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.

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NewsFlash 36, November 2005

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1. EDITORIAL

On November 2-4, 2006, BIEN will hold its first International
Conference since it turned to the worldwide "Basic Income Earth Network". The event will take place in Cape Town, South Africa. More details in the next issue of our NewsFlashes.

In the meanwhile, BIEN's Executive Committee is delighted to announce that members of one of its most active components, the U.S. Basic Income Guarantee Network (USBIG), have just edited a major volume on the ethics and economics of basic income (see Publications section below). The editors Widerquist, Lewis, and Pressman have collected stimulating essays on various aspects of the idea, and have included a whole section devoted to basic income debates outside of the USA. In his appraisal of the essay, Philippe Van Parijs, chair of BIEN's international board and former Secretary of the network, write the following: "Yes, a different world is possible, and it will include basic income security for all. But it will not come about without a thorough discussion involving a broad range of scholars, determined to look beyond the borders of their discipline and their nation, and eager to learn from the failures of the past. This is precisely the sort of collective effort which this book splendidly illustrates." This is, no doubt, the sort of collective effort that will allow BIEN to remain a lively network.

BIEN's Executive Committee

2. EVENTS

*VIENNA (AT), 7-9 October 2005: Basic Income Congress.

This first German-language congress entirely devoted to basic income was a truly impressive event. Jointly sponsored by the Austrian Network for Basic Income and Social Cohesion, the German basic income network, ATTAC Germany, and ATTAC Austria, locally organized (like BIEN's 1996 Vienna congress) by the Katholische Sozialakademie, it gathered over three hundred people, essentially from Austria, Germany and Switzerland, for two full days of intense exchanges, some in plenary sessions, others in parallel sessions and even, one evening, in the form of "philosophical cafes" in several of Vienna's famous cafes. The congress received good Press coverage. On the first evening, after a panel which enabled each of the organizing networks to introduce itself, Philippe Van Parijs (Louvain and Harvard) gave an opening lecture. This was followed by another panel in which Margit Appel (from the Austrian Network the coordinator of the congress - and the Katholische Sozialakademie) stressed the liberating virtue of basic income, especially for women. She argued that technological progress makes it possible to gradually replace human labor. Since the notion of "full employment" is not viable anymore, an unconditional basic income at the highest level should be introduced. Harald Rein (from the German unemployed movement) explained how basic income has emerged in the public debate as an alternative to full employment, while Emmerich Tálos (University of Vienna) remained unconvinced and restated the case for a needs-oriented (and hence means-tested) social protection. The second day was entirely devoted to parallel workshops. And on the final morning, the concluding session gathered the Swiss feminist theologian Ursula Knecht-Kaiser and Senator Eduardo Suplicy, co-chair of BIEN, who managed to get the congress to close with the assembly singing "Blowing in the wind" under the leadership of Margit Appel (chief coordinator of the congress) and himself.
Whether in plenaries or in parallel sessions, the congress did not evade some thorny questions, such as why the Trade Unions do not support a proposal that, at least at first sight, would seem to strengthen their bargaining power, or whether an unconditional basic income involves the risk that unemployed people are made to understand that society has no use for them. Particularly striking were the active participation of representatives of unemployed movements and the speed with which the idea of an unconditional basic income turned out to have spread in recent years in both Germany and Austria. Two new introductory books (Attach Germany's Grundeinkommen: bedingungslos, and Vanderborght and Van Parijs's Ein Grundeinkommen für alle? were published so as to be ready for the congress. The coordinator of the German network also announced that the September 2005 German election sent at least three active basic income supporters to the federal Parliament, including (for the Linkspartei) Katja Kipping, initiator of the network. And the event was extensively covered by the national Austrian and German press. Thus, the Austrian national daily Die Presse devoted two pages to the theme, including a front page headline announcing that the socialist mayor of Vienna Michael Häupl expressed his sympathy for the idea: "After the [imminent municipal] election", he told the newspaper, "I shall strongly express my interest for such a basic income system, because the existing system of social assistance, family assistance and the like is opaque and smells of the charity state of the past." Germany's Tageszeitung (close to the Greens) and Neues Deutschland (close to the new "Left Party") also covered the event extensively, the Stuttgarter Zeitung carried an article, and several in-depth radio interviews and dossiers were broadcast.

*BUENOS AIRES (AG), 5 November 2005: Annual Meeting of the Argentinian Basic Income Network.
The Red Argentina de Ingreso Ciudadano (REDAIC, Argentine Basic Income Network) held its first Annual Meeting on November 5th at the Faculty of Economics of the University of Buenos Aires. It was an open meeting to discuss key issues regarding the Basic Income debate in Argentina. The meeting consisted of two sessions. The first one, on “Basic Income and Real Freedom”, consisted of presentations by María Julia Bertomeu, a researcher from the Universidad Nacional de La Plata and CONICET (National Council of Scientific and Technical Research) and Cristian Pérez Muñoz, a researcher from the Universidad de la República, Montevideo, Uruguay. The first session was coordinated by Elsa Gil, REDAIC secretary. The second session, on “Basic Income, Work and Labour” consisted of presentations by the participation of Noemí Giosa Zuazúa, a researcher from the Centro Interdisciplinario para el Estudio de Políticas Públicas (CIEPP, Interdisciplinary Center for the Study of Public Policies) and Corina Rodríguez Enriquez, a researcher from CIEPP and CONICET. The second session was coordinated by Rubén Lo Vuolo, president of REDAIC. The main conclusions from the debates which took place at the meeting will be soon available on www.ingresociudadano.org

*BRASILIA (BR), 6 November 2005: Suplicy meets Bush during Brazil-United States Summit
On November 6, 2005, US President George W. Bush met Brazilian President Lula da Silva in the Brazilian capital Brasilia. Just after his 22 minutes conference on the very same day, President Bush had a
short conversation with Brazilian Senator and co-chair of BIEN Eduardo Matarazzo Suplicy. According to a Press release that has been sent by Suplicy to The New York Times, Rolling Stone, as well as to BIEN and USBIG Newsletter editors, the following brief but interesting conversation took place:

SUPLICY: "I am Senator Eduardo Suplicy, from the Worker’s Party. With respect to the integration of the Americas we should have the purpose of not only to have the free movement of capital, goods and services, without any barriers, but also and mainly of what is most important, that is, of human beings from Alaska to the Patagonia. More than that we should also have what you already have in Alaska with much success, a citizen’s basic income to all residents in that State."

BUSH: "Well, in Alaska they have lots of oil"

SUPLICY: "But we may have a basic income from all the forms of wealth that are created. I would like to suggest that in order to create the conditions for real peace based on justice in Iraq that we should stimulate the Iraqians to follow the example of Alaska that pays every year a basic income to all residents living in that State in the form of dividends that result from the Alaska Permanent Fund."

BUSH (assertively): "We are working on that! We are working on that! Thank you."

This is not the first time that Eduardo Suplicy is defending the idea of a Permanent Fund Dividend in Iraq. On May 26, 2003, just after the Brazilian Sergio Vieira de Mello was nominated the Coordinator of the United Nations Actions in Iraq, Suplicy wrote to him suggesting that he could advise the Iraqians to follow the example of the Alaskans in order to create real conditions of justice, equity, freedom and peace among the people after such a long time of disruption, violence and war. In his letter, which he wrote as the president of the Foreign Relations and National Defense Committee of the Brazilian Senate, he explained to Vieira de Mello how the idea had evolved in Alaska.

For further information on the Alaska Permanent Fund Dividend ($845.76 in 2005): [http://www.pfd.state.ak.us/](http://www.pfd.state.ak.us/)
See also "United States" in the Section "Glimpses of National Debates" below.

*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. The deadline for submissions was October 29, 2005. The program includes twelve sessions and more than forty speakers. A tentative schedule has been posted on USBIG's website [http://www.usbig.net/](http://www.usbig.net/).

3. GLIMPSES OF NATIONAL DEBATES

*CANADA: PROSPERITY BONUS IN ALBERTA
The government of Alberta (Canada) has announced that citizens of the province will start seeing their 400 CAN$ per-person Alberta 2005 Resource Rebate cheques (294.5 Euros) in mailboxes in January 2006. Returning some of this year's higher than anticipated oil-revenues to Albertans is just one part of the province's plan for this year's strong revenues. Its strategy also includes infrastructure investment
and savings in endowments. "A typical family of four will receive 1,600 CAN$ tax free with this program," Finance Minister Shirley McClellan said. "Albertans work hard and contribute to the strength of the province. Alberta has eliminated the accumulated debt, invested in priority programs, and sustained the lowest overall tax burden in Canada. This is money Albertans can use for themselves, to spend or save as they see fit."

To receive the rebate, one must have been an Alberta resident on September 1, 2005 and have filed a 2004 Canadian tax return. Children whose families already receive the Canada Child Tax Benefit or the Alberta Family Employment Tax Credit automatically qualify, and payments will go to the primary caregiver, usually the mother. Most children are registered, but those parents who have never done so must complete a form available on the Canada Revenue Agency website. Albertans have until December 2006 to register for the Canada Child Tax Benefit or file their 2004 tax returns and still receive the rebate. Supplementary cheque runs will follow to address these and other special cases.

"This is a huge administrative task, and we must make sure it is done right," said Minister McClellan. "Some oversights can be expected in a project of this size, but the vast majority of Albertans will receive the rebate without problems." Administrative costs will be under 10 million CAN$, less than one per cent of the program cost. The resource rebate will total between 1.3 billion CAN$ and 1.4 billion CAN$. The majority of the higher than expected revenue will be allocated to infrastructure and savings.

For further information: www.gov.ab.ca or the official "Surplus" website: http://www.gov.ab.ca/home/albertasurplus/

*CANADA: BASIC INCOME RESURFACES IN QUEBEC*

On October 19, 2005, an informal group of prominent intellectuals, including the former Prime Minister of Quebec Lucien Bouchard, published a much-discussed manifesto on the future of the Province. In "Pour un Québec lucide" ("Clear-eyed vision of Quebec"), they argue that despite its economic growth Quebec is facing unprecedented challenges, partly due to its very low fertility rate. The authors suggest a few paths of reform, including massive investments in education and innovation, and a substantial tax reform. They also argue for a basic income: "Québec could also consider creating a guaranteed minimum income plan. This plan would make direct transfers to each citizen and would replace several existing programs for redistributing income (...). Such a system would have the advantage of reducing the cumbersome bureaucracy required to administer multiple, complex programs. The Québec model is founded on the ideal of social solidarity that we espouse with conviction. We are also convinced that if it is to be put into practice, this solidarity must be efficient."

(Available in English and French at http://www.pourunquebeclucide.com)

In a column which was published in the French-language daily "La Presse" (Montréal) on October 26, 2005, Camille Bouchard, a member of the Quebecois provincial parliament ("Assemblée nationale") and a figure of the nationalist "Parti Québécois", criticizes the guaranteed minimum income plan. She argues that a substantial basic income might prove incompatible with the neo-liberal proposals included in the other sections of the manifesto, and put its feasibility into question (see http://www.politiquessociales.net/Docs/pourunquebeccoherent.htm)
Within the "Parti Quebecois" itself, basic income was recently endorsed by two of the candidates to the direction of the party, Pauline Marois and, in a more vigorous way, Gilbert Paquette. In a short but detailed document, Paquette argues for a "revenu de citoyenneté" (a citizen's income), which he sees as a major reform to be implemented in an independant Quebec (see http://www.gilbertpaquette.org/solidarite_lutte_pauvrete.htm).

*CANADA: MAJOR PRIVATE BANK RECOMMENDS A REFUNDABLE TAX CREDIT
In its Sept.-Oct. 2005 Newsletter, USBIG reported that one of Canada's largest private banks had recommended a basic income. Toronto's TD Bank Financial Group is a prominent member of the Task Force for Modernizing Income Security for Working Age Adults (MISWAA). The MISWAA Task Force was launched last year by the Toronto City Summit Alliance (TCSA) and Toronto's St. Christopher House to identify failings in the present income security system and recommend a road map for change. The Task Force is composed of leaders from the business, academic, government and non-profit sectors, including those with first-hand experience dealing with income security issues. A new report prepared by TD Economics on behalf of this Task Force highlights the need for broad-based income security reform in Canada. According to a Press release which was published by TD Bank Financial Group on September 8, 2005, the report includes a critique of current welfare programmes, which give recipients little financial incentive to get off social assistance. Accordingly, two alternatives should be considered: a working income supplement and a refundable tax credit for all low-income adults. "It's not a perfect solution", TD's Senior Vice President and chief economist Don Drummond argues: "there would be a net cost, and because both measures would need to be income-tested, they would raise marginal effective tax rates over some range of income. But, if properly designed, the two measures would take some of the pressure off welfare to shore up the financial security of low-income adults. And, they would have the virtue of doing so through anonymous, rules-based programs that are free of the stigma and intrusive administrative oversight that go along with discretionary programs like welfare.”

The report can be downloaded at http://www.td.com/economics/special/welfare05.pdf

*DENMARK: LOW POLITICAL FEASIBILITY FOR BASIC INCOME
In Denmark the flat tax proposal has been repeatedly debated in recent months. According to BIEN-Denmark (Borgerlønsbevægelsen), a liberal think tank called CEPHOS held a conference on this idea on June 28, 2005. A number of liberal politicians have expressed some interest in the idea, but the Danish minister of Taxation has, so far, rejected it. One of the pioneers of the Danish Basic Income debate, former professor in economics Gunnar Thorlund Jepsen, University of Aarhus, wrote a thought-provoking feature article entitled 'Flad skat og borgerydelse' ('Flat Tax and Citizens Income', in Jyllandsposten, August 8, 2005), in which he supported the idea of a flat tax, while also pointing to the fact that it should be combined with some sort of Citizen's income. But it did not lead to any further debate.

In November 2005 the physician Ellen Ryg Olsen published a book entitled 'Syge påtvangsarbejde om behandling af førtdispensionansøgere' ('Sick People in Forced Labour Treatment of Disability Retirement Benefit Applicants), documenting the pressure
from the state and municipal authorities that is put on sick, worn-out and expelled people, with the purpose of having them go through work test assessments, so that they can be integrated in the job market. One of her suggestions, as an alternative to this system, is an unconditional basic income. Olsen argues that such a reform will allow to eliminate the current system of clientization and reduce state bureaucracy.

The welfare debate in Denmark is otherwise dominated by the fact that The Danish Welfare Commission (appointed by the government) will be delivering its final report on December 7, 2005. Based on preliminary reports it is expected that the commission will recommend a discontinuation of the Danish early retirement benefit system and a raising of the pension age with a view to increase the number of people in the job market. The reason for this is that demographic statistical projections indicate a decrease in the number of individuals in the labour force. Further it is expected that they will propose the establishing of a more selective welfare state, for instance through increased user charge. An Alternative Welfare Commission (appointed by various labour unions and grassroot organisations) has already published an alternative report called 'Velfærdssamfundets fremtid' ('The Future of Welfare Society'), Socialpolitisk Forening, in which they question the estimations of the Welfare Commission, while at the same time proposing the continuation and development of the universal Danish welfare state. The report does not mention Basic Income as a possible means for the implementation of an alternative welfare policy.

This shows that Basic Income has a hard time finding its way to the Danish political agenda. The Danish Basic Income Movement has just published a folder called 'Basisindkomst (borgerløn) hvorfor og hvordan?' ('Basic Income Why and How?'), showing three different models for the implementation and financing of Basic Income for all citizens.

For further information: http://www.borgerloen.dk/

*FRANCE: THIRTY IDEAS FOR THE LEFT
On November 10, 2005, the left-of-center daily "Libération" has published a special issue on "Thirty ideas to revive the Left" ("Trente idées pour réveiller la gauche"). Starting with an interview of Philippe Van Parijs (Louvain & Harvard, Chair of BIEN's International board), it includes a discussion of basic income along the lines of proposals made by French economists Yoland Bresson and Yann Moulier-Boutang, respectively. According to Moulier-Boutang, the level of the French basic income should be "at least 1.000 Euros" a month. More interestingly, this special issue also briefly discusses a proposal of capital grant, which is totally new to the contemporary French debate. Economist Roger Godino, one of the guest speakers at BIEN's Congress in Berlin (2000), argues that each French citizen should receive a basic capital of 10.000 Euros at the age of 18. Godino also favours the introduction of a negative income tax in France.

Libération's website: http://www.liberation.fr

*FRANCE: FEDERALIST PARTY IN FAVOUR OF AN "EXISTENCE INCOME"
On the occasion of the International Day for the Eradication of Poverty (Oct. 17, 2005), the French Federalist Party (Parti Fédéraliste) has published a Press Release calling for the
implementation of a so-called "Existence Income" ("revenu d'existence"), or a "guaranteed social income". The Federalist Party, which remains so far a very small player in France's political circles, argues that basic income should be defended as a European project. In its Press Release, it also refers to debates in Alaska (USA), Catalonia (Spain), Belgium, and Ireland.

For further information: http://www.parti-federaliste.fr

*SOUTH AFRICA: PROTESTERS CALL FOR A BASIC INCOME FOR ALL
According to "The Independent Online" (Oct. 17, 2005), about 400 people gathered outside the Gauteng legislature on October 17, 2005, where they formed a human chain around the building to mark International Day for the Eradication of Poverty. Representing a variety of non-governmental organisations such as the Treatment Action Campaign (TAC), the South African Non-governmental Organisations Coalition (Sangoco), Ikageng and Network Against Child Labour, the demonstrators called for a basic income grant for all.

"We held our hands in a symbolic mark that shows that when we tie our hands together we make work light," said Hassim Lorgat, Sangoco's spokesperson. Sheilagh-Mary Waspe of Justice and Peace said they were also calling for government to extend the child support grant to children up to the age of 18, from 14, as a step towards the establishment of a comprehensive social security system in South Africa. "We are not calling for handouts. We are calling for the extension of the basic income grant for all so that people's dignity can be restored and that they can be able to pay for services," she said.

The Independent Online website: http://www.int.iol.co.za

*THE NETHERLANDS: GREEN PARTY SUPPORTS A MORE ACTIVE WELFARE STATE
The Dutch Green Party GroenLinks, which had been the most prominent political support of an unconditional basic income in the Netherlands during the 1990s, gives its full support to more active social policies. Under the supervision of its leader Femke Halsema, GroenLinks has just published a policy document stating that the unemployed should be "obliged to participate" if they cannot find a job. The obligation means that after one year of job search, all able-bodied unemployed should participate in subsidized employment, or follow educational programmes. Somewhat surprisingly, GroenLinks still argues in favour of a so-called "partial basic income". In fact, since this benefit should be restricted to low-paid workers, it is similar to a modest Earned Income Tax Credit.

For further information, see http://www.groenlinks.nl

*UNITED KINGDOM: DEBATE ON A CITIZEN'S PENSION SYSTEM
The Second Report of the Pensions Commission directed by Lord Turner (hence called the "Turner Report") has been published on November 30, 2005. Among other things, the most controversial being the raising of the pension age, this report recommends "reforms to make the state system less means-tested and closer to universal". In a Press release which was published on the very same day, The Citizen’s Income Trust (CIT) suggests that a "Citizen’s pension" might be the best alternative to the current means-tested system. According to the CIT, an adequate universal flat-rate ‘Citizen’s Pension’ (CP) for every resident adult over the state retirement age, and paid at the rate of 109.45 GBP per week (162 Euros) for a single pensioner would allow most of the 5 million British senior citizens without other financial
resources to live with dignity and without recourse to means-tested benefits. A CP would provide a stable foundation for a portfolio including occupational and private pensions.

Furthermore, the CIT argues that a Basic Income or Citizen’s Income (CI) could help to avert the impending pensions crisis by dismantling the artificial thresholds dividing retired people from working age adults. A CI for all adults would replace most of the current array of means-tested benefits (the withdrawal of which as earnings rise discourages low-income earners from working). A CI and a CP together would allow individuals into their 60s and 70s to negotiate contracts for their preferred hours of paid work, probably choosing to reduce their hours as they get older, yet still yielding taxable earnings.

Setting the rates for the CP and CI as a proportion of GDP per capita would restore the former link between pensions and the prosperity of the country. The levels of the CP and CI, rising and falling with the fortunes of the country, would allow people to adjust their hours of work to cover any shortfall, and would help to stabilise economic cycles. The British Pensions Policy Institute has calculated that a Citizen’s Pension of 110 GBP per week (162 Euros, approx. 30% of GDP per capita) could be afforded immediately within current government spending on pensions. A Citizen’s Income of 90 GBP per week (132 Euros), approx. 25% of GDP per capita, is also feasible.

Further information is available from Dr. Malcolm Torry, The Director, The Citizen’s Income Trust, Tel: 020 8305 1222, info@citizensincome.org

*UNITED STATES: ALASKA DIVIDEND IS GETTING INCREASING ATTENTION*

As announced in BIEN NewsFlash 35, the amount of this year’s Alaska Permanent Fund Dividend, the only existing basic income in the world, is 845.76 US$ (722.8 Euros). In its Sept.-Oct. Newsletter, USBIG reported that the idea of the fund is gathering more and more attention around the world.

The government of Alberta (Canada) is preparing to send checks of 400 CAN$ (294.5 Euros) to every resident of the province. The checks are a one-time response to the province’s large budget surplus, which has been caused largely by the recent increase in oil tax revenue. Although this is a one-time grant, the program’s architects credit the Alaska Fund as inspiration (see "Canada" above in the section "Glimpses of National Debates"). The State of New Mexico (United States), which also has a growing budget surplus thanks to the recent increase in oil prices, may be the soon follow suit. Governor Bill Richardson and prominent members of the state legislature have been discussing a one-time tax rebate in the neighborhood of 50 US$ (42.7 Euros) per person.

The spread of the Permanent Fund idea does not stop with Alberta and New Mexico. Recent editorials in the US have discussed the idea as a plausible alternative for other parts of the world. In the Sept. 12, 2005 issue of Newsweek International, Kevin O’Flynn mentioned the fact that the Alaska Permanent Fund was discussed as one of the possible models for reform of Russia’s oil industry: "perhaps the least likely scenario is to create something akin to Alaska’s famous Permanent Fund, sharing the oil boom with a cash payment to every Russian citizen."

Two recent editorials in the US Press have also argued for a permanent oil dividend in Iraq. In a column published by The Weekly Standard (http://www.weeklystandard.com) on June 06, 2005, Lenny
Glynn argues for an "Ownership Society on the Tigris" through the creation of a "Freedom Trust". He believes than enshrining an oil dividend into Iraq’s constitution would be a force for democracy, national unity, and economic development. It would almost certainly make the constitution more popular. "Any system that declares a significant share of Iraq's oil revenues to be the personal property of the Iraqi people", Glynn writes, "would create a powerful material base for democracy."

Ronald Bailey, writing for the online magazine "Reason on line" on, August 18, 2005, has included the creation of an “Iraq Permanent Fund” in his list of things the Bush administration should have done for a successful post-war Iraq. Half of Iraq's oil revenues should be deposited in this Fund. "Modeled after the Alaska Permanent Fund, the returns from the diversified investment in this growing fund are distributed as dividends annually to each of Iraq's six million households. These dividends will go a long way toward boosting Iraq's future economic growth", Bailey writes (http://www.reason.com/links/links081805.shtml).

Finally, a commentary by Michael Rowan, which was published online by "Petroleumworld.com: Latin American Energy, Oil & Gas" on August 10, 2005, praised the Alaska Permanent Fund and compared it to Venezuela’s nationalization of the oil industry. Alaska Governor Jay Hammond began setting up the permanent fund at about the same time that Carlos Andres Perez nationalized Venezuela’s oil industry in 1976. Rowan argues that nationalization of 100% of Venezuela’s oil revenues had no noticeable affect on poverty in Venezuela, but the Alaska fund, which distributes only a fraction of the taxes on Alaska oil revenues, has provided a real and verifiable benefit to low-income Alaskans and has been especially important in reducing poverty among indigenous Alaskans. "If [Perez] had done what Hammond did in 1976, Venezuela's Permanent Fund would have about 120 billion US$ this year, paying a dividend of 1,500 US$ to each of 8 million Venezuelan families." The editorial is hostile to activist government policies, but it is not hostile to policies that effectively help the poor.

Rowan's editorial can be found at http://www.petroleumworld.com/Ed081105.htm

4. PUBLICATIONS

*FRENCH

DOMMEN, Bridget (2005). "Allocation sociale et sécurité de revenu en Suisse". FEAS Aspects de la sécurité sociale, 2-2005, Lausanne, Switzerland, pp.22-33, Publisher's address: jptabin@eesp.ch

This article by independant economist (and active member of BIEN-Switzerland) Bridget Dommen offers a good synthesis of the pros and cons of basic income in the Swiss context. Starting with a review of some of the most crucial problems generated by means-tested assistance and social insurance schemes, it mainly focuses on BI as a desirable and feasible alternative. Dommen discusses various scenarios of implementation, including a VAT-funded scheme as it has been proposed in 2003 by Peter Le Roux in South-Africa. Dommen also refers to debates in Brazil, France, United Kingdom, Ireland, and Alaska (USA). In her conclusion, she stresses that a BI should be seen as a fundamental human right.

For many years Jean-Marc Ferry, a French philosopher from the University of Brussels (B), has been one of the most prominent advocates of basic income in French-speaking countries. In this new article, he argues again for a European basic income. According to Ferry, a high basic income can be first justified by looking at the past: the wealth which has been accumulated through the ages is a collective good which should be fairly distributed among citizens. But a high basic income can also be justified by looking forward: it is an investment which should allow for the creation of a “secteur quaternaire” (a quaternary industry). In this sector of the economy, individuals could engage in socially useful activities which are not market-related. Ferry stresses the fact that he does not defend basic income "as such", but as a way of reinforcing social integration and participation.


ISBN 2-7605-1365-3

The expression "Revenu minimum garanti" (RMG – guaranteed minimum income) has often been used by French-speaking intellectuals in Quebec (Canada), where it has often led to misunderstandings. If for some it is a synonym for "basic income", others use "RMG" to refer to means-tested minimum income schemes such as the British National Assistance or the French "Revenu minimum d’insertion". This is the case of Lionel-Henri Groulx, the author of this extremely well-documented essay, who teaches social policy at the Université de Montréal. Even if the book mainly focuses on conventional minimum income schemes, the two last chapters discuss a negative income tax (NIT) and a basic income (BI), respectively. The chapter 5 on NIT includes a thorough discussion of the American NIT experiments (1970s), as well as of the Canadian project Mincome (1975-79). Groulx also examines what he calls “the NIT’s of the new generation”, i.e. the US Earned Income Tax Credit (EITC) and related schemes such as Canada’s self-sufficiency experimental project. Chapter 6 is entirely devoted to basic income, and starts with a short presentation of BIEN. Having examined various ethical and economical justifications, Groulx briefly focuses on its political feasibility.

Publisher's website: http://www.puq.uquebec.ca/fr/


See *German section below for an abstract.

A collection of essays devoted to the minimum income issue, with some authors arguing for a comprehensive need-oriented and work-related basic security system, while others vigorously defend a genuine basic income: in particular Harald Rein (from the Round Table of unemployed and social assistance organizations) in an essay on the "Existenzgeld", the unconditional "existence income" demanded by unemployed initiatives since 1992; and Werner Rätz (from Attac Germany) in an essay entitled "There is really enough for all".

August 2005, 206-211.

This article mainly focuses on the social consequences of market liberalism, but its last section is devoted to a defence of basic income. Referring to Van Parijs’ Real Freedom for All (1995), Ulrich (Saint-Gall University, Switzerland) argues that since the market does not sufficiently contribute to the social integration of all citizens, part of the collective wealth should be redistributed along the lines of a basic income or, perhaps, of a basic capital.

Available in PDF at [http://www.bsv.admin.ch/publikat/chss/d/2005/chss0504i.htm](http://www.bsv.admin.ch/publikat/chss/d/2005/chss0504i.htm);

*ENGLISH*


This page briefly discusses the idea of social funds as ways of providing cash to individuals or families in developing countries. It briefly focuses on South Africa, where a proposal for a universal basic income is said to have "raised a storm". "Many dismiss the idea as impracticable", Grinspun writes, "but a broad coalition of supporters has kept the debate raging. They claim it is affordable and feasible, and would give effect to the 'right to social security' written into the 1996 Constitution by providing a modicum of economic security to the more than half of South Africans trapped in long-term poverty." The document - which does not necessarily reflect the official views of the International Poverty Centre or the United Nations Development Programme - also briefly mention the Alaska Permanent Fund Dividend Programme.

This One Pager can be downloaded at [http://www.undp-povertycentre.org/newsletters/OnePager17.pdf](http://www.undp-povertycentre.org/newsletters/OnePager17.pdf)


This issue of the Journal of Law & Urban Policy (JLUP) is pioneering in both its substance and its format. The papers published in this issue of JLUP comprise the first direct scholarly exchange between proponents of basic income guarantees and employment guarantees to appear in print, and it also marks the first time a scholarly journal has taken full advantage of the Internet to create a genuine discussion format for carrying on a scholarly exchange such as this.

The interrelated problems of endemic unemployment, low-wage work, poverty and growing inequality have inspired the growth of the contemporary basic income movement and have also revived interest in proposals to use direct job creation by government to achieve full employment. Advocates of this strategy argue that the best way to combat these problems is to close the economy’s job gap with an offer of decent work in government-funded jobs for all involuntarily unemployed workers. At the most recent international Congress of BIEN, which met in Barcelona in September 2004, leading proponents of these two strategies participated in a scholarly dialogue on the relative merits of their respective proposals. Four papers were presented in a session chaired by Philippe Van Parijs. Papers supporting the basic income idea were presented by Guy Standing and
José Antonio Noguera. Papers supporting guaranteed employment proposals were presented by Philip Harvey, and by William Mitchell and Martin Watts. These four papers comprise the opening contributions to this JLUP’s symposium on Basic Income Guarantees and the Right to Work. The papers reflect sharp differences of opinion between proponents of the two strategies, but possibilities of convergence in their respective positions also receive some attention. This issue also includes papers on the same topic by Pavlina R. Tcherneva & L. Randall Wray, Axel Marx, Michael W. Howard, Erik Olin Wright, John Tomlinson, and José Luis Rey Pérez.

Journal’s website:  http://www.jlup.org/

This essay by Leroy H. Pelton (former director of the School of Social Work, University of Nevada, Las Vegas, USA) is devoted to analyzing three major frames of justice—group justice, individual desert, and life affirmation—and their implications for social policy as well as their reflections in contemporary social policies, while simultaneously exploring the notion of descent in religion, philosophy, and legislation especially within the context of the moral question of the relationship between means and ends. In chapter 5, on “Need, Desert, and Nondiscrimination”, Pelton argues that “a liberal and just community, through its instrument of government, is obliged not to allow basic human needs to go unaddressed, and must address such need without judgment or discrimination” (p. 88), and proposes “that an annual common monetary benefit, at least of sufficient size to address the basic human needs of an individual in a minimally adequate manner, be allocated (without transfer) to every member of the community, adjusted only for size of household. This benefit would, at the least, set a floor under which no one would be allowed to fall (p. 89)”. Pelton stresses that “even for a wealthy man, the amount allocated would be his fair share that he would have used to meet his basic needs, or somewhat beyond (depending on the level of common benefit that the society has decided upon) had he lost his wealth” (p. 89). “If a society is to respect human life without discrimination, its policies must enhance the lives of all regardless of economic station. True, the degree of one’s wealth is itself an indicator of the extent to which one has benefited from the community” (p. 89). In Pelton’s proposal of this arrangement that allocates common benefits, “the tax on other income would be flat, or strictly proportional” (p. 90). Leroy H. Pelton finally point out that under the proposed system “there is no disincentive to work unless one is fully content with minimal survival, since no matter what a man makes, he is allocated the common benefit, offset only somewhat by taxes at the lower income levels” (p. 92).

This article by Shlomi Segall (Oxford University, UK) seeks to rebut the claim, made by Stuart White and others, that providing welfare benefits to citizens who do not, and are not willing to, work breaks the principle of reciprocity. This, they argue, justifies placing a minimum work requirement on welfare recipients. The article begins by rejecting the attempt to ground the work requirement on a civic
obligation to work. It then explores the principle of reciprocity, and argues that the practice of reciprocity depends on the particular conception of distributive justice adopted. An examination of different interpretations of egalitarian justice and their corresponding patterns of reciprocity demonstrates that unconditional welfare benefits are compatible with, and sometimes even warranted by, the principle of reciprocity. Thus, imposing a work requirement on welfare recipients is by no means a mandate of reciprocity.

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Governments in the US, the UK and other nations around the world routinely consider and, in some cases, experiment with reforms of their income support systems. The basic income guarantee, a universal unconditional income grant, has received increasing attention from scholars as an alternative to the kinds of reforms that have been implemented. This book explores the political, sociological, economic, and philosophical issues of the basic income guarantee. Tracing the history of the idea, from its origins in the late eighteenth century through its political vogue in the 1970s, when the Family Assistance Plan narrowly missed passage in the US Congress, it also examines the philosophical debate over the issue. The book is designed to foster a climate of ideas amongst those specifically interested in the income support policies and more widely for those concerned with public, welfare and labour economics. Its coverage will enable readers to obtain an in depth grounding in the topic, regardless of their position in the debate.

Publisher's website: http://www.ashgate.com/

5. NEW LINKS

*ITALIAN

MOISO, GianCarlo (2005). "Un reddito garantito per tutti: la soluzione del problema sociale?" ("A basic income for all: the solution of the social problem?") Available online at http://www.economiaeretica.it

*GERMAN


For an unconditional basic income (UBI) the amount of the monthly sum to be paid to every citizen as well as its financing are of vital importance. The present paper shows how these issues can be dealt with from a national economic point of view. Our "Transfer Limits Model" made up of mathematical algorithms offers a wide variety of options to political decision makers in terms of the amount of the UBI per person and the social contribution rates I and II defined to
finance it. Based on comprehensive data material on the distribution of gross income in Germany in 1998 (source: German Federal Statistics Office) our calculations yielded that in 1998, a livelihood-securing UBI for adults could have been financed with an only slightly modified income tax rate. One of many calculation examples yielded a burden of only 2.2% of the gross income of net givers for an UBI of DEM 1,000 per month and an S I of 50%. In the case of DEM 1,200 per month it would have been 4.5%.

This Transfer Limit Model for financing a UBI forms a suitable basis for the introduction of a UBI in Germany as well as in other EU states and beyond.

PELZER, Helmut & FISCHER, Ute (2004). "Unconditional Basic Income: How much? Where from? The Transfer Limits Model." [Bedingungsloses Grundeinkommen: Wie viel? Woher? Das Transfergrenzen-Modell.] Available online http://www.grundeinkommen.info/index.php?id=147, under section "Texte zum 2. Netzwerktreffen". This is the script of a presentation held at the meeting of the (German) Basic Income Network ("Netzwerk Grundeinkommen") in Berlin on December 11, 2004. It contains short, concise information on the contents of PELZER, Helmut & FISCHER, Ute (2004): "Unconditional Basic Income for All: A Proposal for the Shaping and Financing of the Future of our Social Security". In addition, it deals with basic reflections on the possible effects of such a system on society and economy, depending on the monthly amount of UBI granted. It also states that all our calculations exclude a UBI for children of up to 18 years. For them, the "child benefit" financed through other sources should be maintained (in Germany) as that is already something like a UBI for children.


This publication contains a mathematical description of how practically all citizens, not only the "net recipients", are included in the basic income system proposed in PELZER, Helmut & FISCHER, Ute (2004): "Unconditional Basic Income for All: A Proposal for the Shaping and Financing of the Future of our Social Security".

6. ABOUT THE BASIC INCOME EARTH NETWORK

Co-chair:
Eduardo SUPLICY, Federal Senator, Sao Paulo, Brazil
Guy STANDING, Director of the Social and Economic Security Programme, ILO, Geneva, Switzerland
Other details about BIEN can be found on our website: www.basicincome.org
Click on "ABOUT BIEN" to access the updated page which includes the Mission Statement, the details of BIEN's EC members, the composition of the International Board, all relevant details about National Networks, as well as the list of our Life Members (see also below).

MEMBERSHIP

All life members of the Basic Income European Network, many of whom were non-Europeans, have automatically become life members of the Basic Income Earth Network.

To join them, just send your name and address (postal and electronic) to 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 Duchâtelet (BE), Manfred Fuellsack (AT), Anne-Marie Prieels (BE), Philippe Desquin (BE), Joel Handler (US), Sally Lerner (CA), David Macarov (IL), Paul Metz (NL), Claus Offe (DE), Guy Standing (CH), Hillel Steiner (UK), Werner Govaerts (BE), Robley George (US), Yoland Bresson (FR), Richard Hauser (DE), Eduardo Matarazzo Suplicy (BR), Jan-Otto Andersson (FI), Ingrid Robeyns (UK), John Baker (IE), Rolf Kuettel (CH), Michael Murray (US), Carlos Farinha Rodrigues (PT), Yann Moulier Boutang (FR), Joachim Mitschke (DE), Rik van Berkel (NL), François Blais (CA), Katrin Töns (DE), Almaz Zelleke (US), Gerard Degrez (BE), Michael Opielka (DE), Lena Lavinas (BR), Julien Dubouchet (CH), Jeanne Hrdina (CH), Joseph Huber (DE), Markku Ikkala (FI), Luis Moreno (ES), Rafael Pinilla (ES), Graham Taylor (UK), W. Robert Needham (CA), Tom Borsen Hansen (DK), Ian Murray (US), Peter Molgaard Nielsen (DK), Fernanda Rodrigues (PT), Helmut Pelzer (DE), Rod Dobell (CA), Walter Van Trier (BE), Loek Groot (NL), Andrea Fumagalli (IT), Bernard Berteloot (FR), Jean-Pierre Mon (FR), Angelika Krebs (DE), Ahmet Insel (FR), Alberto Barbeito (AR), Rubén Lo Vuolo (AR), Manos Matsaganis (GR), Jose Iglesias Fernandez (ES), Daniel Eichler (DE), Cristovam Bueno (BR), Michael Lewis (US), Clive Lord (UK), Jean Morier-Genoud (FR), Eri Noguchi (US), Michael Samson (ZA), Ingrid van Niekerk (ZA), Karl Widerquist (US), Al Sheahen (US), Christopher Balfour (AND), Jurgen De Wispelaere (UK), Wolf-Dieter Just (DE), Zsuzsa Ferge (HU), Paul Friesen (CA), Nicolas Bourgeon (FR), Marja A. Pijl (NL), Matthias Spielkamp (DE), Frédéric Jourdin (FR), Daniel Raventós (ES), Andrés Hernández (CO), Guido Erreygers (BE), Alain Tonnet (BE), Stephen C. Clark (US), Wolfgang Mundstein (AT), Evert Voogd (NL), Frank Thompson
BIEN's NewsFlash is mailed electronically every two months to over 1000 subscribers throughout the world. Requests for free subscription are to be sent to bien@basicincome.org. Items for inclusion or review in future NewsFlashes are to be sent to Yannick Vanderborght, newsletter editor, UCL, Chaire Hoover, 3 Place Montesquieu, 1348 Louvain-la-Neuve, Belgium, vanderborght@etes.ucl.ac.be.