guaranteed social minimum income all independent variables, apart from the gender variable, have a significant impact.⁷ Higher “just“ income supplements are assigned to those with higher age and with a greater number of children. A reduced level of transfers should be given to income earners, to people who have left paid work voluntarily and to those who are self-employed. In contrast to the very general statement that the state should supply a social minimum income, people tend to qualify their judgement on the basis of further information about “who is the recipient“, “what are his or her circumstances“ and “is he or she responsible for his or her situation“. When looking at the level of provision one sees that for most cases, it is significantly

⁶ The 1,824 or 624 cases of these regression models are not completely independent because each person had to make 24 judgements. Therefore, the residuals are not statistically independent. Under these conditions, the estimated standard error of the coefficients can be distorted. Thus, we calculated a Huber-regression that accounts for possible clusters of the judgements and estimates robust standard errors.

⁷ The units of analysis are the vignettes and not persons. Hence, significance on a 5 per cent level means that we would find the same effect if we carried out our analysis not only with the sample but also with the whole vignette universe.

above the social assistance level.⁸ This hints at the fact that people, when assigning a fair transfer income, expect the state to provide more than a residual benefit that protects from strong poverty, indeed, one on a level that enables people to live a decent life and to participate fully in the social and cultural life of society. For the subgroup, which did not agree with the state, provided minimum income there are only a few significant independent variables. Not even the constant, which can be interpreted as the basic income shows an effect. Only the dummy-variables of number of children and unemployment, respectively voluntary unemployment, as well as the second age variable (55 years old) are significant. Larger families, involuntary unemployment and higher age of the claimant lead people to believe that a higher level of benefits is just. All the other traits have no significant effect.

Table 2. Income subsidy and traits of the vignettes for respondents favouring or opposing a state financed basic income (linear regression models)

	Just Income Subsidy			
	Only respondents favouring a state financed basic income		Only respondents opposing a state financed basic income	
	Amount of DEM (coefficients)	t-value	Amount of DEM (coefficients)	t-value
Gender (women)	n.s.	0.019	n.s.	1.134
Age (ref.cat.: 25 years old)				
40 years	201.24	2.361*	n.s.	1.752
55 years	468.56	4.302***	383.96	2.239*
Number of children (ref.cat.: no children)				
1 child	1086.97	12.168***	968.15	5.559***
4 children	1892.15	16.946***	1633.95	10.147***
Self-employed (ref.cat.: worker)	-219.97	-3.640***	n.s.	-1.022
Part-time (ref.cat.: full-time)	-294.70	-2.080*	n.s.	0.547
Unemployed	731.96	2.540*	1208.49	3.175**
Voluntarily unemployed	-1034.28	-7.359***	-687.02	-2.887**
Income before taxes	-.732	-3.545**	n.s.	-0.599
Constant	1630.07	6.150***	n.s.	2.024
R ²	.263		.210	
Evaluations / Respondents	1824 / 76		624 / 26	

Note: Unstandardized regression coefficients. t-value based on robust standard errors to correct clustering for respondents (Huber-regression). * $p_i < .05$; ** $p_i < .01$; *** $p_i < .001$.

⁸ However, a direct comparison is not possible since the vignettes vary other attributes than those relevant to the social assistance level (e.g. age of the children, housing and heating costs).

In table 3 the judgements of those favouring a basic income have been divided into those vignettes where the justice judgements were made for people currently employed (column 1) and those who are unemployed (column 2). The results show that a single unemployed person who is childless, 25 years old and who had previously been a worker should receive 2,362.03 DEM (constant plus coefficient). If a person has quit a job voluntarily, the state transfer should be reduced by 1,034.28 DEM. If the person was self-employed the constant was reduced by 219.97 DEM. Again higher age and children are reasons to raise the just state subsidy. For employees with low incomes the same type of calculation can be carried out focusing on the question of how the market income should determine the level of transfer a person is entitled to. What is decisive here is that the base benefit sum of 1,630 DEM decreases with a growth in income.

Table 3. Regression results for employed and unemployed (only respondents favouring a state financed basic income, linear regression model)

	Just Income Subsidy			
	Unemployed		Employed	
	Amount of DEM (coefficients)	t-value	Amount of DEM (coefficients)	t-value
Gender (women)	n.s.	0.019	n.s.	0.019
Age (ref.cat.: 25 years old)				
40 years	201.24	2.361*	201.24	2.361*
55 years	468.56	4.302***	468.56	4.302***
Number of children (ref.cat.: no children):				
1 child	1 086.97	12.168***	1 086.97	12.168***
4 children	1 892.15	16.946***	1 892.15	16.946***
Self-employed (ref.cat.: worker)	-219.97	-3.640***	-219.97	-3.640***
part-time (ref.cat.: full-time)			-294.70	-2.080*
unemployed	731.96	2.540*		
voluntarily unemployed	-1 034.28	-7.359***		
Income before taxes			-.732	-3.545**
Constant	1 630.07	6.150***	1 630.07	6.150***
R ²		.263		
Judgments / Respondents		1 824 / 76		

Note: Unstandardized regression coefficients. t-value based on robust standard errors to correct clustering for respondents (Huber-regression). * $p_i < .05$; ** $p_i < .01$; *** $p_i < .001$.

This result suggests that some of the features of the negative income tax (Scharpf, 1994, 1995) match the moral intuitions of our respondents. We can see

that there is a lower threshold where the state should take action and that market income should be taken into account only proportionally. However, due to methodological limitations a degree of degression has not been estimated. We can calculate that a full-time employed worker, 25 year old and without children should not receive state subsidies anymore if his income is above the threshold of 2,226 DEM. Or vice versa: those who share these attributes and earn less should be entitled to state support. What is striking is that part-time workers and the self-employed should receive less.

4. Discussion of the empirical findings

The study aims to provide a more precise description of the attitudes towards a guaranteed social minimum and to reveal the determining principles of these attitudes by using the factorial survey design method. This has enabled us to move beyond the rather general statement that the state should provide a minimum income and to investigate how people judge guaranteed income schemes in more detail. The vignette design allows us to construct examples that are closer to the every-day experience of the people than are normal item-scales. For many people it is easier to make a justice judgement about the endowment with resources than it is to abstract to evaluate allocation rules (Liebig/Jäckle, 2001). The factorial survey design also provides a closer description of the allocative scenario and the relevant features. However, since it is not possible to confront the respondents with an unlimited number of vignettes, only a few dimensions could be covered. We believe that the 24 vignettes used in our study are within the limit of what is possible methodologically. Concerning the results, we could not only show which minimum income is regarded by a large majority as just, but we could also reconstruct the justice principles underlying people's reasoning.

Thus, our findings move beyond the rather general finding that the majority of people approve state responsibility for a social minimum and asks what are the criteria and conditions that people use for determining a just level of income transfers. We have seen that only a minority of 22.3 per cent of the sample of German employees is indifferent or against a social minimum. For them, the

criteria used to describe the vignettes (respectively the welfare recipient) only have a significant impact on the just minimum income in a few cases. However, what is more telling are the results for the large majority that welcome the state taking action to guarantee a minimum standard of living. On the one hand, they argue for the right to a guaranteed minimum income, on the other hand, they regard different levels as just depending on social needs and the relation of the welfare beneficiary to the employment sphere. That the numbers of children as well as age are significant signals shows that people take seniority principles and arising needs into consideration.

We could establish that an unconditional granting of a uniform minimum income independent of people's productive contributions runs against the moral intuitions of our respondents. Moreover, voluntary unemployment and working part-time leads people to "lower" the level of benefits regarded as just. The response patterns suggest that access to a guaranteed minimum income should not undermine the work incentive and that whether a beneficiary demonstrates his or her willingness to work is seen as a necessary precondition for a full social minimum income. Those who are suspected of drawing on social benefits without making efforts to be self-sustaining would face substantive deductions if our respondents were to determine the fair level of benefits. Obviously, those who are conceived of as being responsible for their fate themselves as in the case of the voluntary unemployed are treated as less deserving. People seem to be suspicious of the idea of unconditionality and it may be that the adjusted level of benefits serves as a precautionary measure intended to foster the work-orientation of the benefit recipients. We might conclude that they are not convinced that there is a "relative preferability of employment" (Offe, 1994; p. 104) if everybody is able to call on the same level of support irrespective of their willingness to work.

Our findings provide support for some of the arguments doubting the social acceptance of a substantial and unconditional basic income. Stuart White (1997), for example, has emphasized that a universal basic income paid irrespective of contributory activity undermines the reciprocity norm since it invites the exploitation of the working and tax-paying citizens by those who choose to live on the dole. The claim to a share in the societal wealth is perceived as unfair if

citizens are not willing to cooperate socially and make some kind of effort. Conditionality, therefore, affirms the link between income entitlement and productive contributions and thereby safeguards the reciprocity requirements. From this perspective, “doing one’s bit“ in return remains the crucial and decisive justification for granting welfare entitlements and the motivation of public support. The major outcome of our result is that the fundamental principle of equal resources is not fully compatible with the sense of justice of our respondents and that they make use of additional criteria in determining how much should be given. A uniform and fully unconditional welfare entitlement is not endorsed. Also, those who support the idea of a basic income make distinctions depending on which categories a person belongs to and whether he or she meets certain conditions. However, empirical research can neither verify nor falsify normative theories. The ambition of our study was rather to scrutinize people’s “sense of justice“ when judging the minimum income scheme. The social acceptance of the justice norms incorporated into the guaranteed minimum income proposal can be seen as one important determinant that engenders its political legitimacy. The more profound the social consensus about such reform proposals the more likely it is that political actors will put it on the political agenda. However, it must be conceded that most social policy innovations have been introduced as contested concepts. The existing justice attitudes are only one factor that could advance or impede new reforms.

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