BIEN
BASIC INCOME EARTH NETWORK
NEWSFLASH 63 November 2010
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.


This NewsFlash can be downloaded as a PDF document on our website www.basicincome.org

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1. Editorial: BIEN archives

BIEN is currently re-organizing and expanding its archives, located at the Hoover Chair, Louvain University, Belgium. The archives include hundreds of papers on basic income in many languages (esp. English, French, Spanish, German, and Dutch, but also Italian, Portuguese, Japanese, and Korean), as well as more than 300 books. Thanks to the work Rowena Koh from Canada, BIEN has now started to design a small database. An Excel spreadsheet with the full references of all books available in the archives is now available online at www.basicincome.org/bien/pdf/BIEN-Library-UpdatedNov2010.xls and will be updated on a regular basis.

The archives are accessible to all researchers and activists interested in basic income. Authors are kindly asked to send a free copy of their books (provided it is focused on basic income and related issues). Copies of books already published in the past, but that do not appear on the list, are also most welcome.

BIEN archives c/o Yannick Vanderborght
Chaire Hoover
Place Montesquieu 3
B1348 Louvain-la-Neuve
Belgium

2. BASIC INCOME STUDIES: NEW ISSUES

Basic Income Studies (BIS) has announced the recent publication of two issues of the journal. The contents of the issues are below. BIS issues are available for free sampling at http://www.bepress.com/bis. Click the required article and follow the instructions to get free guest access to all BIS publications.

CONTENTS OF VOLUME 4, ISSUE 2 (2009)
Special Issue on “The Green Case for Basic Income”, guest-edited by Simon Birnbaum

RESEARCH NOTES

“Introduction: Basic Income, Sustainability and Post-Productivism”
Simon Birnbaum

“Basic Income From an Ecological Perspective”
Jan Otto Andersson

“Basic Income and Sustainable Consumption Strategies”
Paul-Marie Boulanger

“Political Ecology: From Autonomous Sphere to Basic Income”
Philippe Van Parijs
“Basic Income, Post-Productivism and Liberalism”
Tony Fitzpatrick
http://www.bepress.com/bis/vol4/iss2/art7/

“Mobility, Inclusion and the Green Case for Basic Income”
Gideon Calder
http://www.bepress.com/bis/vol4/iss2/art8/

CONTENTS OF VOLUME 5, ISSUE 1 (2010)

RESEARCH ARTICLES

“Alternative Basic Income Mechanisms: An Evaluation Exercise With a Microeconometric Model”
Ugo Colombino, Marilena Locatelli, Edlira Narazani and Cathal O'Donoghue
http://www.bepress.com/bis/vol5/iss1/art3/

“Why Cash Violates Neutrality”
Joseph Heath and Vida Panitch
http://www.bepress.com/bis/vol5/iss1/art4/

“Near-Universal Basic Income”
Nir Eyal
http://www.bepress.com/bis/vol5/iss1/art5/

RESEARCH NOTES

“The Right to Existence in Developing Countries: Basic Income in East Timor”
David Casassas, Daniel Raventós, and Julie Wark
http://www.bepress.com/bis/vol5/iss1/art6/

“Baby Steps: Basic Income and the Need for Incremental Organizational Development”
Jason B. Murphy
http://www.bepress.com/bis/vol5/iss1/art7/

BOOK REVIEWS

Review of “Alanna Hartzok, The Earth Belongs to Everyone”
Anthony Squiers
http://www.bepress.com/bis/vol5/iss1/art8/

To submit your next paper to Basic Income Studies, visit http://www.bepress.com/bis, and click “Submit Article”. If you like to discuss your contribution informally, contact editors Jurgen De Wispelaere or Karl Widerquist at bis-editors@bepress.com.

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

PAST EVENTS

* KYOTO (JP), 26-27 March 2010: First Congress of Basic Income Japan

The Basic Income Japan Network (BINJ) held its first congress on 26th-27th March 2010 at Doshisha University, Kyoto. About 700 people gathered to address the following questions (and many others) “Can Basic Income connect people? Can Basic Income Change the world?” Foreign speakers included Guy Standing from BIEN, Andrea Fumagalli from BIN-Italy, and Gwang Eun Choi from the Basic Income Korean Network. Japanese speakers included academics as well as many activists, including feminists, single mothers activists, representatives of the disabled, union representatives. Part of the proceedings were published in the June issue of a monthly journal called “Modern Thought”.

The Japanese basic income network has been quite active in recent months, organizing or supporting several activities across the country. On April 22, 2010, Toru Yamamori (BINJ & Doshisha University) was a guest speaker on one of Japan's four giant national TV network TBS (Tokyo Broadcasting System), for a 45 minutes interview about basic income.

Further information: http://basicincome.gr.jp/index-e.htm

* CALGARY (CA), 29 March 2010: Conference by Senator Hugh Segal

On March 29, 2010, Canadian Senator Hugh Segal spoke to the Sheldon Chumir Foundation for Ethics in Leadership in Calgary. Senator Segal made an impassioned argument for the ethical necessity of a Guaranteed Annual Income as a means of eliminating poverty. His remarks can be viewed at http://www.youtube.com/user/ChumirEthics

Further information: http://www.chumirethicsfoundation.ca/

* Germany-Austria-Switzerland (various places), 20-26 September 2010: Basic income week

For the third time the "Basic Income Week" took place in Germany, Austria and Switzerland. More than 70 events in 28 cities took place during the week. The appeal for this year was signed by more than 1000 people and 100 organizations. Next year’s Basic Income Week is planned for Sept. 19-Sept. 25, and the organizers hope to involve even more countries.

Further information: http://www.woche-des-grundeinkommens.eu/

* LIEGE (BE), 20 October 2010: Conference on social integration

This event was organized by the Social Assistance Office (CPAS) of Liege (one of Belgium’s main cities). A panel was specifically devoted to a discussion of the links between a minimum wage, a minimum income, and basic income. Speakers included Philippe Defeyt, a former leader of the Green Party Ecolo, Daniel Van Dale of the Socialist Trade Union FGTB, and Yannick Vanderborght (Hoover Chair, UCLouvain). Philippe Defeyt, now head of the Social Assistance Office in the city of Namur, made a vigorous plea in favour of basic income. In particular, he stressed the numerous drawbacks of the existing means-tested scheme.

Further information: ricardo.cherenti@uvcw.be
* BERLIN (DE), 5 November 2010: Results of a survey on basic income

How do people in Germany react to Basic Income? What would change with a Basic Income? How important is labour for people in Germany? Questions like have been asked in a representative survey initiated by Götz Werner. On Nov. 5th Prof. Dr. Friedrich Schneider, Professor for Economics at Johannes-Kepler-Universität Linz, presented the results in Berlin, together with Prof. Götz W. Werner, Susanne Wiest, Dr. Wolfgang Strengmann-Kuhn. Further information: http://www.unternimm-die-zukunft.de/index.php?id=1


The symposium was organized by Red Renta Básica (Spanish affiliate of BIEN), trade union “Comisiones Obreras” & Fundación La Izquierda d’Asturies. Speakers included David Casassas, (Universitat Autònoma de Barcelona), Ramón Górriz (CCOO), Gorka Moreno Márquez (Observatorio Vasco de Inmigración), Francisco Ramos (Servei d'Ocupació de la Generalitat de Catalunya), Daniel Raventós (Universitat de Barcelona), and José Luis Rey (Universidad Pontificia de Comillas, Madrid), among others. Further details: http://www.nodo50.org/redrentabasica/descargas/S2010.pdf

FORTHCOMING EVENTS

* BRUSSELS (BE), 21 December 2010: Suplicy & Van Parijs on poverty


This conference will be held in conjunction with the Annual Meeting of the Eastern Economic Association (EEA). Attendees at the USBIG conference are welcome to attend any of the EEA’s events. The North American Basic Income Conference was originally 'the U.S. Basic Income Guarantee Network Conference,' and was organized by the U.S. Basic Income Guarantee (USBIG) Network. It expanded in 2010 to become a joint event of the USBIG Network and the Basic Income / Allocation Universelle Canada (BI/AU Canada). Since then, it has been a North American Conference held on alternate years in the United States and Canada.

Chair of the organizing committee: Karl Widerquist: Karl@Widerquist.com
For more information see the USBIG Website (www.usbig.net).

* MEXICO (MX), 25-26 November 2010: Second Ibero-American Summit on Basic Income

Basic Income-Mexico (BI-Mexico), the Mexican affiliate of the Basic Income Earth Network, will organize the Second Ibero-American Summit on Basic Income in Mexico City on the 25th and 26th of November, 2010. The event will take place in the headquarters of the National Autonomous University of Mexico, Workers Union, STUNAM (Av. Universidad
This summit is proposed as a discussion space for multiple initiatives on the subject to meet, for the discussion and the exchange of ideas to become stronger, to support the creation of networks and to consolidate the perspective of the Ibero-American proposal. The general objective is to exchange experiences on the theoretical foundations and the organizational and political processes used to spread and drive BI, as well as proposals for its implementation in Ibero-America. 
For more information contact: ingresociudadano@gmail.com
- From USBIG

* KYOTO (JP), 28 November 2010: Lessons from a Brazilian BI experiment

The Brazilian Instituto pela Revitalização da Cidadania (ReCivitas) has been distributing a modest basic income in a small agricultural community in Brazil since 2008. Prof. Toru Yamamori (Doshisha University, Kyoto), who visited the village in July 2010, now organizes a conference on this experiment in his home university. It will be followed by workshops with NGOs and rural communities, at Nakaga village (27th November) and Tokyo (1st December). Academic conferences also will be held at Ritsumeikan University, Shiga, on November 23 and at Sophia University, Tokyo, on November 29.
Further information: toruyamamori@googlemail.com

* ANCHORAGE (US), 22 April 2011: Workshop on Alaska’s Permanent Fund Dividend

Several scholars, journalists and public policy experts will gather at the University Alaska-Anchorage to discuss the future of Alaska’s Permanent Fund Dividend and whether it provides a model worthy of imitation in other places. Participants include Scott Goldsmith, of the University of Alaska; Michael Howard, of the University of Maine; Karl Widerquist, of Georgetown University-Qatar; Gary Flomenhoff, of the University of Vermont; Gregg Erickson, of Erickson & Associates and of the Alaska Budget Report; Angela Cummine, of Oxford University; Cliff Groh, principal legislative staff member on the legislation that created the Permanent Fund Dividend and author of The Permanent Fund Dividend Story; Charles Wohlforth, author of The Fate of Nature, The Whale and the Supercomputer, and Saving for the Future: My Life and the Alaska Permanent Fund. For more information about the Workshop, contact Scott Goldsmith (afosg2@uaa.alaska.edu) or Karl Widerquist (karl@widerquist.com).
- From USBIG

4. GLIMPSES OF NATIONAL DEBATES

* BRAZIL: ReCivitas marks two years of its basic income pilot project

USBIG reports that this October, the Brazilian Instituto pela Revitalização da Cidadania (ReCivitas) has distributed another 30 Brazilian Reals (about US$17.93) to 77 residents of the village of Quantinga Velho in the state of Paulo, Brazil. This payment marks the second anniversary of the ReCivitas project to distribute a basic income to a widening group of residents. The project is funded entirely by private donations. The payment is not a true basic income because it goes only to 77 people out of Brazil’s population of nearly 200 million, but it is the kind of implementation of the basic income model that is possible with access only to small private donations.
The organizers of ReCivitas see this project as a small way to take action to implement the basic income and to show how it can work. A basic income of less than US$18 per month might seem insignificantly small by Western standards, but given the level of poverty in Quatinga Velho, this amount is very significant to those who receive it.

If you would like to donate to Recivitas, please contact ReCivitas Instituto pela Revitalizacao da Cidadania <recivitas@recivitas.org.br>

* CANADA: Yukon government urged to implement a basic income

The leader of the New Democratic Party (NDP) in Yukon (one of Canada's three Federal territories), Steve Cardiff, has put forward a notice of motion for the Yukon Government to introduce a Guaranteed Minimum Annual Income Allowance. According to the official report from Yukon's legislative assembly, he urged "the Yukon government to implement a guaranteed minimum annual income allowance for all eligible Yukon citizens as recommended by Conservative Party Senator Hugh Segal, the Royal Commission on the Status of Women, the Macdonald Commission, the National Council of Welfare, the Special Senate Committee on Poverty and the federal working paper on social security, which would:

(1) expand human dignity;
(2) end poverty;
(3) save on the costs of hospitals, prisons and police work;
(4) eliminate or significantly reduce the burden on the social assistance system;
(5) be recoverable through the personal income tax systems for those earning over a certain amount; and
(6) simplify administration and reduce administrative costs."

Further information: www.legassembly.gov.yk.ca

* CANADA: Poverty Free Saskatchewan

Saskatchewan is one of few provinces in Canada that does not have a formally adopted and detailed plan to tackle poverty. During the International Week for the Elimination of Poverty (17 – 23 October) a new network called Poverty Free Saskatchewan released a discussion paper calling upon the provincial government to develop such a plan, in collaboration with people living in poverty and other community sectors. This paper is entitled “Let’s Do Something about Poverty” and can be found at http://www.povertyfreesask.ca/

Further information: Jim Mulvale, Faculty of Social Work, University of Regina
jim.mulvale@uregina.ca

* EUROPEAN UNION: Wider support for a minimum income guarantee

For a few years, the European Anti-Poverty Network (EAPN) has been actively supporting EU-legislation in favour of a (means-tested) minimum income in all EU member-states. Three Member States currently do not have Minimum Income schemes in place: Greece, Italy, and Hungary. In September 2010, EAPN launched a concrete proposal for an EU framework Directive on "Adequate Minimum Income". Article 1 of the draft proposal states that “The purpose of this framework directive is to set out minimum requirements and provisions for establishing the right of every person, residing within the territory of the Member States, to an adequate income” According to Article 2, an adequate minimum income is set “at a level that is sufficient to live in a manner compatible with human dignity as a part of a
comprehensive and consistent drive to combat social exclusion and to fulfill the basic needs of people to physical health and autonomy, necessary to be able to participate in society”.

On October 20, 2010, the proposal had received support from 262 Members of the European Parliament, from 7 different political groupings, in the European Parliament. “The fact that, at this stage, the proposal received such large support from the Members of the Parliament gives us great encouragement to continue this campaign on Adequate Minimum Income”, said Ludo Horemans, President of EAPN. Within the EU Parliament, pressure in favour of this EU framework Directive came from the socialist and democrat MEPs.

EAPN Website: [http://www.eapn.org](http://www.eapn.org)

* GERMANY: Network promotes EU-Wide referendum on Basic Income

On June 17, 2010, Netzwerk Grundeinkommen in Germany together with the Austrian basic income network and Attac-Austria launched their *European Citizens Initiative for Basic Income* project and website ([http://www.basicincomeinitiative.eu/](http://www.basicincomeinitiative.eu/)). The main goal of the project is to find potential supporters for a future EU referendum for the introduction of a basic income. More countries are expected to join the project and all basic income organizations are invited to do so. To date, more than 9,000 supporters have signed the declaration: "I support the introduction of an unconditional, generalized, individual basic income high enough to ensure an existence in dignity and participation in society", where "high enough" means that the income should at a minimum be at the poverty-risk level according to EU standards, which corresponds to 60 % of the so-called national median net equivalent income.

* GERMANY: Green Party leader proposes Basic Income

The German Government has proposed a modest increase for the means-tested minimum income scheme, in reaction to a recent decision of the Federal Constitutional Court. In a reaction to the government's plan, Sven Lehmann – chairman of the Greens (Bündnis 90/Die Grünen) in the Region of Nordrhein-Westfalen – proposed the introduction of a basic income of 850€, which should replace welfare and unemployment benefits as well as the student loan. Lehmann expects enormous savings (approximately 7 billion) in government spending because of a reduction in administrative costs. A first step to a basic income for all should be a 330€ basic income for children.


* GERMANY: Commission to study citizen's income

Four years ago the former Governor of the Free State of Thuringia, Christian-Democrat Dieter Althaus, proposed his concept of *Solidarisches Bürgergeld* (*solidary citizen's income*). The concept is based on 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 under the form of a negative income tax. Althaus has set up a commission to evaluate the solidarity citizen’s income: http://www.insa-online.de/aktuelles/aktuelles.php

* INDIA: Ruling government considers a right to food

* INDIA: Ruling government considers a right to food

USBIG reports that Sonia Gandhi, president of India’s ruling Congress Party is pushing to create a constitutional right to food. Her proposal would expand the existing entitlement to make every Indian family eligible for a monthly allotment including sugar, kerosene, and a 77-pound bag of grain. In this form, the proposal would essentially be a small in-kind basic income, similar to the U.S. "food stamp” programme (now officially called “Supplemental Nutrition Assistance Program”), but more universal. Some observers are even discussing dispensing with the food coupons and simply distributing cash.

The proposal is a response to corruption and inefficiency in India’s current poverty policy, which has left hundreds of millions of people in poverty and even undernourishment. Jim Yardley, of the New York Times writes that the governing Indian National Congress Party is engaged in “an ideological debate over a question that once would have been unthinkable in India: Should the country begin to unshackle the poor from the inefficient, decades-old government food distribution system and try something radical, like simply giving out food coupons, or cash?”

For more information see:

* IRAN: Economic reforms usher in a de facto basic income

A report by Hamid Tabatabai

The concept of a Basic or Citizen’s Income is virtually unknown in Iran. In nearly three years of discussion and debate over the government’s new economic reforms, there has been no mention of it at all in political, academic or media circles. And yet, the country has just launched a nationwide cash transfer programme that has the hallmarks of a Basic Income in disguise. Some 60.5 million Iranians, or 81 percent of the population, have just had the first payment of 810,000 rials (about US$80) per person deposited in their bank accounts. The payments will be made every two months, involve no means testing, and are unconditional. They are also likely to double in amount over the next few years as implementation proceeds. The remaining 19 percent of the population opted out of the programme voluntarily, mainly because they do not need the money.

Remarkable as this is, the novelty does not end there. The tens of billions of dollars involved each year will not come from oil exports, or from government coffers. The transfers will be financed entirely through the higher prices the nation will henceforth pay for a variety of basic goods and services -- mainly fuel products -- that have been massively subsidised for decades. (Until now petrol has cost US$0.10 a litre and diesel fuel under $0.02. The same applies to natural gas, electricity and water charges, and bread.) Such subsidies have benefited the well-off far more than those with modest incomes (70 percent going to 30 percent of the population) and resulted in wasteful consumption of energy and foodstuffs, inadequate investment in new technology, and environmental pollution, not to mention smuggling to neighbouring countries. In order to put an end to this inefficient and unfair system, the
“Targeting Subsidies Law” of earlier this year mandates the gradual phase-out, over five years, of nearly all implicit and explicit price subsidies, to be replaced with regular cash transfers to households and various economic and social sectors. The scale of price increases are not yet known (as of mid-November 2010) but they are likely to be huge, in some cases severalfold. Official announcement is expected towards the end of November with new prices coming into effect immediately.

Interestingly enough, the universality and uniformity of cash grants came about without anybody really pushing for them or even wanting them, either from the government side that put forward the original plan, or from those opposed to the plan in the parliament who wanted it modified, if not scrapped. The intention was firmly to target the cash transfers on the less well-off sections of the population, the haggling being over whether the beneficiaries should be the lowest two, or five or seven deciles of the population on the income scale. The idea was also to pay more to those with lower incomes, in the interests of social justice. If in the end it was decided to pay the same amount to everyone who bothered to register, it was only because a massive exercise in means-tested targeting (over 17 million household questionnaires were filled out and analysed) turned into a fiasco as public protests mounted over the results. The principle of equal payment to all forced its way in because it just made sense under the circumstances. There could hardly be a more dramatic vindication of Philippe Van Parijs’s characterisation of Basic Income as a “simple and powerful idea”.

To be sure, Iran’s ‘cash subsidy’ (that’s the official designation) falls short of a fully-fledged Basic Income grant as commonly understood. The entitlements of all household members go to the head of the household alone, not to individual members, even if adult. There is no word on the duration of the programme, although it should in principle continue as long as Iran is able to produce oil for its domestic consumption. Means-tested targeting has not been abandoned altogether and may be resurrected if the government decides at some point that it can do a better job of targeting than its last attempt. The rights-based underpinnings of the Basic Income have no place in the current Iranian discourse on cash grants. The payments are not regarded as ‘income’ to which the citizens are entitled by right, but as another type of subsidy to compensate for the loss of price subsidies (though whether this makes any practical difference is an interesting question). Neither do they come anywhere close to a decent subsistence income (the US$200 of a family of five per month is about two-thirds of the monthly minimum wage). They also exclude more than two million Afghan and Iraqi refugees who have been living in Iran for years, sometimes decades, and will now have to bear the full brunt of price hikes. And last but not least, once price rises go into effect in the days ahead, and if inflation gets out of hand due to mismanagement, there is genuine fear that the whole edifice might come crashing down.

On the other hand, it might be argued that the hardest obstacles towards a national Basic Income have already been overcome. The programme is enshrined in law. The payments are universal (except for those rich enough to forfeit their right by simply not signing up). Funding is assured and looks destined to continue in the medium term. And if the reforms succeed even partially in achieving their stated objectives of rationalising consumption patterns, boosting investment and efficiency, redistributing incomes in favour of the have-nots and reducing poverty, their future should be fairly secure. The continuation of the programme will also allow its shortcomings to be identified and put right, particularly if this enormously important shift in social policy is subjected to rigorous, comprehensive and continuing impact evaluation as it unfolds and progresses in the months and years ahead.
The replacement of price subsidies by a cash transfer system of unprecedented scope and scale has placed Iran in the forefront of all countries in advancing towards a nationwide Basic Income. The fact that such a transition takes place first in a developing, Middle Eastern, Islamic state, not in a developed country in Northern Europe as many had presumed, underlines the relevance of the concept of Basic Income for a broad range of countries. The specificities of the Iranian experience should of course not be ignored. It is in large part the combined availability of domestic fuel resources and an exceptionally distorted pricing policy that has made it possible, indeed almost inevitable, for a de facto Basic Income to emerge as part of the solution. But the model may still have some relevance for other countries, in particular mineral producing nations. There may also be scope in some countries with large subsidy bills to explore the feasibility and wisdom of rerouting subsidies to fund a Basic Income, without additional taxation. Iran’s experience may hold some lessons of wider applicability, if they are properly drawn and are convincing.

For more on the subject, see Hamid Tabatabai, “The ‘Basic Income’ road to reforming Iran’s subsidy system”, in Basic Income Studies, forthcoming, or contact hamtab@gmail.com.

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* NAMIBIA: National Union of Namibian Workers Rejoins BIG Coalition

The National Union for Namibian Workers (NUNW) had announced in early July that it would withdraw from the Namibian Basic Income Grant Coalition (see NewsFlash 62). USBIG now reports that the 600 delegates at the annual congress of NUNW elected a new Executive Committee and voted to rejoin the BIG Coalition. With the reversal of the NUNW’s decision, the entire incident has become a BIG victory (so to speak) for basic income supporters. Instead of marginalizing the issue, the (former) union leadership’s decision demonstrated how broad the support for basic income is in Namibia and how out of touch that group of leaders was. Basic income was not the only issue in the decision to change leadership, but it was an important one. According to Herbert Jauch of the Windhoek Observer, “The congress decision on the BIG will not only redirect the NUNW leadership but will also increase the pressure on the Namibian government to seriously consider the introduction of a national BIG as a tool to fight poverty.”


* SWITZERLAND: Basic income on the agenda of big political party and trade-union

The Socialist Party of Switzerland (2nd party of the country in terms of seats in the Federal House of Representatives) has decided to include basic income in its new long-term platform, a platform which should inspire its action for the next decades. Furthermore, quite independently, one of Switzerland's main trade-unions, SYNA, has also adopted a resolution asking for the implementation of an "unconditional basic income".

For further information:
Socialist Party of Switzerland:
http://www.sp-ps.ch/frei

SYNA:
**UNITED STATES: 2010 Permanent Fund Dividend has been paid to all residents**

*USBIG reports* that Alaskan Governor, Sean Parnell, announced in September that the 2010 Permanent Fund Dividend is US$1,281 per person, which amounts to US$2,562 for a family of two and US$6,405 for a family of five. This figure is down slightly from last year’s US$1305 figure, and it is about average for recent years.

The Alaska Permanent Fund Corporation (APFC) began distributing the dividend on October 7, 2010 to about 640,000 Alaskans. Most Alaskans will receive it right away by direct deposit.

As the first checks were going out, the APFC held its annual meeting in Fairbanks. Mike Burns, CEO of the APFC, announced at the meeting that the total value of the fund’s assets has now rebounded to US$36 billion. According to the APFC’s website at the time of this writing the current value of the fund is more than US$36.8 billion. The fund is still not quite back to US$40 billion, where it was before the stock market downturn of 2008, but it is well above the low of US$26 billion it reached in early 2009. The fund is still heavily invested in stocks, worrying some observers that it is vulnerable to another stock market downturn, but the managers can say that the fund has successfully weathered the financial crisis.

Additional worries about the future of the fund are fueled by declining oil production in Alaska. Alaskan oil production has already peaked, and it is expected to continue to decline gradually every year. This decline has so far been more than offset by the rising price of oil, so that state oil revenue continues to rise even as oil production falls. But this offset cannot continue forever. The point at which the Alaskan pipeline is no longer economically viable is now foreseeable.

To a great extent, this decline is what the Permanent Fund was meant for. The fund and the accompanying dividend are supposed to continue after the oil revenue is gone, but still the gradual disappearance of new oil revenue will change the character of the dividend. Alaska residents have come to expect a trend of gradually increasing dividends as new deposits into the fund outweigh gradually increasing population. Should new deposits disappear, this trend might be replaced by a stagnant or even a gradually declining dividend.

As oil revenues decline, the Alaska state government can expect to need new sources of tax revenue, because most of the state’s regular budget comes from oil revenues. Only one-fourth of the state’s revenues from oil royalties are deposited into the Permanent Fund. If one includes corporate income taxes and property taxes paid by oil companies, actually less than one-eighth of the states revenue from taxation of the oil industry goes to the permanent fund. Most of the state’s general operating budget is indirectly dependent on the oil industry, and so slow decline in that industry will create great pressure to find new revenues.

At that time, the state might try to use the money now supporting the dividend for general state spending. It might look for other sources of revenue such as sales and income taxes. It might look for other resource revenue to support the fund and dividend. Natural gas exploitation is promising in Alaska. Many Alaskans are interested in seeking new oil revenue
by drilling in the Arctic National Wildlife Refuge, but that strategy could have a devastating environmental impact. The state has many other resources that are not taxed the way oil and natural gas are. These include forestry, fishing, mining, and simple land value.

What the Alaskan government will do when oil revenues begin to diminish is unknown, but it is certain that these are issues that Alaskans will have to deal with in the next 5, 10 or 20 years.

* SOUTH AFRICA: Unions renew commitment to BIG

USBIG reports that the Congress of South African Trade Unions (COSATU) renewed its commitment to the Basic Income Grant (BIG) in a recently published document. It proposed an inflation-linked BIG and a comprehensive social security system focusing on redistribution, financed by increased corporate taxes. An article on COSATU’s recent release is online at:

http://www.timeslive.co.za/local/article660907.ece/Do-away-with-private-schools

5. PUBLICATIONS

| ENGLISH |


The problem of global climate change is far more severe and immediate than we understood a few years ago, the authors argue. As the newest scientific data demonstrate, we have a narrow and fast-closing window in which to reduce carbon loads in the atmosphere. In order to do so, two things need to happen: first, the passage of dramatic legislation in the United States so that the largest source of the greenhouse effect begins to clean up its act; second, the subsequent rapid adoption of a powerful international accord that experts currently consider impossible. This will likely require the elimination of coal and tar sands as energy sources. According to Barnes (Senior fellow at the Tomales Bay Institute in Point Reyes Station, California) and McKibben (Founder of the international climate campaign 350.org and scholar in residence at Middlebury College), this paper offers a game-changing political solution: create a trust to manage the sale of a declining number of carbon permits within the U.S., with dividends from the trust distributed equally to all Americans. The dividends would
be wired monthly to bank accounts until the country solves its climate crisis. The advantage of this simple, market-based mechanism is that it creates a level playing field for clean technologies, avoids giveaways to industries with political clout, and assures broad, long-term political support for emission reductions. Using the U.S. as a model, world organizations could create a similar international system that would cap carbon globally and distribute revenue to each nation in proportion to its population and developmental needs.


The current issue of the newsletter, available at http://www.citizensincome.org/ includes:
- An editorial on the September 2010 Conservative Party conference Child Benefit announcement
- An additional editorial on the October 2010 Citizen's Pension announcement
- 21st Century Welfare, a summary
- The Citizen’s Income Trust’s response to 21st Century Welfare
- News
- Conference report
- Book reviews
- A Viewpoint by Karl Widerquist
- With apologies to ‘Yes, Minister’


In a model with heterogeneous workers and both intensive and extensive margins of employment, the authors consider two systems of redistribution: a universal basic income, and a categorical unemployment benefit. Well-being depends on own-consumption relative to average employed workers' consumption, and concern for relativity is a parameter that affects model outcomes. While labour supply incurs positive marginal disutility, the authors allow negative welfare effects of unemployment. They also compare Rawlsian and utilitarian welfare in general equilibrium under the polar opposite transfer systems, with varying concern for relativity. Basic income Pareto dominates categorical benefits with moderate concern for relativity in both cases.


The authors compare two systems of income redistribution: unemployment benefits (UB) and basic income (BI). First, for a simple utility function, with both intensive and extensive margins, the unemployed are likely better off with pure BI than pure UB, regardless of labour supply elasticity and wage distribution. Then the authors allow a general utility function and ignore intensive margins. For given unemployment, lowering UB and raising BI always benefits the unemployed, raises utilitarian welfare and benefits a poor majority. Reducing unemployment and UB simultaneously can benefit a majority of the employed as well as all
unemployed, again for any wage distribution. In other words, the authors show that the majority of the working population gains from switching from unemployment benefits to a universal basic income, with given unemployment and essentially any wage distribution, although the tax rate will increase.

HOFFMAN, Michael (2010), 'Utopia means free money for everyone', The Japan Times, October 17, 2010, available at [http://search.japantimes.co.jp/cgi-bin/fd20101017bj.html](http://search.japantimes.co.jp/cgi-bin/fd20101017bj.html)

According to the author of this column, the idea of a basic income is startling, but not really new — only its slowly growing respectability is. "Crankers and visionaries have been playing with it for centuries. The name by which it's lately known is not calculated to grab your attention. It almost seems calculated not to. "Basic income": Who would see a potential revolution in that? And yet it's there, scarcely a centimeter beneath the surface."


A vigorous plea in favour of basic income in times of economic crisis, published by the left-radical newsletter (US-based) Counterpunch. Also available in Spanish at: [http://www.nodo50.org/redrentabasica/descargas/DPR.pdf](http://www.nodo50.org/redrentabasica/descargas/DPR.pdf)


This book contains four chapters: “The future of the welfare state: An overview,” by Tony Fahey; “The welfare state across selected OECD countries: How much does it really cost and how good is it in reducing poverty?” by Willem Adema; “Shaping public policy: Is there a place for values-led debate and discourse in the public sphere?” by Daniel O’Connell; and “Shaping the future of the welfare state: What are the challenges and how might they be addressed?” by Sean Healy and Brigid Reynolds. It discusses moving Ireland’s welfare state toward a basic income model. The entire book can be downloaded as a PDF online at: [http://www.socialjustice.ie/content/future-welfare-state-full-texts](http://www.socialjustice.ie/content/future-welfare-state-full-texts)

- From USBIG

ROSE, Dave as told to WOHLFORTH, Charles (2008), Saving for the Future: My Life and the Alaska Permanent Fund, Fairbanks: Epicenter Press. 2008

According to one of the authors, the book is really two books. Wohlforth said, "The first half is really for anybody - it's a slice of life … The second half is getting much more into the permanent fund and public policy and finance." Wohlforth said the second half of the book is the first time he knows of that a complete history of the Permanent Fund has been written. Information about the book is online at: [http://www.epicenterpress.com/getpage.cfm?file=book7046.html&userid=85273851](http://www.epicenterpress.com/getpage.cfm?file=book7046.html&userid=85273851)


- FROM USBIG

YAMAMORI Toru (2010), 'Neoliberals And The Radical Left Are In The Same Basic Income Boat: Is The Debate In Japan An Exception Or Is There A Universal Rationale Behind It?', EASP & Graduate School of Theology, Sogang University, South Korea.
This paper by Toru Yamamori (Doshisha University, Kyoto, and Basic Income Network Japan) was presented at the 7th East Asian Social Policy research network (EASP) international conference (Sogang University, Seoul, Korea, 20-21 August 2010). The first section provides an overview of Japan’s system of income security over the past half century and shows the various causes of the current system’s dysfunction. In the second section, the author points out the lack of a vocabulary used to describe the new direction gradually being taken under the Democratic Party of Japan. After briefly outlining the debate surrounding Basic Income in the third section, he uses the fourth section to propose using the vocabulary accumulated in the basic income debate to fill the explanatory gap in discussions of current economic and social policies.

**FRENCH**


According to Christian Arnsperger (Hoover Chair, Louvain University), an unconditional basic income should be seen as a form of subsidy for “social experimentors”. With such an income guarantee, individuals or groups could experiment “alternative ways of life”, outside the mainstream capitalist system.


In 2010, Richard Pereira was the Graduate Winner for the "Student Essay Contest" organized by the Canadian Progressive Economics Forum, for a paper entitled “Economic security in the twenty-first century – Guaranteed Annual Income: An ecological, democratic, justice and food security imperative”. The paper is now available in French.

Richard Pereira: [rpereira_cda@hotmail.com](mailto:rpereira_cda@hotmail.com)

**GERMAN**


This book edited by the Swiss basic income network includes several papers focusing on concrete proposals for financing a basic income scheme in Switzerland. Other contributors examine the same issue for Germany, France, the United Kingdom, and South Africa. A German version is also available.

This book edited by the Swiss basic income network includes several papers focusing on concrete proposals for financing a basic income scheme in Switzerland. Other contributors examine the same issue for Germany, France, the United Kingdom, and South Africa. A French version is also available.

**SPANISH**


In this paper, David Casassas (Universitat Autonoma de Barcelona) focuses on basic income from the perspective of a “left-oriented” platform. In particular, he stresses the potential transformative effect of basic income on the labour market.


A vigorous plea in favour of basic income in times of economic crisis. Also available in English at http://www.counterpunch.org/vuolo11052010.html

**SWEDISH**


A luck egalitarian view holds that inequalities are objectionable only if they are traceable to luck, i.e. circumstances beyond individual control. This article examines recent attempts to develop an alternative account of egalitarian justice that focuses, instead, on the conditions necessary for people to interact as social equals. Simon Birnbaum (Stockholm University) develops a contribution to this relational conception of justice by exploring the relationship between economic inequality, non-subservience and the bases of self-respect. A pluralistic conception is defended according to which such relational concerns should complement rather than replace luck egalitarian commitments. The author also discusses the political implications of this view with regard to income maintenance schemes and conflicts that may arise between the enforcement of responsibility and the protection of self-respect.

Author's email address: simon.birnbaum@statsvet.su.se.

6. NEW LINKS

* News from BIEN Canada
BIEN Canada has adopted a constitution and is in the process of incorporating and registering an official name. The website address is http://biencanada.wordpress.com/
* A basic income network in Belgium?
Despite the fact that several Belgian researchers have played an active role in BIEN, there is no Belgian basic income network to date. Activist J. Lochten has decided to gather people interested in launching such a network. He can be contacted by e-mail at: jlochten@ulb.ac.be

* New Left Project and basic income
Edward Lewis and the political philosopher John Baker discuss how to institutionalise the values of the left, focusing in particular on the idea of an unconditional basic income. The first part of the interview focuses on general and theoretical considerations regarding equality. The second part focuses on how to realize egalitarian aspirations. One strategy Baker discusses is basic income. John Baker is Associate Professor of Equality Studies at University College Dublin, and a member of the UCD Equality Studies Centre and the School of Social Justice.
Part 1 is online at: http://www.newleftproject.org/index.php/site/article_comments/investigating_equality/
Part 2 is online at: http://www.newleftproject.org/index.php/site/article_comments/investigating_equality_-_part_2/
- From USBIG

* Negative income tax in Lithuania?
The increase of the minimum wage would not solve poverty and social problems. Instead of raising the minimum wage, negative income tax should be imposed on residents, says financial analyst Gitanas Nauseda, adviser to the president of the SEB bank in Lithuania.
http://www.baltic-course.com/eng/analytics/?doc=33287

* British students and basic income
The Badger Online, a publication of the Student union of the University of Sussex, started a discussion about "basic income" entitled: "What would it be like if we didn’t have to work?"
http://www.thebadgeronline.co.uk/comment/what-would-it-be-like-if-we-didnt-have-to-work/

* Blog on basic income (in Dutch)
The Blog of activist and basic income supporter Marc Vandenberghe is at:
http://www.dewereldmorgen.be/user/1125/posts

* American President Obama should support a basic income
In this online article C. L’Hirondelle puts forward the following reasons why Obama should support a Guaranteed Livable Income: 1) Relying on job creation might involve the creation of make-work jobs. 2) We need to redefine work and wealth or face a worsening toll on human health and the environment. 3) The idea of the work ethic is actually anchored to 500-year-old John Calvin. 4) We need to end the obsession with jobs for jobs sake. 5) The Leisure Class does not worry about being called lazy. 6) The jobs mythology harms human health, happiness, and the quality of our environment. 7) Obama needs to get out of the Box-Echo Chamber.
The article is online at: http://www.livableincome.org/aobamawork.htm
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* Economist Mark Wadsworth on Land Value Taxation

BFIEN NEWSFLASH 63 – November 2010 18
RICHARD HENLEY DAVIS, “Land Value Tax questions tackled by economist Mark Wadsworth” The Economists Voice, October 4th, 2010
In this article, journalist Richard Henley Davis interviews economist Mark Wadsworth about his views of Land Value Taxation. Wadsworth discusses using some of the revenue for Land Value Taxation for a Citizens Dividend (a basic income). The article is online at: http://www.economicvoice.com/land-value-tax-questions-tackled-by-economist-mark-wadsworth/50013340#axzz11Phl2viA
- From USBIG

* Free Money!
The website, “Free Money!” pitches an idea very much like a basic income guarantee. The site contains explanations, justifications, a blog, and other info. It is online at: http://www.freemoneyforall.org/.
- From USBIG

* Two youtube-videos about the Alaska Permanent Fund Dividend
Jay Hammond: http://www.youtube.com/watch?v=p7rCbuIoGKM
Niilo Koponen: http://www.youtube.com/watch?v=xA_CSN2YMpM
- From USBIG

7. ABOUT THE BASIC INCOME EARTH NETWORK

Co-chairs:
Ingrid VAN NIEKERK ivanniekerk@epri.org.za, Economic Policy Research Institute, Cape Town, South Africa
Karl WIDERQUIST Karl@Widerquist.com, Georgetown University-Qatar

Further details about BIEN's Executive Committee and International Board as well as further information about the Recognised National Networks can be found on our website www.basicincome.org

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, send your name and address (postal and electronic) to David Casassas david.casassas@uab.cat, 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), Eduardo Suplicy (BR), Robert van der Veen (NL), Richard Caputo (US), Rolf Kuettel (CH), Jeanne Hrdina (CH), Wolf D. Aichberger (AT), Einkommen ist ein Bürgerrecht (DE), Ahn Hyo Sang (KR)
BIEN's Life Members:

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.

James Meade (+), André Gorz (+), Gunnar Adler-Karlsson (SE), Maria Ozanira da Silva (BR), Ronald Doré (UK), Alexander de Roo (NL), Edouard Dommen (CH), Philippe Van Parijs (BE), P.J. Verberne (NL), Tony Walter (UK), Philippe Grosjean (FR), Malcolm Torry (UK), Wouter van Ginneken (CH), Andrew Williams (UK), Roland Duchâtelet (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 Maturazzo 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 Berkels (NL), François Blais (CA), Katrine Tøns (DE), Almaz Zelleke (US), Gerard Degrez (BE), Michael Opielka (DE), Lena Lavinas (BR), Julien Dubouchet (CH), Jeanne Hrdina (CH), Joseph Huber (DE), Markku Ikikala (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), Claudia Macquet (BE), Bernard Guibert (FR), Margit Appel (AT), Simo Aho (FI), Francisco Ramos Martin (ES), Yannick Vanderborght (BE), brigids redistributed (IE), Sean Healy (IE), Mair Mullarney (IE), Patrick Lovesse (CH), Jean-Paul Zoyem (FR), Giancarlo Moiso (IT), Martino Rossi (CH), Pierre Herold (CH), Steven Shafram (US), Leonardo Fernandez Basso (BR), Wolfgang Sternmann-Kuhn (DE), Anne Glenda Miller (UK), Lowell Manning (NZ), Dimitris Ballas (GR), Gilberte Ferrière (BE), Louise Haagh (DK), Michael Howard (US), Simon Wigley (TR), Erik Christensen (DK), David Casassas (ES), Paul Nollen (BE), Friends (NL), Basisinkomen (NL), Christophe Guene (BE), Alain Massot (CA), Marcel Bertrand Paradis (CA), NN (Geneve, CH), Marc Vandenberghe (BE), Gianluca Busilacchi (IT), Robert F. Clark (US), Theresa Funicello (US), Al Boag & Sue Williams (AU), Josef Meyer (BE), Alain Boyer (CH), Jos Janssen (NL), Collectif Charles Fourier (+), Bruce Ackerman (US), Victor Lau (CA), Konstantinos Georamas (GR), Pierre Feray (FR), Christian Brutsch (CH), Phil Harvey (US), Toru Yamamori (JP), René Keersmaker (NL), Manuel Franzmann (DE), Ovidio Carlos de Brito (BR), Bernard De Creum (NL), Katja Kipping (DE), Jan Beaufort (DE), Christopher Mueller (DE), Bradley Nelson (US), Marc de Basquiat (FR), James Robertson (UK), Infoxoa Rivista (IT), Eric Patry (CH), Vianney Angles (FR), Isabel Ortiz (US), Bert Penninx (BE), Martine Waltho (UK), Christoph Meier (DO), Robert van der Veen (NL), Pablo Yanes (MX), Angélico Pascaul-Ramsay (ES), Rafael Moris Pablos (ES), John Tomlinson (AU), Joerg Drescher (UA), Matthias Dilltey (DE), James Mulvale (CA), Sugeng Bahagio (ID), Hiroyo Hirano (JP), Simon Birnbaum (SE), Carole Pateman (US), Sergio Luiz de Moraes Pinto (BR), Javier López Fuentes (ES), Gösta Melander (SE), Blanca Zuluaga (CO), Fábio Waltenberg (BR), Leon Segers (NL), Marco Bossi (BE), Choi Gwang Eun (KR), Wolf D. Aichberger (AT), Regina Sörgel (DE), No-Wan Kwack (KR), Wolfgang Röhrig (DE), Philippe Durdu (BE), Chun Lin (UK), Claudia Haarmann (NA), Dirk Haarmann (NA), Kang Nam Hoon (KR), Ahn Hyo Sang (KR), Karin Nyqvist (SE), James Copestak [1999].

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