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

NewsFlash 35, September 2005
The present NewsFlash has been prepared with the help of Maria Julia Bertromeu, David Casassas, Jurgen De Wispelaere, Axel Jansen, Sascha Liebermann, Ruben Lo Vuolo, Katrin Mohr, Paul Nollen, Michael Opielka, Daniel Raventós, Corina Rodriguez Enríquez, Guy Standing, Philippe Van Parijs, and Karl Widerquist.

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1. EDITORIAL:

The summer of 2005 brought us man-made and natural disasters, which reminded us of the frailty of the human condition. It also reminded us of our obligation to support those facing the aftermath of such disasters through concerted collective interventions. Basic income, which has long been regarded as chiefly concerned with long-term cushioning against social and economic risks, may well have a role to play in achieving a more efficient response to human suffering caused by the sort of cataclysmic events witnessed in the past couple of months. Guy Standing, BIEN's Co-chair, argues this point in a passionate plea for using the basic income design in the form of disaster recovery grants (see below).

In the months leading up to the battle between Schröder and Merkel, neither of which can be accused of being overly excited about the idea of granting citizens an unconditional income, basic income raises what some consider its "ugly" head in election-fever Germany. Making good use of the context of political upheaval, various written media followed the lead of German magazine Brandeins in debating the failures of welfare-to-work and the promise of "Grundeinkommen" as a feasible alternative. And, to top it all, sociologist Ulrich Beck offers his most blunt support of unconditional basic income yet, drawing his earlier endorsement of participation income to its logical conclusion (see "Glimpses of National Debates").

Finally, BIEN is pleased to announce the birth of the first-ever journal entirely devoted to basic income and related schemes. "Basic Income Studies: An International Journal of Basic Income Research" (or BIS) is currently being developed by an international team of scholars and basic income advocates, and will publish its first issue soon. BIS hopes to bring renewed life to basic income research as well as bringing the basic income research agenda to a wider audience. The BIS editorial team invites submissions from all involved in basic income research at the academic or policy level. All details in this NewsFlash.

BIEN's Executive Committee

2. Special Essay : DISASTER RECOVERY GRANTS SHOULD FOLLOW KATRINA, by
Guy Standing (Co-Chair of BIEN).

Due to global warming and globalisation, systemic shocks are becoming more common. In each case, governments and NGOs rush in and a spate of expensive measures are introduced by kindly donors. Months later observers realise that the funds have been misdirected, used inefficiently or been unaccounted for.

There is a better approach. Just as the OECD has recognised what economists have known for many years, that tied food aid is inefficient and inequitable compared with giving low-income countries cash, so it would be preferable for governments to set up disaster recovery funds from which all citizens in any area affected by a hurricane or tsunami or other economic shock would receive a monthly grant for up to two years, to enable them to rebuild their lives.

After the US-led occupation of Iraq, I proposed in the Financial Times that, instead of a policy of monthly rations, with all the bureaucratic delays, scope for petty corruption, inevitable inequities and ‘crowding out’ economic effects, the authorities should introduce Iraqi Freedom Grants of the same value as the rations, about $20 a month. This would have helped kick start the local economy, since ordinary Iraqis could have used the money to create an internal market for basic goods and services. It would have been less paternalistic and thus less likely to be resented and more likely to have fostered real economic freedom. People with money in their pockets and the prospect of that week after week tend to want to build their community and to preserve it.

After the tsunami, I wrote an article in Economic and Political Weekly proposing Tsunami Recovery Grants for all residents of affected areas. Had the vast outpouring of money from around the world been used in part for such Grants, guaranteed for, say, two years, they would have enabled villagers to rebuild their lives and communities in basic economic security. Instead, a wasteful frenzy of interventions proliferated, often duplicating efforts to see stacks of surplus fishing boats in Sri Lanka given by competing NGOs epitomised this and thus distorting the economy and society. Poverty and inequality have grown, along with resentment.

In the USA, the Katrina tragedy looks like going the same way, with billions of dollars being wasted on bureaucratic elephantine projects, and all sorts of selective subsidies for preconceived, ill-defined “needs”. “Case managers” will be well occupied in the months ahead, sweetheart deals will be the subject of media scandals in a year’s time. Ecological mishaps will be attributed to the intended “regulatory rollbacks” that are supposedly intended to make investment easier. The promised “tax breaks” will trickle to those least in need of them. The scenario, in short, is all too familiar. Neither conservatives nor progressives should welcome the prospect of what President Bush has called “one of the largest reconstruction efforts the world has ever seen”.

We must hope they pause before it is too late. Katrina Recovery Grants would be economically and socially much more efficient and equitable. These would be monthly subsistence grants, acquired through use of a simple card, on the basis of which the residents
could start to rebuild their lives and communities.

Globally, as this type of disaster becomes more common, the long-term answer is for Governments and the United Nations to have special Disaster Recovery Funds that are designated to use part of the money to pay all residents in disaster-struck regions a basic unconditional grant for a period seen as required for the region to recover. For reasons of efficiency and equity, these should not be means-tested, which in disaster areas is an even more stupid form of conditionality than normal. The governance of such Funds could be designed to avoid standard moral hazards. The drive to real economic freedom should be the goal.

Of course, as a member of BIEN, I believe that ultimately the optimum policy is for every citizen to receive a monthly citizenship basic income, in which case supplements would be added for special crisis situations. Society will move towards that in a piecemeal way, and having Disaster Recovery Grants would be a move in the right direction.

Confucius is reputed to have said, “The easiest way out is through the door. Why do so few people use that method?” Giving people cash is the easiest way of responding to poverty. The fact that it does not increase the power and benevolent status of politicians and bureaucrats is merely an extra advantage.

Guy Standing,
Co-Chair, BIEN
GuyStanding@compuserve.com

3. EVENTS

*THE INTERNET: "Basic Income Studies", a new academic journal devoted to basic income. "Basic Income Studies: An International Journal of Basic Income Research" (BIS) is a new international journal devoted to the critical discussion of and research into universal basic income and related policy proposals. BIS is published twice a year by an international team of scholars, with support from Red Renta Basica, the Basic Income Earth Network and the U.S. Basic Income Guarantee Network.

The inaugural issue of BIS will appear in 2006 with articles by Joel Handler, Stuart White and Yannick Vanderborgh, and a retrospective on Robert van der Veen and Philippe Van Parijs’s seminal article on “A Capitalist Road to Communism”. The retrospective includes a reprint of the original article and a set of specially written comments by Gerald Cohen, Erik Olin Wright, Doris Schroeder, Catriona McKinnon, Harry Dahms, Gijs van Donselaar and Andrew Williams.

BIS is currently inviting contributions from academic scholars, researchers, policy-makers and welfare advocates on a wide variety of topics pertaining to the universal welfare debate. The editors are interested in publishing research articles, book reviews, and short, accessible commentaries discussing aspects of basic income or a closely related topic. BIS accepts research from all main academic disciplines, and welcomes research that pushes the debate into previously uncharted areas. BIS aims to promote the research of young scholars as well as seasoned researchers, and the editors
particularly welcome contributions from non-Western countries. For more information, please visit our website at www.basicincomestudies.org or contact the editors, Jurgen De Wispelaere and Karl Widerquist, at editor@basicincomestudies.org. Scholars who want to have their books considered for review or who would like to review a book for BIS should contact Sandra Gonzalez-Bailon at book@basicincomestudies.org

*BUENOS AIRES (AG), 25 April 2005: Public Presentation of the Argentinean Network of Basic Income. “Basic Income forces us to discuss the difference between employment and work, and to analyze the mechanisms of appropriation of work”. This was pointed out by the president of the Argentinian Basic Income Network (REDAIC), Rubén Lo Vuolo, at the public presentation of REDAIC, a network which is part of the Basic Income Earth Network (BIEN). The presentation took place at the Cultural Institute of Cooperation Floreal Gorini, in Buenos Aires, on April 25th. The president of REDAIC warned that the idea of unconditional income, of “distributing without asking for anything in exchange” provokes a series of reactions among those who question the proposal from a “moral” point of view, or argue that one should “educate” people by requiring them to work. Lo Vuolo talked about different objections concerning the feasibility of implementing universal unconditional basic income in Argentina.

The inaugural talk by the secretary of REDAIC, Elsa Gil, reviewed the general agreements among those who support the basic income in Argentina. Afterwards, Patricia Aguirre (a member of REDAIC who works at the National Ministry of Health) explained the way in which the economic and social crisis affected the nutrition of the poorer layers of society. Based on her research, she justified the contribution of the basic income to overcome these failures in a country that has enough wealth to make it possible that the majority of the population can live in better conditions. “A basic income would allow women, in their home, to decide their strategy of consumption, because they know how to eat and what to buy. And if they do not eat in an adequate way today it is because they do not have access to food”. She reminded us that, according to official polls, women use 43 per cent of their income for food and men only 22 per cent.

Antoni Doménech member of the Spanish network "Red Renta Basica" and a prominent supporter of basic income in Europe compared the proposal of basic income with the conquest of universal vote. For Doménech, “with the universal vote it is claimed that there is a space of social and political life where considerations of merit do not fit; everybody, just by the fact of being a citizen or resident in a country, has an equal capacity to determine the political destiny of the nation”. He explained that the idea of a basic income “has a similar logic, because it opens up a normative space in the social life that is outside of considerations of merit and virtue; the idea is that any person, because she is a citizen or demonstrated resident for a certain period of time in a country has a right to receive a rent or universal unconditional income. He emphasized that this is an idea completely different from well-known public assistance or welfare policies which are all, as we know, if universal then conditional, and if unconditional then not universal.”

Website: www.ingresociudadano.org
*VIENNA (AT), 7-9 October 2005: Basic Income Congress. As previously announced (NewsFlash 34), the German Basic Income Network together with the Austrian Network for Basic Income and Social Cohesion, ATTAC Germany, and ATTAC Austria will host a three-day conference in Vienna under the title "Grundeinkommen: In Freiheit tätig sein". There will be several plenary sessions and 18 workshops covering themes from "basic income and global justice", "BI and labour market policy", "BI and democracy", "BI and gender relations" to "BI and alternative economies" etc.. Among many others, Philippe Van Parijs, Luise Gubitzer and Eduardo Suplicy will speak at the conference. For the programme and further information on registration etc. see www.grundeinkommen2005.org.

*BARCELONA (ES), 2-17 November 2005: Seminar "Charter of Emerging Human Rights". The Human Rights Institute of Catalonia and the Spanish Basic Income Network "Red Renta Basica" organize the seminar: "Charter of Emerging Human Rights: Towards a Basic Income of Citizenship". It will take place in Barcelona from the 2nd to 17th of November, and it is aimed to students, members of associations, social workers, politicians, academicians and civil employees of local and regional administrations, among other collectivities. Its objective is the formation about the tool of the Basic Income, an innovating and stimulating answer to the current economical and social inequalities. The course is divided in theoretical and practical modules. It will also be a discussion meeting about the Charter of Emerging Human Rights, adopted in September 2004 in the framework of the Universal Forum of the Cultures-Barcelona 2004. Main working languages: Catalan, and Spanish. For further information: www.redrentabasica.org

*BUENOS AIRES (AG), 5 November 2005: Meeting of the Argentinian Basic Income Network The next meeting of the Argentinian Basic Income Network (REDAIC) will take place on November 5th, from 9am to 1pm, at the Faculty of Economics, University of Buenos Aires. The topic of the workshop will be "Basic Income, work and ethics". For further information: redaic@ingresociudadano.org

*BERLIN (DE), 26-27 November 2005: Annual Meeting of the German Basic Income Network. On November 26-27, the German Basic Income Network ("Netzwerk Grundeinkommen") will host its annual Meeting in Berlin. The thematic focus of this year's meeting will be the crisis of full employment and new vistas beyond full employment a basic income opens up. A call for papers has been issued and contributions dealing with the questions set out are cordially welcomed. See www.grundeinkommen.de for the call for papers as well as for updates on the programme.

*PHILADELPHIA (US), 24-26 February 2006: The Fifth Congress of the U.S. Basic Income Guarantee Network. The Fifth Congress of the U.S. Basic Income Guarantee Network will be held in conjunction with the Eastern Economic Association (EEA) Annual Conference in Philadelphia at the Loews Hotel, 1200 Market Street Philadelphia, Friday February 24 to Sunday February 26, 2006. The general theme shall be : "Resources and Rights". The Congress is co-sponsored by USBIG and the Citizen Policies Institute. Scholars, activists, and others are invited to attend, to propose papers &
presentations, and to organize panel discussions. Proposals are welcome on topics relating to the Basic Income Guarantee or to the current state of poverty and inequality. Deadline for Submissions: October 29, 2005. Presentations at this conference will be organized into two groups: Academic panels (including researchers in all disciplines) will be organized by Michael Anthony Lewis and Eri Noguchi. Nonacademic panels (including activists, practitioners, and laypersons) will be organized by Al Sheahen. Academic proposals should be directed to Eri Noguchi at en16@columbia.edu. Nonacademic proposals should be directed to Al Sheahen at alsheahen@prodigy.net. For further information, please visit USBIG's website at http://www.usbig.net/

*DUBLIN (IE), 29 June 1st July 2006: Annual Conference of the Association for Legal and Social Philosophy (ALSP)
University College Dublin, Ireland.
The theme of the conference is "Social Justice in Practice". ALSP 2006 invites panels and papers across the disciplines of philosophy, politics, law and social policy that explicitly discuss the complex relation between philosophical and practical analysis in relation to concerns of domestic and international social justice. It also welcomes papers that discuss practical applications to particular questions of social justice in contemporary society. The conference is open to many different theoretical approaches and, although it does not specifically address the topic of basic income, paper and panel proposals on basic income or any related subject are very welcome, provided they fit with the general theme outlined before. Confirmed speakers include, among others, John Baker (University College Dublin), Ingrid Robeyns (University of Amsterdam), and Philippe Van Parijs (Catholic University of Louvain & Harvard University).
For further practical information please contact the conference organizers Jurgen De Wispelaere and Graham Finlay at alsp2006@ucd.ie

4. GLIMPSES OF NATIONAL DEBATES

*GERMANY: TAXING CONSUMPTION MORE JUST THAN TAXING INCOME, GERMAN CEO ARGUES
In several recent articles and interviews, Götz Werner, owner and CEO of a German drugstore chain and professor at Universität Karlsruhe, and Benediktus Hardorp, expert on tax issues, have been proposing a shift from taxing income to taxing consumption. Werner and Hardorp consider a tax system focusing on consumption more transparent and just, and a necessary part of any realistic basic income project.

Because a company will always pass on costs incurred from taxation to the consumer anyway, it is the consumer who carries a large share of that company's tax burden. In Germany, taxes such as income taxes prevent value-creation by being applied before a company has decided whether capital is used for new investments or taken out for consumption (such as paying salaries to employees or dividends to stockholders). Instead of taxing money that is still used for creating products and services, Werner and Hardorp suggest that the tax burden should be shifted to consumption. As a side effect, such a tax would create an incentive to not consume high quantities of goods and services. (Today, prices decrease with strong demand.) It would
obviously be unfair to have just one tax rate for all goods and services, hence such a tax system would require different rates for different types of goods. Basic goods could be taxed lower so that citizens living on a BI would not be harmed financially. Another consequence would be that companies in Germany could lower production costs because imported products would be taxed just like other products in the market. Other problems with which so-called highly industrialized countries are struggling could be resolved by such a system, especially those involving production costs. Werner and Hardorp have been strong proponents of a basic income (BI). They consider a BI and such a new tax system to be one and the same idea.

Useful links:
Götz Werner: http://www.iep.uni-karlsruhe.de/seite_469.php
Benediktus Hardorp: http://www.iep.uni-karlsruhe.de/download/a_tempo_Portraet_Hardorp.pdf

*GERMANY: BASIC INCOME IS HOT TOPIC

In Germany, basic income has gained new momentum and publicity over the past year. The German magazine Brand Eins (www.brandeins.de), known for its progressive take on economic developments, dedicated its July/August edition to the issue of work. In his opening essay ("Der Lohn der Angst"), Wolf Lotter criticizes welfare-to-work programs by describing how unemployed are "trained" for new jobs which never materialize, acting as if they were performing meaningful labor. Lotter refers to numerous German initiatives, including "Freiheit statt Vollbeschäftigung" (www.freiehtstattvollbeschaeftigung.de) and, following Götz Werner, suggests that a promising strategy for financing an basic income would be an increase in sales tax, hence taxing consumption, not income (see the other item on Germany, above). The latter idea has been gaining ground within the German basic income discussion (see below).

Publication of this special issue has prompted less progressive journals to turn their attention to a basic income, such as the influential weekly "Die Zeit" (www.zeit.de), which published an informed article in which its author, Kolja Rudzio, restates some standard criticisms ("Who would still want to pursue paid work? And would this not erode the very income needed for a UBI?" - see "Sozialhilfe für alle" [social assistance for all] by Kolja Rudzio (www.zeit.de/2005/38/Kasten_Arbeitslos)).

Moreover, in an interview given together with the Munich mayor Christian Ude in the newspaper Süddeutsche Zeitung (Sept. 10, 2005), the renowned German sociologist Ulrich Beck has argued not only for a basic income combined with volunteering ("Bürgergeld" for "Bürgerarbeit"), as he did since years, but for the first time in favour of an unconditional basic income: "The utopia of the work society consisted once in freeing ourselves form the dominance of work. We have to expand what we already have: income security independent from labour and volunteering. Wouldn’t it make sense to debate an unconditional basic income, a "Bürgergeld" (citizens income) for all of about 800 Euro? Than nobody had to to beg, to argue and to become controlled. Everyone would have a floor to cope with insecurities of modern life."

Finally, two new books on basic income have just been published. Attac-Germany has edited a volume on the topic ("Grundeinkommen: bedingungslos"), and Vanderborght & Van Parijs' introductory book has just been translated from French ("Ein Grundeinkommen für alle?"))
*NAMIBIA: BIG COALITION PUTS BASIC INCOME ON THE POLITICAL AGENDA
According to the newspaper "The Namibian" (Sept. 27, 2005), on Friday 23 September 2005 Reverend Phillip Strydom (the General Secretary of the Council of Churches in Namibia) had an important meeting with the Speaker of Parliament, Theo-Ben Gurirab. Strydom was representing the Basic Income Grant (BIG) Coalition, a group of organisations proposing the introduction of an unconditional, N$100 monthly grant to every Namibian not yet eligible for a Government pension. The coalition presented the Speaker with a resource book it has compiled, and which contains research results, as well as a model of the proposal's social, developmental, and financial impact. The Speaker of Parliament Theo-Ben Gurirab, "The Namibian" reports, has assured the BIG Coalition that he would hand over the document to the relevant body, the Parliamentary Standing Committee on Human Resources and Social Development, led by Swapo Chief Whip Ben Amathila. The article from "The Namibian" can be found at http://allafrica.com/stories/200509270031.html

*NEW ZEALAND: UNPAID CARE WORK AND A BASIC INCOME
According to an article of the New Zealand Herald (September 2, 2005), by international standards workers in New Zealand work "more than in any other developed country except Iceland". Within the framework of an ongoing discussion about working-time reduction, some have argued that the introduction of a basic income could be a good instrument for citizens who express the desire to work less and, possibly, to care for their family. The New Zealand Herald reports that "Parents Centre chief executive Viv Gurrey [an organization lobbying for the interests of families] would like to see something like the Green's proposed universal basic income to recognise the value of caring for children". According to Gurrey, such a basic income would "validate our role as parents and pay us to stay home and look after our kids". Parents Centre's website: http://www.parentscentre.org.nz
New Zealand Herald's story: http://www.nzherald.co.nz/section/story.cfm?c_id=1&ObjectID=10343624

*UNITED STATES: JAY HAMMOND, FATHER OF THE ALASKAN BASIC INCOME, DIES AT 83.
In its July-August 2005 newsletter, USBIG reports that Jay Hammond, the governor of Alaska from 1975 to 1982, who led the fight to create the Alaska Permanent Fund, was found dead at his Homestead about 185 miles southwest of Anchorage, on Tuesday, August 2, 2005. According to USBIG, Hammond led an amazing life. He was a laborer, a fur trapper (by dogsled), a World War II fighter pilot, an Alaskan bush pilot, a husband, a father of three, a wildlife biologist, a back woods guide, a hunter, a fisher with the U.S. Fish and Wildlife Service, and a homesteader.

Hammond was also hero to everyone who believes that no one should be barred from the resources they need to meet their basic needs no strings attached. He got the idea for a resource dividend when he was mayor of a small town of Bristol Bay, Alaska in the 1960s. He realized that salmon were being taken out of the area without necessarily helping the town’s poor. He proposed a three percent tax
on all fish caught in the area to be redistributed to all residents of the town. By an enormous stroke of luck, the man who had that idea (and saw it work in Bristol Bay) would be elected governor of Alaska just as the state was beginning construction of the Trans-Alaska oil pipeline. Oil companies stood to make billions of dollars, and of course, they argued that Alaskans would benefit through new job opportunities, but Hammond knew one way to make sure that every single Alaskan would benefit from the pipeline.

And so the Alaskan Permanent Fund was born. For the last 20 years every Alaskan has received a basic income funded by state oil revenues. A portion of the state’s taxes on Alaskan oil goes into an investment fund, which pays dividends from the interest on those investments hence the permanent fund. Dividends vary, but they are usually more than $1,000 per year for every man, woman, and child living in the state.

The system is not perfect. Hammond told Tim Bradner, of the Anchorage Daily News, that his biggest regret was to let the legislature eliminate the state’s income tax. Without the citizens’ responsibility to pay taxes to support state services the fund will be vulnerable, and the legislature has been trying to raid the fund ever since. So far, the enormous popularity of the fund has protected it fairly well. Hammond also regretted that the fund was too small. Only one-eighth of the state’s oil tax revenues goes into the fund. If half of oil tax revenues went into the fund, as Hammond envisioned, every Alaska family of four could expect to receive more than $16,000 this year. Hammond died campaigning to increase the size of the fund.

Jay Hammond spoke at the 2004 USBIG Congress in Washington, DC. Here is how Sean Butler, in an article that appeared in "Dissent" just a few weeks before Hammond died (see Publications section below) describes the event: "The father of the Brazilian basic income, Senator Eduardo Suplicy, also presented at the USBIG conference last year. During his speech, he noticed Jay Hammond sitting in the front row, and, to warm applause from the assembled crowd, descended from the stage to shake his hand. The two basic income pioneers had at last met. Hammond and Suplicy make an odd couple. The Republican Hammond, with his Hemingway-like white beard and grizzly build, wears his far north ethos of self-reliance with pride. Suplicy, a founding member of the left-wing Brazilian Workers Party and a U.S.-trained economist, has the dignified appearance of an intellectual and professional politician. It’s tropical socialism meets arctic capitalism; yet somehow, when the two come together over basic income, they get along."

*Sean Butler's article can be found at [http://www.dissentmagazine.org/ menutest/articles/su05/butler.htm](http://www.dissentmagazine.org/menutest/articles/su05/butler.htm).

There have been many tributes to Hammond in American newspapers and on the internet since his death. Here are just a few:


*UNITED STATES: ALASKA PERMANENT FUND DIVIDEND TO BE PAID AT THE END OF OCTOBER 2005
The authorities of Alaska (US), where the only existing basic income scheme in the world was introduced in the early eighties, have announced that the Permanent Fund Dividend (PFD) checks shall be mailed beginning October 26, 2005. The amount of this year's dividend will be $845.76. To help smooth out year-to-year volatility in dividend amounts, the size of each year's dividend is calculated using a formula that averages the Alaska Permanent Fund's realized earnings over the previous five years. Among other items, the formula includes an estimated number of eligible dividend applicants. For 2005, this estimated number was 603,080.
For further information: https://www.pfd.state.ak.us/

*THE INTERNET: GLOBAL INCOME FOUNDATION DISCUSSION FORUM
A new discussion has been started on the Discussion Forum of the Global Income Foundation by a contribution of Robert F. Clark, author of several books on global poverty. Topic: the financial and political feasibility of global guaranteed income proposals. Robert Clark proposes a global reimbursable tax credit of $365 a year as a more feasible proposition than other proposals.
Website: www.globalincome.org

5. PUBLICATIONS

*CATALAN

See *English section below for the abstract. The booklet contains a Catalan version of the Charter, thus including "El dret a la renda bàsica" (the right to a basic income).

*ENGLISH

Starting with a discussion of the Alaska Permanent Fund Dividend, the only existing basic income scheme in the world, this well-informed article by Canadian freelance journalist Sean Butler offers a comprehensive picture of the basic income debate in the US and, incidentally, in Canada. It restates some of the main arguments in favour of a "basic income guarantee" (BIG), and refers to the works of Philippe Van Parijs (University of Louvain and chair of BIEN's international board), Karl Widerquist (University of Oxford and leading figure of USBIG), or Myron J. Frankman (McGill University, Montréal), among others. It also stresses the important role played by Brazilian Senator Eduardo Suplicy (Co-Chair of BIEN), "the father of the Brazilian basic income." Less well-known of basic income supporters might be the fact that, according to Butler, Nobel Prize-winning economist Vernon Smith, called the Alaska Permanent Fund "a model governments all over the world would be well-advised to copy". Sean Butler's article can be found at http://www.dissentmagazine.org/menutest/articles/su05/butler.htm.

The Institute of Human Rights of Catalunya was created in 1983 by a group of people with a commitment to fight for the progress of freedom and democracy in the world. Their aim was joining both individual and collective forces coming from public and private institutions, in order to favour the expansion of everyone's political, economic, social and cultural rights. The Institute was one of the main organizers of Barcelona's Forum in September 2004, and with the Spanish basic income network Red Renta Basica it was one of the pillars of BIEN's Tenth Congress on 19-20 Sept. 2004. At the end of this Congress, a few members of BIEN, including co-chair Guy Standing and Red Renta Basica's chairman Daniel Raventós took part in the writing of a «Charter of Emerging Human Rights». This Draft Charter has now been published by the Institute of Human Rights, and it includes important paragraphs in connection with Basic Income. Part One of the document is dedicated to a general framework («Values and Principles »), and Part Two contains the Charter itself. Title One of the Charter concerns « The Right to Egalitarian Democracy», which includes “the right to the basic income”. Here is the text of the relevant paragraphs: “Article 1. The right to existence under conditions of dignity. (…) This fundamental right comprises the following rights: (…) 3. The right to a basic income, which assures all persons, independently of their age, sex, sexual orientation, civil status or employment status, the right to live under worthy material conditions. To such end, the right is recognized to a regular income defrayed on the account of the State budgets, as a right of citizenship, to each resident member of society, independently of their other sources of income, and without prejudice to the demand for compliance with their tax duties in the respective State, which income shall be adequate to allow them to cover their basic needs.” (pp.45-47). The booklet also include French, Spanish, and Catalan versions of the Charter. For further info, see the website of the Institute of Human Rights of Catalunya http://www.idhc.org/


Hurricane Katrina, which devastated the south of the United States at the end of August 2005, has shed a new and worrying light on America’s racial and social discrimination (see also Guy Standing's special essay above). Unfortunately, the response of US authorities at federal and state levels confirmed the forecast of historian Mike Davis (University of California, Irvine), published in September 2004, when hurricane Ivan had luckily spared New Orleans. “No one”, Davis wrote, “[seems] to have bothered to devise a plan to evacuate the city's poorest or most infirm residents. (…)The result, almost certainly, will be a spate of avoidable deaths. But then again the victims will be Black or Brown and poor. On the fortieth anniversary of the 1964 Civil Rights Act, the United States seems to have returned to degree zero of moral concern for the majority of descendants of slavery and segregation.”

In a column which was published a few days after Katrina in the 2nd-largest newspaper in Southern California, Al Sheahen (US activist,
BIEN life-member, and active participant in USBIG activities) insists on the very same point: "The rich and middle-class families", he writes, "were able to escape Hurricane Katrina in planes and cars. But many poor and homeless families, with no cars and little money, were stuck. And so they died." But Sheahen also takes the opportunity to tackling the issue of US poverty in general, and discussing possible solutions. His column closes with a plea for a basic income as the best way to end poverty: "A basic income guarantee or BIG programme would be like an insurance policy for everyone. It could replace welfare, unemployment insurance and Social Security, and it could give each of us the assurance that, no matter what happened, we and our families wouldn't starve".

Al Sheahen's address: alsheahen@prodigy.net
Los Angeles Daily News' website: http://www.dailynews.com
Mike Davis' article on hurricane Ivan was published online at http://www.tomdispatch.com/index.mhtml?pid=1849

TOMLINSON, John (2005). "War, Famine, Pestilence and neo-liberalism". On-Line Opinion. Australian e-journal of social and political debate, August 8, 2005 John Tomlinson, a senior lecturer in social policy at QUT, argues that Australia should spend money for improving the health, social security, and education of its poorest citizens rather than spending resources on waging war in Iraq and Afghanistan. More generally, he argues that "there are alternatives to debilitating poverty in both the developed and developing world." One such alternative, Tomlinson writes, "is the provision of a Basic Income". He refers to the Basic Income Guarantee Australia, as well as to Brazilian and South African debates. Referring to Myron Frankman's (McGill University, Montréal) proposals for a planet-wide citizen's income, he writes that "if such a basic income scheme were introduced then we could claim to have succeeded in making absolute poverty history". Tomlinson's article can be found at http://www.onlineopinion.com.au/view.asp?article=3738

*FRENCH

This special issue of the left-of-center bi-monthly magazine "Imagine" is devoted to the future of work and employment in Belgium and, more generally, in Europe. One page of the issue is entirely devoted to basic income. Based on an interview with Yannick Vanderborght (University of Louvain), it looks sympathetically at the idea. Basic income is described as one promising way of reforming the Belgian welfare state, as a way of "providing us with freedom, without having to be distressed about the future".

See *English section above for the abstract. The booklet contains a French version of the Charter, thus including "Le droit à une allocation universelle" (the right to a basic income).

VAN PARIJS, Philippe (2005). "L'écologie politique et l'allocation
On the occasion of a celebration of Ivan Illich's work, this is a brief discussion of the relationship between Illich and the proposal of an unconditional basic income (quite different for the youthful and the ageing Illich), and more generally of the connivance between basic income and the ecological movement. Author's address: <vanparijs@etes.ucl.ac.be>

*GERMAN

OFFE, Claus (2005). "Nachwort: Armut, Arbeitsmarkt und Autonomie", postface to VANDERBORght, Yannick & VAN PARIJS, Philippe. Ein Grundeinkommen für Alle, Frankfurt/New York: Campus, 2005, pp. 131-150. In this synthetic essay, the influential German political theorist Claus Offe sums up the reasons why he believes an unconditional basic income to make both normative and political sense. Whereas traditional policies have so far tried to address separately income poverty, involuntary unemployment and oppression at the work place, the basic income proposal is centrally relevant to all three problems at once. This proposal needs to be justified on grounds of justice, for example by pointing out the "moral paradox" that arises when "precisely those who benefit particularly generously from those presents [stemming from technical progress, capital accumulation or co-operation rents] request those who do not not to make any claim to a 'free lunch'". But normative justifications are not enough, and account needs to be taken of class interests. Thus, the employers' association regards an unconditional basic income as a "dangerous idea": "We want no de-coupling of work and income. On the contrary. We need to link income again more strongly to work performance." (Stuttgarter Zeitung, 5 July 2005). Similarly, the Trade Unions are not keen to see a shift in the relative importance of the economic rights of citizens versus workers. Yet, a consensus has been building up among all German political parties to the effect that not only the cost of raising children, of old age pensions and of the health care insurance should be borne by general taxation rather than linked to waged employment, but also that low-paid employment should be subsidized. Of course this open politicization of distribution issues is still driven by the objective of creating jobs and fitting the unemployed into the jobs thus created. If the objective failed to be reached, the means provided by this politicization "would be available for the more ambitious objective of an unconditional basic income".


In this article Michael Opielka explains a proposal, which is the current discussion in Germany about Bürgerversicherung ("citizens insurance"), a universal social insurance, which covers the whole population. The main focus of the political debate in Germany is on health insurance, a minor role plays the proposal of a citizen insurance for pensions. For the latter the swiss pension system with a minimum and a maximum pension serves as a model. Michael Opielka
proposal "Grundeinkommensversicherung" (basic income insurance) extends this idea to all monetary transfers incl. pension, unemployment insurance, parental benefit, child benefit etc. This basic income insurance is contribution financed and guarantees a basic income for everyone.


Although a broad consensus exists amongst the German Left in favour of granting a basic right to encompassing social security and to broad participation in social goods, proposals on how to bring these rights about differ considerably. This publication by the German Attac group argues the case for introducing an unconditional, non-means-tested basic income. "The anti-globalisation movement and Attac endorse the idea that another world is possible. But this other world must be one in which the good life becomes a genuine opportunity for all who live in it. The globalisation critique therefore must always be accompanied by a search for common solutions to the individual risks of modern life. An unconditional basic income for all might constitute such a solution."

About the authors: Werner Rätz is coordinator of Attac's Latin-American office for information; Dagmar Paternoga and Werner Steinbach work for the "Genug für alle" Attac campaign.

Publisher's website: [http://www.vsa-verlag.de](http://www.vsa-verlag.de)


A German translation of Vanderborght & Van Parijs' introductory book on basic income, which was published in French in the Spring of 2005 (see NewsFlash 32). The German version includes a substantial afterword by Claus Offe, former member of BIEN's EC and professor at Humboldt University in Berlin (see abstract above).

Publisher's website: [http://www.campus.de](http://www.campus.de)

*ITALIAN


In the left-wing radical daily "Il Manifesto", a sympathetic review of "Un reddito per tutti", the introductory book on basic income by Corrado Del Bò (political philosopher at University of Pavia) published in 2004 (see NewsFlash 31 for an abstract). Bronzini argues that a project such as the introduction of a basic income should be discussed at European level, rather than as a national project.

Il Manifesto's website: [http://www.ilmanifesto.it/](http://www.ilmanifesto.it/)

*SPANISH

This dissertation highlights the important role of the notions of property (understood as socioeconomic independence) and community in the construction of the republican ideal of freedom that was the goal of Adam Smith and those social and political thinkers who, before the codification of liberalism and at the dawn of the “Great Transformation” that would give rise to capitalism, saw, in the early signs of industrial society, social forces that might make possible the attainment of the ideals that seventeenth-century English revolutionaries and left-wing exponents of the natural rights tradition had always espoused in keeping with the republican tradition. First, property as material independence (and hence as civil independence) was a necessary condition for freedom. Adam Smith therefore upholds a society of “free producers”. Second, social cohesion is also conceived as a necessary condition for individuals to define, put into practice and evaluate their own life plans. Political institutions must then be created with a view to politically (collectively) establishing the bounds of a social regime wherein these notions of property and community can become realities. Understanding these core ideas in Adam Smith’s social and political thought is important if we are to realise to what extent the republican conceptual framework bestows an informative criterion for defining free societies (free markets) that is to say, societies in which all individuals enjoy a social standing that protects them from any possibility of arbitrary interference by others.

The main aim of republicanism is to articulate a social regime in which political institutions undertake two tasks that must be carried out jointly if they are to be effective. First, is the guarantee of basic conditions that ensure an autonomous social life for all or, in other words, empower the weak by bestowing on them some degree of bargaining power. Second, is the setting of some sort of wealth limit that is not to be exceeded. As Smith points out, wealth has a purpose that must always be taken into account. According to Adam Smith’s republican insight into human societies, these two tasks constitute two necessary (and mutually beneficial) conditions for social freedom, that is, for social life to become effective civil society. It is in this sense that it might be said that republicanism is not an ethical and political scheme with which one might associate a certain political economy (some set of measures) for proper coexistence and, eventually, interaction between the public and the private spheres. Republicanism, rather, is true political economy, for its core concerns are, first, the study (on a descriptive basis) of the socioeconomic causes of domination in social life and, second, a claim for the promotion (from a normative perspective) of all those political (disputable) measures that can lead to the extension of freedom as non-domination to the greatest possible extent. Republican freedom thus emerges, once such a political economy has been put into practice, in both descriptive and prescriptive senses, with all the institutional implications for each and every period, territory and society.

This understanding of the current validity of Adam Smith’s core ideas (and, interestingly, those of neoclassical economists like Walras, who combined his intellectual concerns with an active socialist political affiliation) leads the author to call for social policy measures that guarantee the material existence of all. This would achieve some balance between individuals’ social positions and thereby civilize a world (a market) that is full of those asymmetries
of power that lead to wage slavery, market barriers and manipulation, asymmetries of information, predatory pricing, etc. It is a world (a market) in which thoughtful doses of political mechanism design are needed in order to build an effective civil society and thereby make a non-vacuous notion of freedom become reality. In the final chapter of the dissertation it is argued that a republican claim for Basic Income could constitute, in present-day societies, part of the realization of the republican ideal, which requires guarantees from both private powers and state institutions, including official social security programmes, should they exist.

HERNANDEZ LOSADA, Diego Fernando (2005). "Universality as a basis for social policy design: proposal for Colombia". Faculty of Economics, Universidad Nacional de Colombia in Bogota, Supervisor: Jorge Iván Bula, 182 pages. E-mail address of the author: dfhernandezl@unal.edu.co

Colombian social policies aimed at addressing the problem of poverty correspond to the "economic conception" of the liberal state, Hernandez Losada argues in his thesis. Based on having a job, they do not include people outside the labor market, do not compensate for market failures or for residual forms of work e.g. the informal economy or casual jobs. Under this approach, the market is supposed to assign and distribute efficiently services such as health, education, and housing. The State intervenes only in a residual way with those individuals that cannot be inserted appropriately to the market.

In 1994, Colombia established a system of "subsidies to demand", i.e. a means-tested programme called System to Select Beneficiaries or SISBEN. In spite of positive early redistributive returns, the enhanced coverage of the poorest population, and the resolution of some of the problems of corruption and inefficiency tied to the previous system of "subsidies to supply", SISBEN is only a drop in the bucket in addressing the problem of the poverty in Colombia. In fact it leads to other types of problems such as social discrimination and reinforcement of the poverty trap.

The social policy of "subsidies to demand" neither solves the problem of the lack of income nor addresses the types of freedoms that Amartya Sen poses as a condition for development or the maximum individual opportunities, which have been described by Philipe Van Parijs as a condition for addressing the problem of poverty. According to the poverty line measurement, in Colombia 64% of the population lacks a minimum of USD $2 [defined by World Bank] per day for their subsistence. Income inequality in the country has always been high.

These trends suggest that Colombia is facing a systemic crisis that calls for new approaches in the social policy discourse. This research examines the potential of the universality approach vis-à-vis the demand approach currently practiced in Colombia to address the problem of poverty, and pays special attention to a system that guarantees the freedoms that may best contribute to reduce the levels of poverty on an ongoing basis. Hernandez Losada demonstrate that, under certain conditions, a basic income would be perfectly feasible and viable in Colombia.

6. ABOUT THE BASIC INCOME EARTH NETWORK

6.1. BIEN's executive committee

Co-chair:
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Louise HAAGH, lh11@york.ac.uk, Department of Politics, University of York, United Kingdom
Treasurer:
Karl WIDERQUIST Karl@Widerquist.com, Lady Margaret Hall, Oxford, United Kingdom

6.2. BIEN's international board

Chair: Philippe Van Parijs

Former members of BIEN's Executive Committee:
Alexander de Roo
Edwin Morley-Fletcher
José Noguera
Claus Offe
Ilona Ostner
Steven Quilley
Robert J. van der Veen
Walter Van Trier
Lieselotte Wohlgenannt

Representatives of national networks:
Ruben Lo Vuolo for the Red Argentina de Ingreso Ciudadano (AR)
Margit Appel for the Netzwerk Grundeinkommen und sozialer Zusammenhalt (AT)
N for the Rede Brasileira de Renda Básica de Ciudadania (BR)
Jørg Gaugler for the Borgerlønsbevægelsen (DK)
Katrin Mohr, Wolfgang Strengmann-Kuhn, and Wolfram Otto for the Netzwerk Grundeinkommen (DE)
6.3. Recognised national networks

ARGENTINA: Red Argentina de Ingreso Ciudadano
Founded in March 2004
www.ingresociudadano.org
President: Ruben Lo Vuolo
redaic@ingresociudadano.org

AUSTRIA: Netzwerk Grundeinkommen und sozialer Zusammenhalt
Founded in October 2002
www.grundeinkommen.at
Coordinator: Margit Appel margit.appel@ksoe.at

BRAZIL: Rede Brasileira de Renda Básica de Ciudadania
Founded in September 2004
Provisional co-ordinator: Eduardo Suplicy
eduardo.suplicy@senador.gov.br

DENMARK: Borgerlønsbevægelsen
Founded in January 2000
www.borgerloen.dk
President: Jørg Gaugler
per@borgerloen.dk

GERMANY: Netzwerk Grundeinkommen
Founded in July 2004
www.grundeinkommen.de
Spokespersons: Ronald Blaschke, Katja Kipping, Katrin Mohr,
Guenther Soelken, Robert Ulmer, Birgit Zenker,
kontakt@grundeinkommen.de
Contact persons: Katrin Mohr (kmohr@gwdg.de), Wolfgang Strengmann-Kuhn
(strengmann@wiwi.uni-frankfurt.de), and Wolfram Otto
(wolframotto@web.de).

IRELAND: BIEN Ireland
Founded in March 1995
Coordinator: John Baker
John.Baker@ucd.ie
Equality Studies Centre
University College Dublin
Belfield, Dublin 4, Ireland
Tel.: +353-1-716 7104, Fax: +353-1-716 1171

NETHERLANDS: Vereniging Basinkomen
Founded in October 1987 (initially as "Werkplaats Basisinkomen")
www.basisinkomen.nl / E-mail: info@basisinkomen.nl
Coordinator: Guido den Broeder
Igor Strafanskisingel 50
3069MA Rotterdam, The Netherlands
Tel.: +31 10-4559538 or +31 70-3859268
SPAIN: Red Renta Basica
Founded in February 2001
www.redrentabasica.org
President: Daniel Raventos
presidencia@redrentabasica.org or danielraventos@ub.edu
Universitat de Barcelona,
Facultat d'Economiques
Departament de Teoria Sociologica i Metodologia de les Ciencies
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SWITZERLAND: BIEN Switzerland
Founded in September 2002
President: Pierre Hrold c/o Jean-Daniel Jimenez
jean-da.jimenez@bluewin.ch
39, rue Louis-Favre 1201 Geneva
Tel.: +41 22 733 41 09 or +41 78 847 47 56

UNITED KINGDOM: Citizen's Income Trust
Founded in 1984 (initially as "Basic Income Research Group")
www.citizensincome.org
Director: Malcolm Torry info@citizensincome.org
Citizens Income Trust, P.O. Box 26586, London SE3 7WY, United Kingdom.
Tel.: 44-20-8305 1222 Fax: 44-20-8305 1802

UNITED STATES: U.S. Basic Income Guarantee Network (USBIG)
Founded in December 1999
www.usbig.net
Coordinator: Karl Widerquist Karl@Widerquist.com

6.4. BIEN's life members and B(I)ENEFACTORS

All life members of the Basic Income European Network, many of whom
were non-Europeans, have automatically become life members of the
Basic Income Earth Network.
To join them, just send your name and address (postal and electronic)
to David Casassas casassas@eco.ub.es, secretary of BIEN, and
transfer EUR 100 to BIEN's account 001 2204356 10 at FORTIS BANK
(iban: BE41 0012 2043 5610), 10 Rond-Point Schuman, B-1040 Brussels,
Belgium. An acknowledgement will be sent upon receipt.
BIEN Life-members can become “B(I)ENEFACTORS” by giving another 100
Euros or more to the Network. The funds collected will facilitate the
participation of promising BI advocates coming from developing
countries or from disadvantaged groups.

B(I)ENEFACTORS:
Joel Handler (US), Philippe Van Parijs (BE)

BIEN's Life Members:
James Meade (+), Gunnar Adler-Karlsson (SE), Maria Ozanira da Silva
(BR), Ronald Dore (UK), Alexander de Roo (NL), Edouard Dommen (CH),
Philippe Van Parijs (BE), P.J. Verberne (NL), Tony Walter (UK),
Philippe Grosjean (BE), Malcolm Torry (UK), Wouter van Ginneken (CH),
Andrew Williams (UK), Roland Duchâtele (BE), Manfred Fuellsack (AT),
Anne-Marie Prieels (BE), Philippe Desguin (BE), Joel Handler (US),
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