

BASIC INCOME

Newsletter of the Basic Income European Network

N°16

May 1993

Will basic income be part of the founding charter of the European Green Party?

It features in the final draft of the "Guiding Principles" that will be submitted in June to the twenty-six European parties in the new Green federation. See details on page 4.

Even a substantial basic income is judged feasible by the Dutch Planning Bureau.

See page 5 about this latest episode in the Dutch public discussion.

Le Monde devotes two full pages to basic income.

They are reviewed on pages 10-11.

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HOW YOU CAN HELP

1. Keep us informed. Send promptly to the editor any news, announcements, books, pamphlets, working papers, etc. that may interest other people in the network. *Deadline for next issue: 1 August 1993.*

2. Circulate the Newsletter. BIEN members can ask for back issues and additional copies, which will be sent free of charge.

3. Recruit new members by asking interested people to fill in and return the form on page 12.

This issue of
Basic Income

was prepared with the help of Alexander de Roo, Marouan el Boustami, Walter Van Trier, and all those who spontaneously sent relevant material. Many thanks!

PAST EVENTS

STATE, CITIZEN EN BASIC INCOME

(AMSTERDAM, 4 DECEMBER 1992)

A careful report (20 pages, in Dutch) by Patrick Kerkhoff of both the talks (by J. de Beus, Ph. Van Parijs and R. van der Veen) and the discussion (chaired by P. de Beer) is now available from Dr Robert J. van der Veen, Universiteit van Amsterdam, Vakgroep Algemene Politologie, Oudezijds Achterburgwal 237, NL-1012 DL Amsterdam.

**BELGIUM :
THE PUBLIC DEBATE PICKS UP**

Since the short-lived (and mostly sceptical) press reaction to the idea when it was first publicly put forward in 1985, there has hardly been any public discussion of basic income in Belgium. But things must have been moving forward below the surface since then, as the recent debate about employment policy reveals. Not only have there been some resolute pleas coming from the business and academic worlds (see Colruyt and Vilrocx on pages 4 and 5 below). Not only have the Flemish and the French-speaking Green parties, both officially committed to basic income since 1985, firmly reasserted this commitment as the cornerstone

of their vision of the future of the welfare state (see *Le Soir* and *La Libre Belgique*, 17 March 1993, and *De Morgen*, 2 April 1993). But even mainstream politicians seem more open than ever to the idea. Thus the socialist deputy Prime Minister of the Flemish government Norbert De Batselier was described in *De Morgen* (3 May 1993) as "holding out his hand to the proponents of a universal basic income": in his Labour Day speech, De Batselier stressed that "in the long term, one must even dare to think about the dissociation of work and income". More concretely, the social-christian Employment Minister in the Belgian federal government Miet Smet has just revived a proposal already investigated by her predecessor Michel Hansenne (just before he became Secretary General of the ILO): why not reduce the cost of employing (some) school leavers by exempting them from social security payments and letting them keep their unemployment benefit of about 200 ECU per month? In other words: to fight unemployment among the young, a basic income restricted to the young. Expectedly, early responses pointed out that this would be discriminatory, distortionary and ineffective if strictly limited in time (see *Le Soir*, 12 May 1993). Can one meet these objections without giving up the objective of reducing the cost of poorly productive labour in a socially acceptable way? Once this question is explicit, basic income is round the corner.

FUTURE EVENTS

CITIZENS INCOME: THE POLICY WE NEED

(LONDON, 9 JULY 1993)

Citizens Income (formerly BIRG) is organizing its next annual conference at the London School of Economics, Houghton Street, London WC2, on 9 July from 10 a.m. to 4 p.m. With all three major British political parties reviewing their policies on social security, the conference will be an opportunity to hear from some of the people who will influence those reviews. One of the guests will be Patricia Hewitt of the Institute for Public Policy Research, which hosts the Labour Party's Social Justice Commission. Those interested in attending the conference should

inform CI no later than 30 June. They will be sent a programme and further practical details. Address: Citizens Income Study Centre, St. Philips Building, Sheffield Street, UK-London WC2A 2EX. Telephone: 071/9557453. Fax: 9557534.

**FOUNDING MEETING
OF THE EUROPEAN GREEN PARTY**

(HELSINKI, 18-20 JUNE 1993)

A European Green Party is scheduled to be founded in Helsinki next month, as a federation of twenty-six East- and West-European parties (with ten or more on the waiting list). The section "Greening the economy" of the final

draft of the "Guiding Principles" to be amended and voted at this meeting includes the following article: "Sustainability will not be possible as long as poverty persists, or people live in material insecurity. We will ensure a guaranteed minimum income for every citizen through either a social assistance scheme or minimum wage legislation, or improved welfare benefits or the introduction of the basic income, or a combination of the above mentioned". Once approved, "the Guiding Principles of the

Federation are binding for the Federation's political bodies on the European level and should be committing for the members' policies on the national and regional levels"—hence the importance of the document, but also, presumably, the cautiousness of its formulation. (For further information, contact Alexander de Roo, Greens in the European Parliament, Rue Béliard 97-113, B-1047 Brussels.)

PUBLICATIONS

DUTCH

COLRUYT, Jo. "Manager van het jaar is geen manager. Colruyt blijft voor mij het grootste mysterie", in *De Morgen*, 16 January 1993, p. 33.

Jo Colruyt is the head of a booming Belgian supermarket firm and has just been named "manager of the year" by the business weekly *Trends*. After having been under strong attack from the Unions in the mid-eighties, he now boasts of paying the highest salaries in the branch and has gained a strong green image by promoting environment-friendly products. In this interview with the socialist newspaper *De Morgen*, he reveals himself an outspoken advocate of basic income: "The concept of unemployment is mistaken. Politicians and Unions want to get rid of unemployment, but they would be better advised to rethink the whole system. They should make sure that the basic income becomes equal for all. Those who wish to work can then earn more and the others must above all enjoy life (...). The solution to unemployment problem is to give people a feeling of work pleasure, of involvement, without this requiring the performance of productive work".

(Interviewee's address: Colruyt nv, Edingensesteenweg 196, 1500 Halle.)

NIEUWSBRIEF BASISINKOMEN no. 4, Werkplaats Basisinkomen (Herman Heijermansweg 20, NL - 1077 WL Amsterdam), December 1992, 28 p.

This lively issue of the Newsletter of the Dutch basic income network includes reports on the BIEN conference "Beyond the welfare State" (Paris, September 1992) and on the Dutch associations' yearly meeting, this time on "Basic income and the labour market" (Utrecht,

November 1992), a short piece by Paul Andela, the successor of Greetje Lubbi as leader of the trade union Voedingsbond FNV (the spearhead of the basic income discussion in the Netherlands) and an extensive review of *Arguing for basic income* (P. Van Parijs ed., Verso, 1992) by Paul de Beer.

NOOTEBOOM, Bart. "Lang leve de creatieve vernietiging van ideeën", in *De Volkskrant* (Amsterdam), 23 January 1993.

Even professors of management have now become fascinated by postmodernism. "Postmodern thought", Bart Nooteboom writes, "makes us uncertain and confused. But there lies hidden in it a constructive relativism that can form the basis for a new humankind." How do you translate this into concrete political measures? "The rules must provide room for differentiation and at the same time establish a basis of justice. The best example I know of is basic income. It satisfies exactly those criteria." (Author's address: Fakulteit Bedrijfskunde, Rijksuniversiteit Groningen, Groningen, NL.)

SMITS, José. "Centraal Planbureau berekent forse daling werkloosheid bij invoering basisinkomen", in *De Volkskrant* (Amsterdam), 13 March 1993.

In 1985, a controversial report by the prestigious Dutch Scientific Council for Government Policy advocated the introduction of a partial basic income, coupled with a reduction of other benefits and net wages, on the basis of comprehensive analysis of economic and social trends but without much quantitative assessment of the impact of the proposed measures. The Dutch Government of the time

dismissed the proposal as unfeasible. But not everyone agrees. The Dutch Planning Bureau has now used its sophisticated computer model to test a scenario in which a (price-indexed) individual basic income of DfI 1200 (= ECU 600) would replace the current means-tested and household-based minimum income guarantee and housing subsidies and be financed by part of the proceeds of an income tax at the uniform rate of 44% (instead of today's 38 to 50%). Thanks to a significant reduction in bureaucratic apparatus and a massive expansion of part-time work, the predicted outcome is a fall in public expenditure and a 25% reduction in the unemployment rate. The main price to pay is the worsening of the situation of the non-working single people. "We are not saying that this is the way to go", the authors of the report conclude. "Other scenarios can be imagined. But it is definitely feasible."

(Address of the authors of the report: G. Gelauff & H. Vossers, Centraal Planbureau, van Stolkweg 14, NL-2585 JR Den Haag.)

VELEMA, Willem. "Arm en eenzaam", in *Intermediair* 47, 20 November 1992, 33-35.

The long-term unemployed form a very heterogeneous category. But many of them are desperately stuck both in a poverty trap—as they start earning, they lose their benefits, their housing subsidies and various discounts—and in a loneliness trap—if two claimants choose to live together, their joint income decreases by over DfI 600 per month. How can one reach the root of the problem? The Dutch Central Planning Bureau has just issued a report which examines three scenarios (see above). Among them, the "balanced growth" scenario provides what the author of this article believes is needed. Its core is a uniform "basic allowance" administered in the form of a negative income tax and rising gradually from half the current welfare benefit for a couple (DfI 850), achievable straight away, to the current level of welfare benefit for a single person (DfI 1200), to be achieved by the year 2010. Even at the initial level, the poverty trap is greatly reduced (DfI 15 per working day would be enough to make working worthwhile), and as the level increases towards the guaranteed minimum for a single person, the loneliness trap is also getting shallower. No doubt the removal of both traps will not be sufficient to help some people out of their poverty and loneliness. There will always be a need for both spontaneous and organized caring.

(*Intermediair's* address: Henri Coenjaarts, Gossetlaan 30, 1702 Groot-Bijgaarden.)

VILROKX, Jacques. "Arbeid adelt niet meer. Basisinkomen is een burgerrecht", in *Nieuwlinks* (Antwerp), January 1993, pp. 13-15.

In a number of recent popular articles and interviews, Brussels University professor of social economics and labour sociology Jacques Vilrocx presents a forceful plea for the introduction of an unconditional basic income. It is hopeless, he argues, to try and fight unemployment by means of working time reduction, employment subsidies or training schemes. Any of these traditional employment policies "is in total contradiction with the firms' economic and organizational priorities". Yet, this should not make us pessimistic: one should simply "abolish unemployment and give everyone a basic income". This basic income should be sufficient to cover basic needs, it would replace many existing transfers and would need to be phased in gradually. "The idea may seem crazy, but full employment is more utopian still".

(Author's address: Vrije Universiteit Brussel, Departement Sociologie, Pleinlaan, B-1050 Brussels.)

See also Prof. Vilrocx's articles in *Trends* (Brussels), 11 March 1993, pp. 33–34, and in *Intermediaire* (Brussels), 13 October 1993, pp. 1–8.

WANSINK, Hans. "De stressmaatschappij", in *Intermediair* (Amsterdam), no. 43, 23 October 1992, pp. 26–31.

According to the Deputy editor of the Dutch managers' weekly *Intermediair* meritocracy can no longer provide a solution to the problems we face, indeed it is part of the problem. He starts off by drawing the lessons of American journalist Mickey Kaus's recent *The End of*

Equality (see our review below, page 8) and concludes by echoing approvingly the proposals of Dutch sociologist Bas van Stokkom in a recent study (*De Republiek der weerbaren*, see BI 15: 7) published by the research centre of the Dutch Labour Party: a "partial basic income" in the form of a negative income tax with a possibility for all of supplementing this low income by taking on standard employment or self-employment in the private or public sector, or by performing a voluntary civil service in the health care sector.

ENGLISH

ASPECTS OF CITIZENS INCOME, nos. 1–14, published by the Citizens Income Study Centre (St Philips Building, Sheffield Street, UK–London WC2A 2EX), January 1993.

Citizens Income (formerly BIRG) is publishing a new series of information leaflets on basic income. Each leaflet is two pages long and is devoted to one important aspect of basic income, concerning its definition and scope and its link with various social movements. Available titles are the following: 1. What is Citizens Income?; 2. Citizens Income: The Charitable Trust; 3. Paying for Citizens Income; 4. The history; 5. Citizens Income and the labour market; 6. Citizens Income and the Labour movement; 7. Citizens Income in industry and commerce; 8. Towards a European Social Security structure; 9. Citizens Income and elderly people; 10. Who should receive a Citizens Income?; 11. Delivery of Citizens Incomes; 12. Citizens Income, people with disabilities, and carers; 13. Citizens Income and other provisions of the welfare State; 14. Citizens Income and women.

(Address: see above.)

ATKINSON, Anthony. "Beveridge, the National Minimum, and its future in a European context", STICERD Working Paper WSP/85, January 1993, 27p.

In this lecture given on the occasion of the fiftieth anniversary of the Beveridge Report, Cambridge economist Anthony Atkinson pleads for what he calls a "participation income". He argues that Beveridge was correct in objecting to means testing, but that a fully unconditional basic income would lack political support, especially in a time of labour market pessimism and of worry about insufficient conditionality in income support. He therefore believes that, "in order to secure political support, it may be necessary for the proponents of basic income to compromise. To compromise not on the principle that there is no means test, nor on the

principle of independence [i.e., the idea that no one should be directly dependent on any particular person or group], but on the unconditional payment". Atkinson suggests to supplement an adequately revised social insurance system with a participation income, a non-means-tested allowance paid to every person who actively participates in economic activity. The notion of participation does not reduce to the performance of, or availability for, paid work. Persons who care for young or elderly persons, undertake approved voluntary work or training, or are disabled due to sickness or handicap, would also be eligible for the participation income. In this perspective, "it is (...) a mistake to see basic income as an *alternative* to social insurance. The historical opposition to Beveridge should be forgotten. It is more productive to see basic income as complementary. (...) I would see this partnership between social insurance and basic income not just as a transitional compromise, but as an alternative conception of the basic income". The author's calculations indicate that the participation income of an adult could be about £ 18 a week. It would almost certainly require some rise in taxes and contributions: "It does the public debate no service to suggest that an effective national minimum can be achieved at no cost simply through more efficient targeting".

(Author's address: University of Cambridge, Faculty of Economics, 4 Petersfield, UK–Cambridge, CB1 1BB.)

BOWLES, Samuel. "Is income security possible in a capitalist economy? An agency-theoretic analysis of an unconditional income grant", *European Journal of Political Economy*, vol. 8, 1992, pp. 557–578.

In this revised version of an earlier working paper (see BI 8:8), Samuel Bowles applies the tools of efficiency-wage analysis to assess the influence of an unconditional basic income on

labour effort, wages, profitability and investment. The key feature of the model is the assumption that there is a conflict of interest between workers and firms and hence a need for the latter to extract labour effort by monitoring workers and threatening them with dismissal in case of shirking. The substitution of a basic income for current unemployment benefits (with an unchanged total amount of transfers) transfers would lower reservation wages and equilibrium wages and raise the profit share. However, under prevailing labour market conditions (in the U.S.), this would imply a basic income of only about \$255 per year. The level of the grant could be raised by taxing away profits. Bowles argues that, in the U.S., the highest feasible basic income would be about \$10,800 a year for a four-person family, which is \$900 below the poverty level. Thus, despite some obvious and well-known advantages of basic income, it appears "that income security will prove an elusive objective in a society characterized by a strong incentive incompatibility between workers and employers and by a profit-driven private investment process". If basic income is to fulfil its income-securing role, Bowles claims, a different social organization is needed: the conflict of interest between workers and employers has to be reduced, or the link between profitability and investment severed. "A promising direction in this respect is the relocation of residual claimancy and control in firms from the current owners to workers. (...) Institutional innovations of this scope are (...) no less likely from a political standpoint than the implementation of the basic income grant itself".

(Author's address: Department of Economics, University of Massachusetts, Amherst, MA 01003, USA.)

GOODIN, Robert E. *Green political theory*, Cambridge: Polity Press, 1992, 240p., ISBN 07456-10277 (paperback), £ 11.95.

Green political theory, the American philosopher Robert Goodin argues, consists of a valuable and coherent moral vision and of a misguided doctrine about the political mechanisms that should be put into place to realize this vision. "Greens can indeed save the world environment", he concludes, "just not necessarily in the [highly decentralized] ways they ordinarily envisage". In a substantive appendix, Goodin reviews the main components of the Green political programme. One of them is basic income: "Many greens favour a scheme paying everyone in society an unconditional basic income, regardless of any test of their assets, their work history, their household status or whatever. Not all greens would necessarily

go quite that far. But absolutely unconditional social benefits of that sort would capture most completely the egalitarianism underlying the green ethos". In a footnote, however, he mentions that "there are embarrassing questions both as to where the money is going to come from to fund this scheme and, in a decentralized society of the sort greens advocate, where the administrative apparatus will come from to implement it".

(Author's address: Australian National University, Research School of Social Sciences, GPO Box 4, Canberra ACT 2601, Australia.)

JORDAN, Bill. "Efficiency, justice and the obligations of citizenship: The basic income approach", conference paper, 1991, 27p.

This paper offers a sustained argument against linking the right to a guaranteed income to the duty to perform or be available for performing paid work. Both the efficiency argument and the ethical argument for such a linkage are weak, Jordan claims. The former is weak, among other reasons, because there is no evidence of any positive correlation between high economic efficiency and high rate of labour market participation, and because there is a lot of evidence about the "monstrous inefficiency" of forced labour schemes (from Stalin's Gulag to make-work schemes in Thatcher's Britain). What about the ethical argument? One counter-argument is that an unconditional basic income is only the fair sharing of a particular set of resources, namely the employment rents currently monopolized by the better-off part of society. However, this liberal argument (recently developed by Philippe Van Parijs—see *BI* 12:8—in the Rawls-Dworkin tradition) though "seeming highly appropriate to post-industrial, post-modern economic individualism," is too oblivious of the concrete reality of groups and communities to convince a wider public. A more powerful counter-argument is that the proper way of institutionalizing the duties of citizenship (in particular the "obligation to contribute to the socially necessary labour", which Jordan does not question, is not by coupling them one by one with the rights of citizenship, but by leaving their enforcement to "the kinship networks, groups, unions, movements and neighbourhoods."

(Author's address: Perriton Farm House, Whimple, Exeter EX5 2QY, England.)

KAUS, Mickey. *The end of equality*, New York: Basic Books, 1992, 293p., \$25, ISBN 0-465-09814-2.

"The venerable liberal crusade for income equality is doomed. The gap between rich and poor will keep on growing, and no one knows

how to stop it. It's time for the democrats to try a different strategy". In this challenging book, American journalist Mickey Kaus proposes a shift from Money liberalism (aimed at a significant reduction of income inequalities) to Civic liberalism (aimed at the confinement of huge inequalities in the economic sphere, while the experience of equal citizenship is promoted in other spheres, such as a national service, creches, schools and hospitals). As Kaus recognizes, this alternative strategy would be vacuous if American society remained deeply divided between a working majority and a non-working underclass living off welfare and crime. At the source of this division, according to Kaus, are the various traps created by the way the American welfare system is organised: the fact that single mothers, for example, lose their benefits once they find a stable partner or a job. He describes at some length the line of thought (from Theobald and Friedman to Galbraith and Mc Govern) that advocated eliminating these traps by expanding benefits. "But this sort of no-question-asked universal cash entitlement – called a "demogrant" – would be unthinkable expensive if it were big enough to take Americans with no other income out of poverty". The solution, therefore, is not to universalize the benefits but to abolish them: "replace AFDC and all other cash-like welfare programs that assist the able-bodied poor with an offer of employment for every American citizen over eighteen who wants it, in a useful public job at a wage slightly below the minimum wage for private sector work". To be fair, Kaus is keenly aware of the difficulties raised by this strategy, including the massive problem (generally overlooked by the advocates of guaranteed employment) that "it's usually more expensive [taking all costs and benefits into account], in the short run, to give people jobs than is to give people cash welfare". But Kaus's response to these difficulties is unlikely to shake the basic income supporters' conviction that thinking a bit harder about them is bound to lead us back to the universalization strategy. Nonetheless, basic income is after all a variant of "Money liberalism" (in Kaus's peculiar sense), and Kaus's argument that any variant of the latter is now bound to fail is well worth taking seriously.

(Author's address: The New Republic, c/o Basic Books, 10 East 53rd Street, New York, NY 10022-5299.)

KÉSENNE, S. "The unemployment impact of a basic income", Studiecentrum voor Economisch en Sociaal Onderzoek (Universiteit Antwerpen, Universitaire Faculteiten Sint-Ignacius,

Prinsstraat 13, B-2000 Antwerpen 1), Report 93/286, May 1993, 23p.

This paper uses a very simple macroeconomic model to analyze the effects of the introduction of an unconditional basic income replacing conditional unemployment benefits, both being entirely tax-financed. In the same spirit as Sam Bowles (see page 7 above), the author places special emphasis on the response of labour supply and on the wage determination process. Simulation results show how output, unemployment and wages are affected by basic income. Given the assumptions of the model, production, employment and profitability increase if the universal grant is between 80 and 87 percent of the unemployment benefit. Késenne's general conclusion is that "the introduction of a basic income is not as disastrous for the labour market as is often asserted. There are indeed serious disincentives to work due to the unconditional grant and the higher taxes to finance the system. But there are also positive effects on the wage cost (...). If a basic income would succeed in preventing poverty as others have asserted, it should not be dismissed prematurely for its macroeconomic labor market effects".

(Author's address: c/o SESO, see above.)

KLEINMANN, Marc & PIACHAUD, David. "European social policy: Models and rationales", London School of Economics, Welfare State Programme (STICERD, Houghton Street, London WC2A 2AE, UK), No. WSP/77, September 1992, 41p.

What kind of Community-wide social policy, if any, would be appropriate and feasible for the new Europe? To attempt to answer this question, the authors envisage several scenarios for the construction of Europe, going from a very "minimalist" customs union to a highly centralized "super-State". They conclude that "the general rationale for a European social policy is relatively weak, although there are specific arguments that carry more weight, particularly those relating to redistribution, to the protection of minorities, and to the creation of a sense of social citizenship". Although there is no explicit mention of basic income, the authors seem sceptical about the general idea of "full social citizenship". For them, "this kind of social policy could simply lead to protectionism at the level of the EC as a whole (...). Policies to protect Europe from (...) cheaper workers from outside Europe could prove to be politically popular in times of upheaval."

(Authors' address: London School of Economics, Houghton Street, UK-London WC2A 2AE, England.)

LIPIETZ, Alain. *Towards a new economic order. Postfordism, ecology and democracy*, Polity Press, 1992, 206p.

This essay by Marxist economist and green politician Alain Lipietz was initially published in French as *Choisir l'audace. Une alternative pour le XXI^e siècle* (Paris: La Découverte, 1989). It attempts to formulate a realistic alternative to the "liberal-productivist" orthodoxy. Chapter 9 ("For a welfare community") starts with a discussion of basic income. If it amounts to more than a mediocre subsidy that would serve no other purpose than provide capitalists with cheaper labour, Lipietz argues, the proposal is undoubtedly attractive. But its feasibility is then in doubt. Not because of some fatal disincentive to work, but because a substantial unconditional grant will be unacceptable to those whose incomes will be taxed to finance it. "We thus reach the conviction that a universal grant (of about two third of the minimum wage) will only be accepted if it implies that its beneficiaries must be available for giving the reciprocal proof of their solidarity towards society". This leads on to the proposal that the universal grant should be paid as part of the pay for socially useful activities performed in the "third sector". (Author's address: CEPREMAP, 140 rue du Chevaleret, F-75013 Paris.)

PARKER, Hermione (ed). *Citizen's income and women*, BIRG discussion paper n°2, Citizens Income (formerly Basic Income Research Group), 1993, 74p.

In this detailed analysis of the income security needs of women, the authors argue that a basic income would "transform [the] lives [of women], the lives of their families, and society as a whole". They advocate basic income mainly because it would increase women's autonomy, understood as the "freedom to determine one's own actions", as mothers as well as waged workers and prospective pensioners. Whereas men usually perform only paid work, many women have both paid and unpaid activities. When family imperatives take priority, women do badly under the current social insurance system because benefits and pensions are a function of the time spent in paid work: "Women would do better out of a Basic Income, because with BI work status becomes irrelevant". Even a relatively low basic income, it is argued, besides being administratively simple and fairly easy to finance, would improve women's income security, give them more equal treatment compared with men, enhance the recognition of the value of unpaid work, and increase women's financial independence by replacing the family as the

relevant assessment unit. However, the authors realize that in order to really enhance autonomy, basic income should be introduced as part of a wider package, including new childcare arrangements: "Without new initiatives on childcare, women with children will never be able to compete in the labour market on equal terms with men, and lone mothers will be locked into benefit dependency for years on end".

(Editor's address: Citizens Income Study Centre, St.Philips Building, Sheffield Street, London WC2A 2EX.)

STANDING, Guy. "Restructuring for distributive justice in eastern Europe", International Labour Organization Central and Eastern European Team, Policy paper n°2, January 1993, 23p.

Guy Standing, director of the Central and Eastern European Team at the ILO, analyzes the current labour market situation in eastern Europe and sketches some direction in which social reform should move in order to improve this situation. He insists on the need for social protection in order to allow a transition to democracy and argues that in the face of quickly growing labour market insecurity and marginalization, traditional social security systems would fail. "The alternative is to move in the *direction* of less conditionality, and to conceive how a basic *citizenship income guarantee* might work. The idea of providing every person with a basic subsistence income has a right to be considered more carefully". This would not quite be a basic income because it would remain conditional on personal need. Still such "a citizenship income guarantee, however modest, can be seen as linked to the promotion of three complementary forms of democracy. Thus far, there has been a great deal of rhetoric devoted to political democracy and wretchedly little about industrial democracy and economic democracy. There may be a unique opportunity in eastern and central Europe between 1992 and about 1994 for the nucleus of what could be called a 'social dividend strategy' to take shape, in which all three forms of democracy could be strengthened". One of the main reforms which Standing deems necessary is privatization coupled with new "communal surplus-sharing mechanisms". In this context, trade unions should "evolve into community associations of workers, representing them as consumers and citizens as much as workers".

(Author's address: ILO, Mozsár u. 14, 1066 Budapest, Hungary.)

FRENCH

CASSEN, Bernard (ed.). *Vers une révolution du travail*, in *Le Monde Diplomatique* (15 rue Falguière, F-75015 Paris), March 1993, pp. 12-15.

A set of articles by André Gorz, René Passet, Jacques Robin and others on working time reduction and the uncoupling of work and income as ways of fighting unemployment. Basic Income is touched upon in various places, most systematically in a survey article by economist Jean-Paul Maréchal ("Revenu minimum ou deuxième chèque"). Wealth creation, he emphasizes, is increasingly the outcome of research and development massively funded by the government (be it only through the educational system). Although the sophisticated technical skills which produce this wealth are vested in a small highly educated elite, all members of society, whether rich or poor, are entitled to benefit from it. Introducing a basic income in a country such as France seems difficult, owing to European market integration, but it could be part of the *projet de civilisation* which the European Community should develop, both for itself and the rest of the world.

(J.-P. Maréchal's address: c/o Transversales, 29 rue Marsoulan, F-75012 Paris.)

DELTOMBE, Brigitte & AUDIGIER, Michel. "Un nouveau regard sur l'emploi", in *Le Monde* (15 rue Falguière, F-75015 Paris), 13 January 1993.

This short and informal discussion on employment policy by two members of the Club économique et social d'expression du Havre emphasizes the need to fight unemployment by maintaining economic growth while accepting to share both work and income. Basic income appears as an important component of this set-up: "We must accept to change our frame of reference. Social recognition will have to be based on elements other than [paid] employment. From now on, employment and income should become disconnected, and an income should be paid to all individuals simply on the basis of the fact that they exist".

FERRY, Jean-Marc & VAN PARIJS, Philippe. "Solidarité: Pourquoi une allocation universelle?", in *Le Monde des Débats* (15 rue Falguière, F-75015 Paris), n°8, May 1993, pp. 10-11.

Unemployment persists on a massive scale and a growing proportion of citizens gets stuck in a process of social exclusion. Neither economic experts nor political leaders have so far been able to come up with anything like a convincing solution. According to the editors of this new monthly publication of the famous French newspaper *Le Monde*, this should lead us to

think beyond the circumstances of the day: "It is perhaps not useless to listen to those 'dreamers', those 'utopians' who suggest, for example, the introduction of a basic income". The dossier consists in two articles by Philosophers Jean-Marc Ferry ("La troisième révolution") and Philippe Van Parijs ("Un rêve généreux") and in a short presentation of the history of the idea, of the history of its partial implementations and of the Basic Income European Network.

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TOFFLER, Alvin. "Tous chômeurs ou étudiants", in *Le Monde des Débats* (15 rue Falguière, F-75015 Paris), 4 January 1993, p.16.

Judging by this article based on a interview on French television, Cornell University Professor and bestselling author Alvin Toffler (*Future Shock*, 1970) is one of the many who are groping for the idea of a basic income without quite managing to formulate it. "If you are unemployed today, it is not your fault, but that of the changing economic structure. What creates unemployment is not the technology, but social or economic policies which are ill-adapted to the production system. I believe that one day we shall have to dissociate work and pay. One can no longer distribute money in society only to those who have jobs, since we shall all be unemployed at one time or another. (...) The existing social welfare systems have been necessary and precious; today, they no longer fulfil their function. This being said, I don't think one could abolish them without having found something better to replace them, which is not the case." Ever heard of basic income ?

VAN PARIJS, Philippe. "Assurance, solidarité, équité. Les fondements éthiques de l'Etat-Providence", in *Cahiers de l'École des Sciences Philosophiques et Religieuses* (Boulevard Botanique 43, B-1000 Bruxelles), no. 12, 1992, pp. 49-72.

In this lecture given in December 1991 (a first version of his opening lecture at the Paris BIEN conference), Van Parijs distinguishes three models of the welfare state: Bismarckian, Beveridgean and Painean, and three corresponding ethical justifications in terms of self-interested "insurance", of unconditional altruistic "solidarity" and of conditionally altruistic "fairness". It is only by reaching beyond solidarity, he argues, that one will be able to give the Painean model, with basic

income at its core, the strong yet plausible ethical foundations it requires.

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GERMAN

GÖTZ, Rohwer. "Einkommensmobilität und soziale Mindestsicherung. Einige Überlegungen zum Armutsrisiko", in Leibfried, Stephan & Voges, Wolfgang (Hg.), *Armut im modernen Wohlfahrtsstaat*, Sonderheft 32/1992 der *Kölner Zeitschrift für Soziologie*, Opladen, 1992 (Westdeutscher Verlag).

The contribution is focused, first, on a critique of the traditional static "snapshot"-view of poverty which dominates social policy discourse. This discussion is based on some new

empirical results about income mobility, pertaining in particular to the low income range. Second, the author discusses consequences of a dynamic "movie"-view of poverty for justifying a guaranteed minimum income. Poverty is viewed as a risk and so a minimum income can be understood as a basic support for decisions taken under conditions of uncertainty. The argument builds on Rawl's "maximin" principle and on its critique.

WHAT IS BIEN?

The Basic Income European Network was founded in September 1986 to serve as a link between individuals and groups committed to, or interested in, basic income, i.e. an income unconditionally granted to all on an individual basis, without means test or work requirement, and to foster informed discussion on this topic throughout Europe.

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