



# Basic Income and the Means to Self-Govern

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## Abstract

A central principle underlying the justification of a basic income is the idea that each person should be provided with a fair means to choose and pursue her personal ends and life-plan. A significant offshoot of that basic premise is that each person or minority group should have the time, energy and resources to influence how they are governed. For the capability of people to pursue their goals hinges upon their ability to argue against laws and policies that favour those who are better placed to influence the decision-making process. To what extent, therefore, would a basic income help protect those born into disadvantage from being dependent upon the good will of those who, through good fortune alone, can buy political influence and are more proficient at articulating their interests in the public domain? It is argued (following the recent proposal by Bruce Ackerman and Ian Ayres) that to ensure the effective right to self-government the basic income must be expanded to include voucher to be used by each citizen as a campaign contribution to a candidate of his or her choice.



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## 1. Basic income and the right to self-government

One way of defending democratic rule is by appealing to the republican conception of liberty. Namely we are free to the extent that we are not vulnerable to the will of another.<sup>1</sup> Hence we are free in a political community to the extent that we have equal influence over the formulation of decisions that they are then subject to. The time-honoured challenge to the self-governmental credentials of democracy, however, is that the majority (or those who are able to influence it) always has the opportunity to self-interestedly rule the minority. The problem that I am concerned with here that self-government may be thwarted by the fact that the less fortunate members of a democratic society may be the passive subjects of the laws and policies favoured by the more fortunate. The problem is not so much that the most rule the few, but rather that the “haves” rule the “have-nots”. For as Arend Lijphart has recently noted “... the inequality of representation and influence are not randomly distributed but systematically biased in favour of more privileged citizens - those with higher incomes, greater wealth, and better education - and against less advantaged citizens.” (Lijphart, 1997, p. 1)<sup>2</sup>

Even if there is a fairer distribution of voter turn-out (engendered by, say, compulsory voting and proportional representation) that will not evade the problem of political inequality because the more socially and economically fortunate are better placed to influence the outcome of election campaigns and the political agenda. Moreover, the separation of money from politics (at least to the extent that is practically possible) may not resolve the issue because, in order to ensure re-election, governments are reliant on the private sector to bring about economic success. As Robert Dahl puts it,

<sup>1</sup> Here I follow Philip Pettit’s, interpretation of republican freedom in terms of non-domination - a person is unfree to the extent that she is vulnerable to the arbitrary interference of another, even if they do not actually interfere. (Pettit, 1997, chap. 3)

<sup>2</sup> However, compulsory voting reduces the class bias in terms of voting turnout. (p. 3)

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“... in order to persuade investors and manufacturers in privately owned business firms to perform satisfactorily, a society must provide them with strong inducements in the form of large financial rewards. But a structure of rewards substantial enough to persuade investors and managers to perform their social functions satisfactorily will create a highly in egalitarian distribution of wealth and income” (Dahl, 1985, p. 102).

In other words, in those societies that associate well being with the private accumulation of wealth and property, there is an implicit and pervasive decision-making bias towards the business community. That further entails that the possibility of instituting a basic income, employment security and the like faces an uphill battle.

Indeed the bias towards the more fortunate coupled with the resulting lack of participation by the less fortunate may lead us to suggest that contemporary democracies have not moved much beyond the days when the right to vote was conditional upon the ownership of property (or more accurately a plural voting system where each citizen’s voting power is indexed to their property and wealth). A basic income would mitigate that state of affairs insofar as the current day “propertyless” are guaranteed a basic means with which to choose and pursue their aims and ambitions. Indeed the classical republican defence of property ownership in a democracy was that it gave each person the means not to be dependent on the beck-and-call of others. In terms of political equality, the provision of a basic income would mean that those previously preoccupied with eking out a reasonable existence would now have more time to participate in the political process and therefore protect themselves from partial and ill-conceived laws and policies.<sup>3</sup> The problem is that while a basic income will enhance the opportunity to participate, it is consistent with substantial social and economic inequality and therefore inequality of political influence. While a basic income helps to ensure self-government in terms of one’s private affairs, it still does not ensure self-government in terms of political decision-making. Hence, any justification of basic income on the grounds that it helps to protect the individual

<sup>3</sup> See for example (Ackerman and Alstott, 1999, p. 184-185).



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from the arbitrary whims of others, is undermined because the individual is left vulnerable to the wishes of those who are politically more influential. That being the case, the right to a basic income appears to be at best partially derivable from the right to self-government. The less fortunate are only undominated insofar as the socio-economic disparity between them and the more fortunate is sufficiently narrow. In other words, deploying a basic income in order to provide the means to make each individual's formal freedom from interference effective may still leave each individual subject to the behest of the more fortunate. If I have the real opportunity to choose and pursue my ends, but others have the real opportunity to curtail or even revoke it (even though they might not), am I actually that free? In order to further clarify that conclusion it will be useful to consider John Rawls's analysis of the problem of political inequality.

## **2. The fair value of the political liberties**

For Rawls the fair distribution of political influence in a democracy is crucial because it helps to establish a just procedure for determining how we are to be ruled. It provides a framework within which mutually justifiable rules of justice can be constructed. (Rawls, 1993, pp. 339-340)<sup>4</sup> In addition and in keeping with the classical republican tradition, the equal opportunity to affect the decision-making process provides a channel through which an active citizenry can protect themselves against possible encroachments upon their individual rights. (Rawls, 1993, pp. 205-206) But Rawls quickly acknowledges the constructivist and protective functions are inadequately provided for by the formal provision of political liberties (right to vote, assemble, free political speech etc) as their usefulness varies according to the social and economic advantages at one's disposal. (Rawls, 1971, pp. 204-205; 1993, pp. 325-326) This poses a significant problem for justice as fairness insofar as the difference principle permits inequalities in life prospects so long as the worst-off position is the least worst-off under all possible schemes. (Rawls, 1993, p.326) (Rawls, 2001, pp. 59-60 & p.

<sup>4</sup> More generally see Lecture III. See also (Cohen, 1989).

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149) Perhaps equal access to education required by fair equality of opportunity will enhance the ability of the less fortunate to ascertain and articulate their concerns, but after a certain point the disparities in social and economic advantage permitted by the difference principle will nullify that voice.<sup>5</sup> The disparity of political influence permitted by the difference principle compromises the fairness of the procedure and fails to protect the priority of the worst-off, let alone the basic liberties (Rawls, 1993, pp. 327-328 and pp. 330-331). For that reason Rawls acknowledges that we must ensure a fair distribution of the value of the political liberties (i.e. their effectiveness) rather than simply the formal possession of them (Rawls, 1971, pp. 224-225).

“... this guarantee means that the worth of the political liberties to all citizens, whatever their social or economic position, must be approximately equal, or at least sufficiently equal, in the sense that everyone has a fair opportunity to hold public office and to influence the outcome of political decisions” (Rawls, 1993, p. 327).

That requires that the fair value cannot be trumped by arrangements designed to ensure fair equal opportunity or maximally level up the life expectations of the worst-off (Rawls, 2001, pp. 46-47).

However, Rawls does appear to permit that the worth of the political liberties can vary according to motivation and talent (Rawls, 1971, p. 225; 1993, p. 358). I take it that by talent in this context Rawls means the ability to defend proposals based on substantive merit and to question the substantive merit of other

<sup>5</sup> It is worth pointing out, by way of indicating the urgency of the problem that in the period since the publication of *A Theory of Justice* the worst-off group in United States society has become worse-off. “The share of Americans living in poverty rose from 11.2 per cent in 1974 to 15.1 per cent in 1993, and the “poverty deficit”- or amount of money needed to lift all to the poverty line-doubled in real terms.” Moreover, “Income inequality has skyrocketed. In 1979, for example, on an hourly basis, the top decile of men earned four times what the bottom decile earned; by 1993 they were earning five times as much. This rise in inequality occurred in the context of general wage stagnation: the median male worker, for example, earns about 13 percent less than the median male 15 years ago-despite his being older and having more education” (see Freeman, 1996-97). Correspondingly the political participation of the worst-off has declined over the same period (see Schlozman et al., 1997). Significantly, “...the proportion of Americans contributing to campaigns has nearly doubled over the past 20 years, rising from 13 per cent to 23 per cent of the population” and “Contributors at the top of the income ladder gave, on average, nearly 14 times as much as those at the bottom” (Ibid).

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proposals, and that the form of equal opportunity implied by fair value, coupled with fair equality of opportunity (e.g. access to education for all), provides the conditions under which those who possess it can shine through. For Rawls the distribution of realized ability can and should be used when it is to the benefit of all and in particular those who are less fortunate (Rawls, 1971, p. 30, pp. 101-102; 2001, pp. 75-77). Aside from their realized ability to publicly reason, however, a citizen should have no other advantage in terms of influencing the outcome of elections and the passage of legislation. There is no guarantee, however, that the more deliberatively able will deploy their greater powers of persuasion in a way that is beneficial to all, especially the worst-off, rather than their own ends.<sup>6</sup> I take it that avoiding the possibility of the abuse of that advantage is contingent on whether its bearers are characterized by a plurality of competing points of view such that they are unlikely to comprise a self-serving faction (Rawls, 1993, xvi-xvii).

The relevance of the proposal for a basic income is that one of its supposed advantages is that it is consistent with the idea that departures from the default equal share of resources is justified insofar the worst off position is the least worst-off position possible. The underlying rationale here is that the opportunity of the more fortunate to be better off is only justified because it benefits the worst-off. Any other claim to be better off is illegitimate because the talents one is born with and socio-economic advantages one is born into are purely matters of brute luck (Rawls, 1971, pp. 100ff). Indeed at one point Rawls suggests something close to a basic income by arguing that both components of his second principle of justice can be approximated if there is a social minimum, established via a negative income tax, in combination with the competitive market determination of

<sup>6</sup> If only for that reason John Stuart Mill's proposal of granting greater voting power to those who are "mentally superior" (roughly indicated, he contends, by occupational status) tilts the balance too far in favor of the more fortunate (Mill, 1991, latter half of chapter VIII, pp. 335ff). Although, Mill's objective is to augment the political influence of those who are more adept at identifying law and policy that will maximize overall happiness. In contrast to Rawls, it is not necessary that each and every individual benefit from the decisions that are reached. Mill's argument rides on the questionable presumption that the more able citizens are also less likely to participate for their own gain.

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wages (Rawls, 1971, pp. 276-277 and pp. 285-286).<sup>7</sup> The problem with permitting inequalities is that the better off are then, through their greater political influence, in a position to dictate to the worst-off; perhaps to the extent that they may even be able to bring about the demise of the basic income itself. In contractarian terms, it would be reasonable for the less fortunate (e.g. the unskilled) to reject institutions of justice, such as a basic income, that leave them dependent on the ongoing benevolence of the more fortunate.

### **3. Redistributing the worth of the political liberties**

The standard response to the problem of unequal influence is to regulate the political process such that the worth of the political liberties of those who are better off is curbed. In other words measures are taken to keep political parties, candidates and elected representatives independent from the background social economic inequalities. Namely, by limiting the ability to use private wealth in the political domain (e.g. limits on contributions and election expenses and the disclosure of funding sources). Crucially campaign finance limits do not restrict the points of view each citizen chooses to align with; rather it modifies their ability to promote those points of view.<sup>8</sup> To the extent that such measures are successful, the relative worth of political liberties of the less fortunate is raised. Hence, public discussion and decision-making is more likely to listen to the substantive merits of each and every proposal, rather than the particular interests of wealthy donors.

The problem, however, with contribution limits is that candidates end up devoting more attention to canvassing for contributions and those already in office, due to their greater public profile, find it easier to accumulate a sufficient amount of financial support than their challengers. Moreover it is difficult to

<sup>7</sup> On the similarity between this and basic income (see Van Parijs, 1995, pp. 94-98 and Van Parijs, forthcoming). Although both proposals do not require the recipient to be employed, the negative income tax is graduated and therefore means tested (Van Parijs, 1995, pp. 35-37 and p. 57).

<sup>8</sup> Hence to not level-down political financing on the grounds that it would limit freedom of expression is misguided (see Rawls, 1993, pp. 357ff; Beitz, 1989, pp. 209-213; Dworkin, 2000, chapter 10).

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detect hidden contributions and expenditures (e.g. Former Chancellor Helmut Kohl broke campaign financing laws put in place by his own government when he accepted large and undisclosed contributions) and donors can employ alternative channels in order to financially back a candidate or party (e.g. contributing to party building rather than directly to a candidate, promoting a candidate independently, using contributed funds to promote an issue rather than an candidate or party *per se* etc).<sup>9</sup> The other standard way of equalizing the worth of each citizen's political liberties is the use of public funds to subsidize political activities. The difficulty that then arises is that if the public subsidy is combined with contribution or spending limits we are confronted with all the problems noted above, and if it is combined with no such limits then it fails to equalize the effective political liberty of each citizen.

One way around this problem, following a recent innovative proposal by Bruce Ackerman and Ian Ayres (Ackerman and Ayres, 2002), is to apportion each citizen with a publicly funded voucher - stored on a citizens credit card before each election - of the same value and leave them to choose which candidate they wish to financially support.<sup>10</sup> Hence, there is no need for a centralized bureaucratic agency to determine how public funds should be distributed as the amount a candidate receives tracks the level of support she accrues. The underlying idea here is to equalize the ability of each citizen to contribute and yet permit each candidate to acquire unequal amounts of financial support. The worth of the political liberties is equalized by levelling the playing field in terms of each citizen's "purchasing power" as opposed to each candidate's 'purchasing power' (i.e. limits and subsidies). This amounts to something akin to a two-round election process: in the first round candidates compete for contributions (citizens influence each candidate's ability to persuade the electorate) and in the second round they use the contributions they have accrued to compete for votes (citizens influence

<sup>9</sup> See e.g Donnelly, 1997.

<sup>10</sup> David Adamany and George Agree previously proposed a similar approach (Adamany and Agree, 1976). However they couple the voucher system with contribution limits (p. 199) and therefore render it vulnerable to the problems already noted.

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the electoral outcome). Both in terms of opinion formation and the assessment of candidates, therefore, each citizen has equal influence. Clearly the effect of the voucher proposal would be to encourage candidates to treat all constituents equally irrespective of socio-economic status and thereby encourage the less well-off to actively engage in the democratic process (and to begin to do so at an earlier juncture than the traditional “one-round” electoral process).

Given that Ackerman and Ayres’s proposal does not place any limits on contributions or spending, no bounds are placed on the total amount of money sloshing around in the system. Their argument is that the more resources available to candidates the greater the level of public debate that can take place. The real concern is establishing a fairer distribution of those resources. More money in the system will not enhance free discussion if those who have more of it are able to dominate proceedings to the point where ideas and concerns that do not fit their agenda are marginalized. In other words, we can defend the need for fair value on the grounds that it enhances freedom of expression; unless we are concerned about the free speech of candidates and contributors as opposed to the free speech of citizens, fair value does not entail a conflict between equality and freedom of expression.<sup>11</sup>

To establish fairness in the distribution of effective political liberties, Ackerman and Ayres’s contention is that if each and every citizen is eligible to donate \$50 to a candidate of their choice, the influence of the big money of corporations and the wealthy will be substantially diluted.<sup>12</sup> Moreover, to get around the problem of individual candidates canvassing the wealthy for large

<sup>11</sup> Compare this conclusion with that of the United States Supreme Court in *Buckley v. Valeo*, 424 U.S. 1 (1976): “... the concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed “to secure ‘the widest possible dissemination of information from diverse and antagonistic sources’,” and “to assure unfettered interchange of ideas for the bringing about of political and social changes desired by the people”. Given that those with sufficient social and economic power can effectively delimit open discussion the court’s argument appears tenuous even by its own criteria.

<sup>12</sup> E.g. In the 2000 United States elections \$3 billion worth of campaign finance was contributed by special interests. \$50 dollars for each of the 100 million voters in the United States would have generates \$5 billion in new campaign finance.

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contributions, Ackerman and Ayres propose that all contributions, whether private or voucher-based, must be anonymous (thus reversing the traditional disclosure approach and mirroring the idea of a secret ballot).<sup>13</sup> Ignorance of funding sources further encourages each candidate to treat each citizen and grouping equally. Moreover, donors and beneficiaries are not then in a position to appeal to the questionable argument that their personal freedom of expression has been infringed. In order to protect democracy the voucher with anonymous contributions approach does not require interference by the state. Hence it neatly evades the following argument against contribution and spending limits: “if the state limits free speech to protect democracy, in so doing it is threatens democracy and therefore the idea should not even be contemplated” (Dworkin, 2000, p. 353).<sup>14</sup>

#### **4. From economic citizenship to democratic citizenship**

I have argued that Ackerman and Ayres’s citizen voucher proposal provides the best means of realizing the fair opportunity to influence the decision-making process. Given the threat to the right to self-govern, and thereby basic income itself, posed by social and economic inequality we can now go a step further and argue for an augmented and conditional component to the basic income. Given that many countries already subsidize political activities through public funds, expanding the basic income does not appear to be a controversial drain on the government’s coffers; rather it denotes a fairer basis for apportioning those very same resources. Although, as Ackerman and Ayres note, with the inception of anonymous contributions the level of private contributions will decline insofar as the donor cannot directly gain from the exchange. Hence the amount of public funding required for the voucher scheme will have to be increased in order to

<sup>13</sup> To avoid the problem of donors “tipping-off” candidates, Ackerman and Ayres suggest that large donations be deposited into the candidate’s account in installments and randomly.

<sup>14</sup> The concern here is that in instituting fair value through finance limits we merely substitute domination by the more fortunate for domination by the state.

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ensure a sufficient level of communication and debate.<sup>15</sup> It is at this juncture that a second strategy for ensuring the fair value of the political liberties becomes relevant. In addition to insulating the election and legislative process from the background distribution of social and economic power, we can act to ensure that that power does not become concentrated (Rousseau, 1988, Book II, chap. 11, pp. 115-116; Rawls, 1971, p. 225 and pp. 277-278; Rawls, 2001, p. 44; pp. 130-131 and pp. 160-161). Moreover, that may be necessary in order to at least partially counteract the bias of governments towards the business community (see section 1 above). Thus, to finance the voucher scheme the state may tax (e.g. on inheritance and bequests) in order to ensure that social and economic power is sufficiently spread. That redistribution from concentrations of socio-economic power to citizen vouchers would thereby help to bring about fair value from two different angles.

That a proportion of an expanded basic income should comprise a payment in kind (i.e. a campaign finance voucher) can be defended on the following mildly paternalistic grounds: current voters may not be able to appreciate the impact on their future selves and future generations of an unequal distribution of the effective value of their political liberties.<sup>16</sup> That is to say, if citizens have discretion over the entire basic income they would be unlikely to use the expanded component in order to democratically protect themselves against the whims of the more fortunate.

Thus, the incorporation of a citizen voucher into the basic income would help to bring about democratic citizenship rather than just economic citizenship. In order to acquire a reasonable means to choose and pursue their own aims and ambitions over the span of their lives, citizens, and particularly the unskilled, would be rendered less dependent on the good grace of employers, spouses etc

<sup>15</sup> See n. 12 above.

<sup>16</sup> In other words we are vulnerable to “failures in intra-personal and intergenerational trusteeship” (Ackerman and Alstott, 1999, pp. 134-136; Van Parijs, 1995, pp. 47-48). I have discussed this issue in a different context in Wigley (2000).



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and those who, through the assistance of sheer good fortune, are better positioned to influence the course of legislation.



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