

BIEN - Basic Income Earth Network - NEWSFLASH 40, July 2006

www.basicincome.org

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.

The present NewsFlash has been prepared with the help of Paul Nollen, Margit Appel, Said Bouaissi, Sabrina Del Pico, Benjamin Denis, Jurgen De Wispelaere, David Casassas, Sandro Gobetti, Loek Groot, Philippe Lamberts, Carlos Csar Marques Frausino, Philippe Van Parijs, and Karl Widerquist.

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1. EDITORIAL: NEW STATUTES FOR BIEN

BIEN's executive committee has recently proposed a [new set of bylaws](#) to replace BIEN's existing statutes. The EC will ask the next meeting of the General Assembly to vote on these bylaws in its November meeting in Cape Town, South Africa. We welcome alternative proposals or proposals for amendments to these bylaws. Anyone wishing to submit such a proposal, please make sure to send it to the secretary at least 60 days before the General Assembly's November meeting.

The proposal has been posted on

http://www.etes.ucl.ac.be/BIEN/BIEN/ByLawProposal_August2006.htm, and can also be downloaded as a [MSWord Document](#).

BIEN's Executive Committee

2. BIEN 11th CONGRESS: 2-4 November 2006, Cape Town (SA)

The Economic Policy Research Institute (EPRI) is hosting the ELEVENTH BIEN CONGRESS on 2-4 November 2006 at the University of Cape Town in Cape Town, South Africa. All information and forms are available on the website: www.epri.org.za (also accessible via www.basicincome.org). Please forward any questions to: infobien@epri.org.za

3. FIRST ISSUE OF BASIC INCOME STUDIES

The Editors of Basic Income Studies (BIS), the new international academic journal for basic income research, are pleased to announce the publication of their inaugural issue. BIS, volume 1, issue 1 has been published in June 2006 at www.bepress.com/bis.

Abstracts of Research articles can be found in the "Publications" Section below.

This issue also includes a "Debate section" devoted to a Retrospective: A Capitalist Road to Communism Twenty Years After, with a reprint of Robert van der Veen and Philippe Van Parijs, A Capitalist Road to Communism, a new set of comments by G.A. Cohen, Andrew Williams, Doris Schroeder, Catriona McKinnon, Harry F. Dahms, and Erik Olin Wright, and two new replies by Robert van der Veen and Philippe Van Parijs.

Book reviews are also included in this first issue.

Please note that BIS is constantly on the look-out for research articles and book reviews.

Please get in touch with the editors at bis-editors@bepress.com or the book review editor at bis-bookreviews@bepress.com if you are interested in contributing.

BIS is published by The Berkeley Electronic Press (bepress), sponsored by Red Renta Basica (RRB) and supported by BIEN and USBIG.

4. EVENTS

*QUEBEC (CA), 12 April 2006: Conference on the guaranteed minimum income

On April 12, 2006, a big conference on basic income and related schemes was organized at the Universit Laval (Qubec, CA) by the CIRPEE Research Network (Centre interuniversitaire sur le risque, les politiques conomiques et l'emploi). It was attended by more than 150 participants. Under the title "Le revenu minimum garanti: solution ou utopie?" ("A Guaranteed Minimum Income: realistic or utopian?"), it was aimed at discussing the feasibility and desirability of introducing a basic income scheme in the Province of Quebec or in Canada.

Yannick Vanderborght (Chaire Hoover - University of Louvain) launched the discussion with a presentation of ethical and economic arguments in favour of basic income, focusing on some special features of the Canadian and Quebecois political debates on the topic. Lionel-Henri Groulx (Universit de Montral), author of a recent book on minimum income programmes (see NewsFlash 36, November 2005), detailed the history of the guaranteed income schemes in Quebec and Canada. Bernard Fortin (Universit Laval) presented a well-documented and stimulating paper on the complexity of Canada's tax-and-transfer system. According to Fortin, a basic income would not only help Canadians in simplifying this patchwork, but would also have several other advantages over conventional targeted schemes. At the same time, he argued, one should underestimate the difficulties in implementing such a programme, such as the fact that public opinion has a strong preference for in-kind and conditional transfers. Franois Blais (Universit Laval), author of an introductory book on basic income, gave a thorough commentary on a Manifesto which had been published in Quebec in October 2005. In this document, an informal group of prominent intellectuals, including the former Prime Minister of Quebec Lucien Bouchard, argued for massive investments in education and innovation, a substantial tax reform, and a basic income (see NewsFlash 36, November 2005). Blais criticized several proposals made by this group for the financing of the basic income scheme. Jean-Pierre Aubry (Association des conomistes qubcois) explained why he thought that one should give priority to in-kind transfers. Alain Nol (Universit de Montral) dismissed basic income and criticized the idea of a "back door strategy" (as advocated by Vanderborght & Van Parijs in their introductory book on basic income) to introduce it. Economist Jean-Yves Duclos (Universit Laval) presented three scenarios for the implementation of a basic income in Qubec. He insisted on the fact that in designing such models economists should always keep in mind the fact that "social justice matters". And, he argued, a basic income would no doubt help us in realizing social justice in its Rawlsian version. Finally, Gard Lescot (from the Ministry of Employment of the Province of Quebec) explained why he was very skeptical on the feasibility of basic income in Quebec. Discussions with the audience showed that some participants shared his skepticism, while others were strongly pleading for the rapid introduction of the scheme in order to cope with Quebec's unemployment and poverty.

Conference Website: <http://132.203.59.36/CIRPEE/conf-cirpee/revenuminimum12avril06/programme.htm>

For further information: velyne Joyal <evelyne.joyal@ecn.ulaval.ca>

*KYOTO (JP), 7 July 2006: Workshop on "Real Freedom for All".

A Japanese translation of Philippe Van Parijs's Real Freedom for All (Oxford, 1995) was recently completed at the initiative of Professor Reiko Gotoh (Institute of Ethics and Frontier Sciences, Ritsumeikan University). This provided an opportunity for a workshop on the book and the philosophical justification of basic income it claims to provide, attended by over sixty people from various Japanese Universities. The keynote address by Philippe Van Parijs was

followed by comments by Taku Saito, Shinji Murakami, Shinya Tateiwa, Reiko Gotoh and Paul Dumouchel (Ritsumeikan University, Kyoto) and by Naoki Yoshihara (Hitotsubashi University, Tokyo).

For further information: "Reiko Gotoh" <r-gotoh@jcom.home.ne.jp>

*FUKUOKA (JP), 11 July 2006: IPSA Congress session on "Ending the Welfare State as We Know It? Politics, Citizenship and Welfare Reform"

A number of half-day special sessions of the 20th Congress of the International Political Science Association (IPSA) were reserved for initiatives by the Japanese organizers. One of them, conceived by Professors Taro Miyamoto and Jiro Yamaguchi (Department of Public Policy, Hokkaido University), was devoted to possible futures for the Japanese welfare state. The initiative was motivated by the Koizumi Government's neo-liberal reform projects in the domain of social policy. Concerned to work out an alternative vision for the future, the organizers invited Jonas Hinnfors (Gteborg University, Sweden) to present the state and prospects of the Swedish model and Philippe Van Parijs (Louvain and Harvard) to present the basic income alternative.

The contrast between the two approaches turned out to be less sharp than the organizers expected. On the one hand, Hinnfors showed not only that basic income elements have long been a core element of the Swedish model (universal free education, universal health insurance, universal child benefits, universal basic pension independent of each individual's careers) but also that this basic income element has been strengthened in recent years (higher child benefits, higher minimum level of parental leave provisions, etc.). On the other hand, Van Parijs does not advocate substituting a generous basic income for all existing welfare state provisions, but rather fitting a modest basic income at the basis of every person's income and thereby enabling the existing assistance and insurance components of the welfare state (with levels appropriately readjusted) to perform their specific jobs better than they do now. In his commentary, Taro Miyamoto emphasized the need to address the objection that basic income does not satisfy a plausible minimal condition of reciprocity. Harold Wilensky (University of California, Berkeley), author of several classic books on social policy, including *Industrial Society and Social Welfare* (1958) was in the audience. He said he was personally committed to a universal basic income but could remember being given a leaflet advocating a basic income when he first arrived on the Berkeley campus as a student in 1940 (!). Why was the idea never implemented? Because the electorate, he conjectured, will never support upfront redistribution to able-bodied people who choose not to work.

For further information: Taro Miyamoto <miyamoto@imb.me-h.ne.jp>

*FRANKFURT (DE), 14-15 July 2006: Conference on the Crisis of the Work Society

This well-attended two-day workshop on the "Crisis of the Work Society - Transformation into a Basic Income Society?" [Krise der Arbeitsgesellschaft - Transformation zur Grundeinkommengesellschaft?] was organized by the sociology department of the University of Frankfurt. It consisted partly in presentations of interview-based case studies on the experience of unemployment and the relationship to paid employment it reveals. The workshop itself was coupled with a three-hour public panel discussion on the first evening, which attracted an audience of several hundred people. The panelists were Ulrich Oevermann (professor of sociology at the University of Frankfurt and main organizer of the event), Georg Vobruba (professor of social policy at the University of Leipzig and author, most recently, of *Entkoppelung von Arbeit und Einkommen. Das Grundeinkommen in der Arbeitsgesellschaft*), Philippe Van Parijs (professor of philosophy at Louvain and Harvard and chair of BIEN's

International Board), and Gtz Werner (CEO of the drugstore chain dm, which employs 23.000 people, and part-time professor of entrepreneurship at the University of Karlsruhe).

Gtz Werner's participation in the panel debate and in the workshop was particularly striking. Through his business experience, he first acquired the conviction that our tax system would be more fair and more rational if it consisted mainly in a consumption tax such as the VAT, be it dramatically increased so that social security contributions and personal income taxation (both of which rest mainly on labour income) could be phased out. But a VAT cannot incorporate an exemption on the lower layers of income, and would therefore heavily tax the income of the poor. However, it can be coupled with a lump sum refund paid to all, i.e. with a universal basic income, functionally equivalent to the basic exemption in an income tax system. Not unlike the Belgian industrialist Roland Duchatelet, founder of the basic-income-focused party Vivant, he thus hit in the mid-1990s upon the proposal of a high basic income (he mentions an amount of 1000 or even 1500 Euros per month) funded by a dramatically increased Value Added Tax, and he has been defending it with gusto since the Spring of 2005, as a radical and liberating alternative the Schröder government's workfare-leaning reforms known as "Harz IV". As he does not lack humour and has a gift for striking formulas, he is an effective communicator. And to many ears, no doubt, a plea for basic income sounds more convincing when it emanates from someone who provides 23.000 jobs rather than from someone who does not have one for himself.

Part of the panel discussion can be viewed on

<http://www.grundeinkommen.tv/2006/07/uni-frankfurt-1.htm>

For further information on the workshop: Manuel Franzmann <M.Franzmann@soz.uni-frankfurt.de>

For further information on Gtz Werner's ideas and campaign see <http://www.unternimm-die-zukunft.de/> or get in touch with Andr Presse <andre.presse@iep.uni-karlsruhe.de>

*STOCKHOLM (SE), 19 August 2006: Green Party's Seminar on Basic Income

The Swedish Green Party is organizing a seminar on basic income in Stockholm. By inviting a number of distinguished social scientists the organizers hope to stimulate a broad discussion about basic income, against the backdrop of general elections in mid-September. Confirmed speakers include Carole Pateman, Professor of Political Science at the University of California in Los Angeles, and Karl Widerquist, Faculty Fellow at Tulane University (New Orleans). The event is an initiative of Carl Schlyter, a Green Party Member of the European Parliament. For further information contact Valter Mutt, assistant to Carl Schlyter, at: valter.mutt@mp.se.

*NEW YORK CITY (US), 23-25 February 2007: Sixth Annual USBIG Congress

The USBIG Network will hold its Sixth Annual Congress in conjunction with the Eastern Economics Association Meeting, February 23-25, 2007, at the Crowne Plaza Times Square Manhattan Hotel in New York City. The deadline for presentation proposals is Oct 27, 2006. Speakers include Dalton Conley, Stanley Aronowitz, and Eduardo Suplicy. Dalton Conley is the director of the Center for Advanced Social Science Research and professor of sociology and public policy at New York University, and he is the author of *Honky*, *Being Black Living in the Red*, and *The Starting Gate*. Stanley Aronowitz is a Distinguished Professor of Sociology at the City University of New York and author or editor of twenty three books including, *Just Around Corner*, *How Class Works*, *The Last Good Job in America*, and *The*

Jobless Future. Eduardo Suplicy is a member of the Brazilian Senate and author of *From the Distribution of Income to the Rights of Citizenship*. The call for proposal will be out soon.

*NEW YORK CITY (US), 6-8 May 2007: The basic income guarantee in international perspective

Within the framework of the celebration of the 50th anniversary of the Wurzweiler School of Social Work, Yeshiva University (New York City), Richard Caputo organizes a session on The basic income guarantee in international perspective . The Conference is scheduled for 6-8 May 2007 at the Sheraton New York . Interested persons should contact Richard Caputo at <caputo@yu.edu>

5. GLIMPSES OF NATIONAL DEBATES

*AUSTRIA: BASIC INCOME NETWORK ATTRACTS MEDIA ATTENTION

Two of Austrias main daily newspapers reported, among others, about the press conference of the Austrian Basic Income Network and the presentation of its position paper end of May 2006. One of the headlines was "900 Euro for beggars as well as for millionaires", while the other newspaper titled "900 Euro without employment. Network urges basic income." This position paper will be used in further discussions with political parties, trade unions, and NGOs. On October 1st 2006 parliamentary elections will take place in Austria. The paper should also be used for the dialogue with all initiatives supporting the idea of an unconditional basic income.

The first part of the paper deals with the view of the Austrian BI-Network with regard to the current social and economic situation, and the criteria for introducing an unconditional BI. The second part of the paper shows the difference between the BI and means-tested forms of social security, and ends with "first concrete steps" towards an unconditional BI. For further information: <http://www.grundeinkommen.at>

*BRAZIL: PRESIDENT LULA RECEIVES BOOKS ON BASIC INCOME

In its first ever published newsletter, the Brazilian Basic Income Network (Rede Brasileira de Renda Basica) proudly announces that during a meeting with co-Chair of BIEN Eduardo Matarazzo Suplicy on July 3, 2006, Brazilian President Luiz Incio da Silva has been given two new books on basic income recently published in Brazil: Suplicy's own *Renda Bsica de Cidadania. A Resposta dada pelo Vento* and Vanderborght and Van Parijs' *Renda Basica de Cidadania. Argumentos ticos e econmicos*. During the meeting, Senator Suplicy emphasized the fact that President Lula is the first head of State in the world that has sanctioned a law that introduces, be it gradually, a basic income.

For further information, or to get a copy of this newsletter (in Portuguese), please send an e-mail to rendabasicabrasil@uol.com.br

*CONGO: POLITICAL PLATFORM ADVOCATES GRADUAL INTRODUCTION OF A BASIC INCOME

The new "Parti Rformateur pour un Congo Vivant" PRPC-Vivant (see NewsFlash 39) has launched a new website. Supported by the Belgian-based party Vivant, it advocates the gradual introduction of a basic income in Congo. The first step would be the implementation of a basic income for women under the age of 20, provided they have a certificate from

secondary school.

See <http://www.vivantcongo.org/index.php>

*FRANCE: NEW LIBERAL PARTY HAS BASIC INCOME PLATFORM

On June 10, 2006, a small political party called "Alternative Librale" (Liberal Alternative) has presented its platform in the prestigious surroundings of the Institut d'Etudes Politiques (IEP) in Paris. The platform includes a strong plea for a "revenu d'existence" (existence income), presented as a "bouclier social" (a "social shield"). During the meeting, several participants have argued in favour of a basic income.

For further information, see the party's website at <http://www.alternative-liberale.fr/>

The meeting itself can be viewed at http://www.alternative-liberale.fr/evenements/060610_Sciences_Po.htm

*GERMANY: PRIME MINISTER OF ONE OF THE GERMAN STATES PROPOSES A BASIC INCOME

Dieter Althaus is a member of the German Christian Democratic Party (the party of the federal prime Minister Angela Merkel) and the Prime Minister of the Free State of Thuringen (a state of 2.5 million inhabitants in former East Germany, with Erfurt as its capital). Under the label "solidarisches Brgergeld" ("solidary citizen's income"), he has been proposing on his website since at least July 2006 an individual and unconditional basic income of EUR 600 per month for every citizen aged 14 or more (and EUR 300 per child paid to the parents), coupled with a basic health insurance voucher of EUR 200 per person, and funded by an income tax of 50% from the first Euro earned (but falling to 25% for higher income slices). This citizen's income would be administered in the form of a negative income tax. Its amount would be deducted from each person's tax liability: if the difference is negative, it is refunded to the citizen; if the difference is positive, the citizen pays a reduced amount in tax. "The solidary citizen's income creates social security and reliability for everyone, with the result that the market economy is not experienced as a threat. The solidary citizen's income and the social market economy belong together. Security and freedom are the two faces of a same coin."

For further information, see <http://www.d-althaus.de/index.php?id=52> and info@d-althaus.de

*EUROPEAN UNION: EUROPEAN GREEN PARTY SUPPORTS EU-WIDE BASIC INCOME

In a resolution entitled "Towards a more Social Europe - Towards more Social Justice in Europe", which was adopted at its 4th Council Meeting (Helsinki, 5-7th May 2006), the European Green Party advocates the development of a basic income scheme at European level. According to this document, the European Greens "strongly support the development of European union policies in the following domains: (...) Setting a minimum level of subsistence or "basic income", taking into account national differences, e.g. set as a fixed percentage of the average income in each Member State. This could be developed through a system of negative income tax (...). This system must however not encourage Member States to keep their social protection on this minimum level".

For further information:

*ITALY: DEMONSTRATION FOR GUARANTEED INCOME

On the night of 28 June 2006, 5 to 6.000 people have been walking and dancing in the center

of the city of Rome, in a demonstration against the increasing number of low-paid jobs in Italy. One of the most prominent slogans was the claim for "a basic income for all". 15 trucks with sound systems played techno, reggae, or disco. Activists took place on the trucks to detail the main goals of the protest. All trucks were equipped with banners about basic income ("reddito x tutti", "reclaim the money", "vogliamo reddito", etc.).

This so-called "Pop Parade" started at 7 pm from Porta San Paolo and went to the centre of the city at the Coliseum, where it finished at 1,30 am. The parade went through the center, where a lot of low-paid workers are employed in pubs, restaurants, hotels, etc.

The parade attracted a lot of media attention, as the culmination of five years of demonstration by the low-paid in Italy.

For further information on the Pop Parade, see

<http://italy.indymedia.org/>

or contact Sandro Gobetti <sgobetti@regione.lazio.it>

*THE NETHERLANDS: FULL BASIC INCOME ECONOMICALLY SUSTAINABLE IN DUTCH OFFICIAL STUDY

In March 2006, the Dutch Central Planning Bureau published the study Reinventing the Welfare State (downloadable from www.cpb.nl/nl/pub/cpbreeksen/bijzonder/60/bijz60.pdf).

The aim of the study is to show how the Dutch welfare state, under the threat of globalization and ageing, can be reformed in order to raise labour supply and human capital formation under the constraint of fulfilment of its key functions (redistribution, risk insurance, consumption smoothing). In section 3.3 "Efficient Administration", the effects of a basic income are presented. It turns out that an individualized BI, against the current social minimum (pitched at 50% of the net minimum wage, corresponding to 550 per month), can be financed by a flat income tax of around 50%. The bad news, according to the same CPB-study is: Despite its appeal, a basic income is not efficient as a redistributive system. The reason is that it fails to comply with the targeting principle. Intuitively, a basic income is expensive and requires high marginal tax rates across the board. This causes large tax distortions on labour supply and human capital formation, which reduce welfare (p. 68).

The results are based on a rich general equilibrium model (called MIMIC), which includes economic theories, institutions (e.g. wage bargaining, the Dutch tax and social insurance system) and empirics. 40 different household types are distinguished and labour supply elasticities are based on a meta-study of the empirical literature. The model is primarily used for a comparative-static analysis of different scenarios of reform.

On Friday May 19th, a strong delegation of BI-advocates, among which Paul de Beer, Loek Groot, Alexander de Roo and Robert van der Veen, visited the CPB to discuss the results with the officials of the CPB. They had the feeling that BI, along with other elements of reform like the flat tax proposal, was disqualified as a serious reform option because of its suboptimality as a redistributive system, while many other effects of BI (e.g. privacy) had not been included in the model. Moreover, the purpose of the study was to find out which reform packages can increase labour supply and human capital formation and not, say, which one is welfare maximizing or most redistributive. BI scored bad on both: labour supply decreases across the board (e.g. the participation rate of women drops with 10%) and the share of high skilled drops by 5% (see Table 3.11 on p. 70 of the report). However, compared to the other reform packages (a residual, a universal or a diversified welfare state) the BI reform achieves by far the best score on income inequality reduction.

For further information: <L.Groot@econ.uu.nl>

*UNITED STATES: ALASKA PERMANENT FUND HITS NEW HIGH

USBIG reports that, according to the Anchorage Daily News, the Alaska Permanent Funds (APF) value rose above US\$35 billion for the first time last month. The APF supports the Alaska Dividend program, which provides a yearly cash dividend of about US\$1000 to every Alaska resident. The funds managers attribute most of the recent growth to investment in foreign stocks, although U.S. stocks and real estate investments have also done well. This increase in the fund is apart from the increased tax revenue brought to the state by the recent increase in oil prices. This tax revenue could leave the state with as much as US\$2.4 billion dollars in unexpected revenue this year, a portion of which will go into the Permanent Fund. Some supporters of the APF model suggest that revenue from taxes on other natural resources such as mines, fisheries, and land value should be added to the fund.

*UNITED STATES : CONGRESSIONAL SUPPORT FOR BASIC INCOME BILL DOUBLES

On May 2nd, 2006, US Representative Robert Filner (Democrat, California) introduced the Tax Cut for the Rest of Us Act of 2006 as House Resolution 5257. As reported in BIEN NewsFlash 39, this Act would transform the standard income tax deduction into a refundable tax credit of US\$2000 for all Americans who choose not to itemize their deductions. USBIG reports that, according to Robert Filner, this bill will not only simplify the tax code, but put more money into the pockets of poor Americans. For 25 years, refundable tax credits--such as the Earned Income Tax Credit (EITC) and the additional child tax credit--have proven to be simple, effective ways to help the poor. The logical next step is to transform the standard deduction and personal exemptions into a refundable Standard Tax Credit (STC) of US\$2,000 for each adult and US\$1,000 for each child. The STC will provide all the poor with a small but badly needed tax credit, and give a tax cut to virtually everyone who chooses not to itemize their deductions. Transforming the standard deduction into a refundable tax credit will not eliminate poverty, but it will be an enormous benefit to the poor who were completely overlooked by the Bush tax cuts. The poor pay sales taxes, property taxes, and many other taxes, but because they do not pay very much in income tax, they have little to gain from tax simplification unless it includes something like the STC.

A second member of Congress, Representative Jesse Jackson, Jr. (Democrat, Illinois) has signed on as a co-sponsor of the bill. Al Sheahen coordinates an ad hoc group of people who have organized to support the bill. They have been lobbying organizations and members of Congress to get behind the bill. A political action group called RESULTS has gotten behind the bill and has created a way for supporters to email their representatives to urge them to support the bill. American citizens who wish to send an email to their representative in support of the basic income bill can do so by filling out an on-line form at: <http://capwiz.com/results/issues/alert/?alertid=8777086>. People who would like to help organize support for the basic income bill may contact Al Sheahen at alsheahen@prodigy.net.

6. PUBLICATIONS

*DUTCH

BARREZ Dirk (2006), "Een basisinkomen voor alle Palestijnen?", PALA Themabrief 40, 30 mei 2006, available at <http://www.globalsociety.be>

Free-lance journalist Dirk Barrez is well-known for his advocacy of a modest world-wide basic income. In this short article he supports the idea of introducing a basic income for all Palestinians. This would be an efficient way, Barrez argues, to help at the reconstruction of

Palestina's economy. Such a basic income scheme would allow foreign governments to bring assistance to Palestinian residents without supporting their government.

*ENGLISH

BAMBRICK, Laura (2006), "Wollstonecraft's Dilemma: Is a Citizen's Income the Answer?", *Citizen's Income Newsletter*, Issue 2, 2006.

How should the state incorporate women into its policies? Should it recognise them as being different from men? Or should it treat them the same as men? This is Wollstonecraft's Dilemma. The male breadwinner welfare state encourages gender differences whereas the adult worker model adopts a gender-neutral approach. Relying on women's position in either the family or in the workforce as a conduit for promoting female welfare has had mixed results. Could a Citizen's Income (CI) improve on this? Commentators are divided. This paper presents these critiques in an attempt to ascertain the potential of a CI to resolve Wollstonecraft's Dilemma. It accepts that welfare models are designed to secure more than the right to work in the home or labour market. Accordingly, it considers the impact of a CI on each of the six normative reasons for providing welfare - to promote autonomy, social equality, social integration, social stability, and economic efficiency, as well as to prevent poverty - focusing on how this interplay might affect women's welfare in particular.

The article can be found at

<http://www.citizensincome.org/resources/newsletter%20issue%202%202006.shtml>

HANDLER Joel Handler & Amanda Sheely Babcock (2006), "The Failure of Workfare: Another Reason for a Basic Income Guarantee," *Basic Income Studies*: Vol. 1: No. 1, Article 3. Available at: <http://www.bepress.com/bis/vol1/iss1/art3>

There has been a major shift in welfare policies in the developed world towards activation, decentralization, and privatization. The 1996 US welfare reform welfare for single mother families was no longer an entitlement and there were stiff work requirements enforced by sanctions and time limits. In Western Europe, although there is variation, welfare has become conditional for social assistance recipients the socially excluded. Social assistance is administered at the municipal level, which contracts with private companies. Caseworkers are supposed to make individualized contracts emphasizing work activities. This paper examines the field-level data in several US programs and finds that there is a symbiotic relationship between governments and contractors; caseworkers, whether public or private, focus on process rather than substantive plans; government does not question the data; contracts are imposed; the most employable are placed; and the most vulnerable are sanctioned or otherwise not allowed on welfare. Research in some European countries is showing similar results activation programs are difficult to administer and increase the risks for the most vulnerable. Individualized contracts are a myth, given administrative constraints and client dependency. The paper argues that the difficulties of activation are an additional reason for a basic income guarantee. The socially excluded will have an exit option and well-being will be improved.

HOWARD Michael W. (2006), "Basic Income and Migration Policy: A Moral Dilemma?," *Basic Income Studies*: Vol. 1: No. 1, Article 4.

Available at: <http://www.bepress.com/bis/vol1/iss1/art4>

In this paper, the author argues that globalist egalitarians may face a dilemma between a generous welfare policy such as a national basic income (NBI) for all residents, and an egalitarian immigration policy such as open borders, because NBI may have a welfare magnet effect that generates pressure for tightening of borders or restricting NBI to citizens only.

However the case for open borders is weaker to the extent that global transfers (such as might occur with a regional basic income or global basic income) address the economic inequities and motives for migration. In the absence of such global or regional institutions, NBI advocates can justify border restriction and a waiting period for BI entitlement, to the extent necessary to prevent a worsening of the condition of the least advantaged compatriots, as temporary measures on a path toward global justice.

MCDONALD Allan (2006), *Do Economists Care? Economics and Social Responsibility in the Labour Market*, unpublished booklet, 44p.

This booklet includes a series of essays prepared by Allan McDonald for OASIS-Australia (Organisation Advocating Support Income Studies in Australia), focusing on the implications of the Australian Government's Workplace Relations Amendments (Work Choices) Act, 2005. The essays are being presented by McDonald to question the continual drive for economic growth. "Is this drive for growth seen as a means to an end, or is it seen as the end in itself?" It is in the hands of economists, McDonald argues, "to determine or to support our long term social objectives". This objectives should include a National Dividend.

For further information: allanmcd@keypoint.com.au

VANDERBORGHT Yannick Vanderborght (2006), "Why Trade Unions Oppose Basic Income," *Basic Income Studies*: Vol. 1: No. 1, Article 5.

Available at: <http://www.bepress.com/bis/vol1/iss1/art5>

In most OECD countries trade unions remain key players in the field of welfare state reform. And yet, surprisingly little attention has been paid by proponents of a universal basic income (BI) to the very position of workers unions on the radical reform that they are advocating. This paper tackles this issue in three complementary ways. First, it offers a brief overview of the (scarce) literature on basic income and trade unions. Second, it focuses on plausible arguments that could be used by trade unions to oppose or, alternatively, support a basic income. Finally, empirical information collected in Belgium, Canada, and the Netherlands is used to test the robustness of the theoretical assumptions. These investigations demonstrate that trade unions are far from being natural allies of BI advocates within developed welfare states. As evidenced by the Belgian case, they can even constitute a significant obstacle to the political progression of the idea.

VAN DER VEEN Robert J. van der Veen & VAN PARIJS Philippe (2006) "A Capitalist Road to Communism," *Basic Income Studies*: Vol. 1: No. 1, Article 6.

Available at: <http://www.bepress.com/bis/vol1/iss1/art6>

This article was originally published in *Theory and Society* 15 (5), 1986, pp. 635-655.

WOMEN'S ECONOMIC JUSTICE PROJECT (2006), *Women's Economic Justice Report on Guaranteed Livable Income*, Victoria (BC): SWAG, 72p.

This report was released on April 29th, 2006, by the Women's Economic Justice Project (based in Victoria, British Columbia, Canada). It documents over 40 interviews with Canadian women, held between September 2005 to April 2006. The aim was to examine several aspects of basic income, with particular attention to its impact on women's lives. The Women's Economic Justice Project also published a short reader called "GLI Reader", including quotations from prominent and less prominent advocates of basic income.

For comments and further info, please write to Cindy L'Hirondelle, project coordinator at clhirondelle@shaw.ca

See also the website: www.pacificcoast.net/~swag

*FRENCH

Special issue of ECOREV' Revue Critique d'ecologie politique on the topic "Intermittents, jeunes, precarit, banlieue... le revenu social garanti en ligne de mire", issue 23 (Summer 2006). This special issue of the Green magazine ECOREV' focuses on the working poor and the problematic situation of French poor suburbs, where riots have recently occurred. Several authors show how the introduction of a "guaranteed social income" could contribute to settle these problems.

For further info: <http://ecorev.org>

VANDERBORGHT Yannick (2006), Effets anti-redistributifs des dépenses de protection sociale, in R. PELLET (dir.), Finances publiques et redistribution sociale, Paris, Economica, 2006, pp.263-277.

This paper mainly focuses on the regressive impact of several fiscal transfers that represent a true "Hidden Welfare State". In its conclusive section, the author argues for a gradual suppression of anti-redistributive tax benefits, in order to finance universal transfers such as child benefits or an unconditional basic income.

*GERMAN

FLLSACK, Manfred (ed.) (2006), Globale soziale Sicherheit. Grundeinkommen - weltweit? (Global Social Security. Basic Income - Worldwide?), Berlin: Avinus.

This Reader deals with the necessities, the difficulties and the feasibilities of a global basic income. It discusses problems of weakening nation states, of newly emerging transnational political structures, of possibilities for financing basic income on a global scale and of experiences and discussions about the idea in various countries throughout the globe. It contains contributions by Philippe van Parijs (Be), Myron J. Frankman (Ca), Gianluca Busilacchi (It), Michael Howard (USA), Eduardo Suplicy (Bras), Simon Clarke (UK), John Tomlinson, Simon Schooneveldt, Penny Harrington (Aus), Dirk Jacobi (Ger), Nicoli Nattrass (SA), Toru Yamamori, Soichiro Tanaka (Jap) and Manfred Fllsack (AT).

For further information: <http://homepage.univie.ac.at/manfred.fuellsack/gss.html>

FLLSACK, Manfred (2006), Zuviel Wissen? Zur Wertschätzung von Arbeit und Wissen in der Moderne (Too much Knowledge? The appreciation of work and knowledge in Modernity), Berlin: Avinus.

The book investigates intrinsic consequences of work and knowledge processing in their significance for the possibilities of modern societies to appreciate and value its work and its knowledge. It comes to the conclusion that not knowledge (and not values in any of their various forms), but ignorance (nescience) has to be seen as the relevant factor of modern days social and economic proceedings and as the phenomenon that exerts a powerful stimulus for the detachment of incomes from work as it would be implemented by a BI. The book was presented on the occasion of the "Summit of Alternative Movements from Latinamerica, the Carrebean and Europe", which was held in Vienna on May 11, 2006.

For futher information: <http://homepage.univie.ac.at/manfred.fuellsack/zuvielwissen.html>

KSOE (CATHOLIC SOCIAL ACADEMY OF AUSTRIA) (2005), Grundeinkommen Vernderungen begleiten (Eigenverlag)

This publication deals with the impact of an unconditional basic income on social work, the education system and other social disciplinary powers . It contains contributions by Margit Appel, Andrea Trenkwalder-Egger, Erich Ribolits, Max Preglau and others.

For further information: <margit.appel@ksoe.at>

***ITALIAN**

VERCELLONE, Carlo (ed.) (2006), *Capitalismo Cognitivo. Conoscenza e finanza nell'epoca postfordista*, Rome: ManifestoLibri, ISBN

This book on cognitive capitalism analyzes the crisis of the fordist model, and focuses on the role played by knowledge in the new economy. Its third chapter is entirely devoted to a discussion of basic income and related schemes ("Trasformazioni della divisione del lavoro e nuove norme di distribuzione: il reddito sociale garantito"), with contributions by Andrea Fumagalli, Jacopo Mazza et Stefano Lucarelli, Yann Moulier Botang, Ren Passet, Carlo Vercellone

Publisher's website: http://www.manifestolibri.it/vedi_indice.php?id=403

E-mail address of the editor: Carlo.Vercellone@univ-paris1.fr

***PORTUGUESE**

SUPLICY Eduardo Matarazzo (2006), *Renda Bsica de Cidadania. A Resposta dada pelo Vento*, Porto Alegre: L&PM Editores, 2006.

In this book, Brazilian Senator and co-Chair of BIEN Eduardo Matarazzo Suplicy tries to explain why a citizen's income is one of the main ways to apply principles of justice towards the eradication of absolute poverty and towards improving income distribution to create effective peace conditions. The book include the following chapters:

I. From Bolsa Famlia Program to Citizens Basic Income; II. The Fundamentals; III. The first proposals of minimum income and of basic income; IV. The guarantee of a subsistence income starting in the 20th century; V. The creation of BIEN, Basic Income European Network, recently transformed in Basic Income Earth Network; VI. The pioneer experience of Basic Income in Alaska (United States); VII. A good proposal for the democratization and the pacification of Iraq; VIII. The maturing of the Citizens Basic Income proposal; IX. The Precursors in Brazil; X From Minimum Income to Citizens Basic Income.

Publisher's website at <http://www.lpm.com.br/>

VAN DERBORGHT Yannick & VAN PARIJS Philippe (2006), *Renda Basica de Cidadania. Argumentos ticos e econmicos*. Rio de Janeiro: Editora Record, 191p. ISBN 85-200-0660-4
This Brazilian translation of "L'allocation universelle", which was originally published in French in 2005, includes a new Preface by co-Chair of BIEN and Brazilian Senator Eduardo Matarazzo Suplicy.

Publisher's website: <http://www.record.com.br/>

***SPANISH**

WRIGHT, Erik Olin. "La Renta bsica come programa socialista", in *Sin Permiso. Revista semestral* (Barcelona, Buenos Aires & Mexico DF) 1, May 2006, 145-152.

This first issue of the new international journal *Sin permiso*, directed by Barcelona philosopher Toni Domnech includes a Spanish translation of Madison sociologist Erik Wright's argument for a deep connection between basic income and the socialist project, duly reconstructed (as presented in his address to the 2005 [USBIG](#) congress, and published in the first issue of [Basic Income Studies](#)). The title of the journal itself ("without permission") can be read as a hint at basic income. It is inspired by a passage in Marx's 1875 Critique of the Gotha Programme which says that whoever owns nothing but his labour power "can work

only with the permission of others, i.e. can live only with their permission".

7. NEW LINKS

*THE FREE LUNCH

Charles Bazlinton, author of "The Free Lunch", a book focusing on the "valuable benefits that flow from gifts of nature or which arise solely because society exists" has launched a website exposing his views.

<http://www.the-free-lunch.com/>

*WIKIPEDIA ON BASIC INCOME

A particularly thorough and well-documented article on basic income, its history and the current state of discussion in Germany, has been posted on the German version of Wikipedia.

See <http://de.wikipedia.org/wiki/Grundeinkommen>

8. ABOUT THE BASIC INCOME EARTH NETWORK

Co-chair:

Eduardo SUPPLY, Federal Senator, Sao Paulo, Brazil

Guy STANDING, Professor of Economic Security, University of Bath, and Professor of Labour Economics, Monash University

Further details about BIEN's Executive Committee and International Board can be found on [our website](#), as well as further details about the [Recognised National Networks](#).

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 <dcasassas@ub.edu> 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), Helmut Pelzer (DE), Guy Standing (UK)

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 Duchetelet (BE), Manfred Fuellsack (AT), Anne-Marie Prieels (BE), Philippe Desguin (BE), Joel Handler (US), Sally Lerner (CA), David Macarov (IL), Paul Metz (NL), Claus Offe (DE), Guy Standing (UK), 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

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Requests for free subscription are to be sent to bien@basicincome.org

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