

Paper: Unconditional basic Income – A call for a human right?

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1. The social and political background or the question about the proper system

About 200 years ago the greek philosopher Aristotle has raised the question: “What is the good life?” and how can it possibly be achieved?

After being disappeared from the main topic in the political philosophy after John Rawls, the question began to have a comeback in the last years in such democratic movements like the Spanish movement of the 15. may and the movement of the Arabic spring.

With the help of the impetus of the consume-critical Canadian magazine “Adbusters” and the “Anonymous”-movement of the 17. September 2011 the Occupy Wallstreet-movement has taken this example and transferred it into the western industrialized countries, in which you can find increasing monopolies of power and finance of an elitist minority. There you have the scissor between poor and rich, which is getting bigger and bigger and injustice seems also to be increasing. Under the slogan “Indignate yourself” of Stéphane Hessel's correspondent pamphlet and the motto “We are the 99 %” it was shown that 99 % of the population stands against 1 % of the rich people of the U.S. Especially the disparate distribution of wealth, property, income and power is disapproved of the fellow traveler of the occupy movement. They plead for more prospects of their existence as well as economic and participation equality.

The bankruptcy of the venerable US investment bank Lehman Brothers on 15. September 2008 has marked the beginning of the global crisis of finance, economic and currency, which culminated in the national debt of Greece. This has painfully shown the whole world population how fragil and reliant the economic system and the whole dependent civilization are.

As you can see, it isn't only a national problem. Since the globalization has begun, the global markets have no global order or redistribution mechanism. The latest calls which came within the global crisis of finance have shouted for instruments such as taxation on financial transactions.

The question is, in which aspects can a global human right for a basic income be defended and established under the impression of the collapse of the social and economic system and an increasing world-wide separation of rich and poor?

2. What is a basic income?

If you follow the definition of the Belgian political philosopher Philippe Van Parijs you can say:

„A basic income is an income unconditionally paid to all on an individual basis, without means test or work requirement. In other words, it is a form of minimum guarantee that differs from those that now exist in various European countries by virtue of the fact that it is paid:

- *to individuals rather than households;*
irrespective of any income from other sources;
And without requiring any present or past work performance, or the willingness to accept a job if offered.”

Van Parijs argues that a basic income does not have to secure one's livelihood. If you look closer at his reasoning, it can easily be seen, that this premise would open the door to low-pay and combined-wages sectors, if all people are forced to work for their existence, like it is right now in most of the European countries.

In this sense you have to ensure that a basic income will also perform the condition of guarantee a livelihood.

The German Network for a Basic Income

The German above all party lines network for a basic income consists of scientists, students, representatives of the unemployed persons and the poverty movements, ecclesiastical organizations and members of different parties and non-academic persons. It was established on the day when the German social act Hartz IV. has been approved under the red-green-Coalition of chancellor Gerhard Schröder on 9. Juli 2004. Following the definition of this network the basic income can be described as follows:

1. It is strictly individual. The transfer has to be paid to the individual person. Households, families or community of members of a household in need of benefit aren't allowed to be combined or allocated.
2. It is strictly unconditional paid to every individual. It begins with the birth without any supporting documents or means tests, working requirements or any other rewards.
3. It is guaranteed as a legal entitlement for every person. It isn't allowed to be allocated, attached or kept back due to other causes. Taxation is only allowed on higher incomes than the basic income.
4. It will guarantee a livelihood on a low level. But nevertheless social, political and cultural participation should be possible.

It can be stated, that a basic income is an income, which is financed by taxes and paid unconditionally to every member of a political community (maybe a country, the EU or ideally world-wide). It is paid before any taxation – in contrast to the negative income tax.

Design of the basic income

There are two different main distinctions: They real and the artificial basic income.

The artificial basic income is for example the negative income tax. This model, which is preferred by economists like Milton Friedman secures a minimum to live. The amount of money will decrease if you gain more money. The amount of the transfer has to be calculated for every individual in certain intervals, which would mean a lot of bureaucracy.

Example: You have the minimum for the existence of 1.000 Euro and the loan will be 800 Euro. So you will get the difference of 200 Euro.

In contrast, the real basic income works like a social dividend. There are also two different kinds. You have the substitutive and the cumulative basic income.

1. At first the substitutive basic income will reduce the whole loan, so in this model you will have the risk of reducing the loan and establishing a low-wage sector. Critics are also saying that it could abolish the welfare state. Example: You have a loan of 3.000 Euro and the basic income will be 1.000 Euro: Your new loan will be only 2.000 Euro.
2. The cumulative basic income works as follows: You have a loan of 3.000 Euro and the basic income will be 1.000 Euro. Your new loan will be 4.000 Euro.

3. The outstanding impact of money and income

If you look at modern western industrialized societies, you can see the enormous impact of money in almost every aspect of everyday life. Without the sufficient amount of it, you cannot participate in our cultural, social and political part of the societies and as the former UN-Committee-Member Jean Ziegler told recently: You cannot practice Democracy.

Furthermore it looks like you can experience a total different curriculum vitae, if you don't have enough money to spend. Not only your income and social status will depend on that but also the neighborhoods where you live and the credit standing you are getting. Nowadays even the tenancy of a dwelling place depends on how much money you earn, because the lessors don't want too much insecurity, when they are renting their occupancy. But money does not only guarantee one's income, but it is also responsible for the decision of whether starting a family and having children.

If you look at the conception of the guaranteed basic income, it possibly could be a solution to this problem. But how so?

You have to keep in mind that money does not solve all problems. It is a political and social instrument to ensure values like freedom, justice, equality and human dignity. But there are also other instruments like a negative income tax, the theory of money with an expiry date or the common welfare economy, which could also fulfill this aforementioned aims.

Monetary funds like the basic income are no universal remedy to all political and social problems, although they could deliver an answer to some problems we are facing nowadays. But it could not deliver solutions to the policy of the climate, the environment, the education, the migration problem

or the policy of peace. But it could structure and contour the political field differently with regards to contents. It may also be imaginable, that different basis conditions can require other arrangements than a postulated basic income.

It is stated that a basic income does not add to the causes of the poverty but to the creation of a relative justice and a poverty reduction. The poor people are benefiting from that, but for the rich ones almost everything would stay the same. The conception of the basic income does not touch the existing capitalistic property, power or production conditions. But to face the problem of the poverty, it could be necessary to change the existing property and productions conditions as well as the economy and finance system.

If you aren't willing to replace the existing system and plead for a total transformation, the conception of basic income could be a form of fighting the cause of poverty indirectly, because as I said above, the whole curriculum vitae and the social position in the western industrialized countries are based on the income and the financial support. Basic income could be effective as a democracy allowance, because political participation postulates a minimum of substantial security. You can say: "Whoever wants to play a part in politics, has to afford the journey to a demonstration or the access to different media."

Monetary funds are defined measures, which have time- and culture-specific expressions. This means:

1. Monetary funds do have a high standing in labour societies like the ones we are facing today. In our societies almost every person defines himself with his occupation. Up to date there isn't any other option of appreciation apart from the employment. If you look at the history of the labour society, you can see how it was developed. The greek philosophers have despised the physical work, which they delegated to the slaves. The highest form of life at that time was the contemplative theoretical life of a philosopher, called the "bios theoretikos". According to the thesis of sociologist Max Weber the protestant ethic was the basis for the evolution of capitalism. It is possible that a change of labour and society will ask for other arrangements of political and cultural participation.
2. Monetary funds may not be a bonus for immobilization or a closedown, which only gives money to the people and no other assistance and support. A basic income may not be the sellout of the right to work. Studies like the famous sociological study "Die Arbeitslosen von Marienthal" (Marienthal: the sociography of an unemployed community) from Marie Jahoda, Paul Felix Lazarsfeld und Hans Zeisel, 1933 has shown, that there are different factors of the occupation, which have a big influence on people's life.
3. Monetary transfer payment and the goods which can be afford with them, have a strong bond to the respective production level, to the grade of technical rationalization and the resources. As the actual "Report 2052" of the club of Rome predicted, there is an end of all the resources of the world, which could be in about 40 years from now.

4. A call for more equality

In this thesis I will refer to the influence of equality of income and money to the well-being of a society, how it is described in the study of Wilkinson/Pickett 2009.

In this examination you will find the thesis, that it looks like equal societies are better for the whole of the society because of many benefits they are creating. On the one side, the more unequal one society is, the bigger risk of poverty, distrust, crime, health problems, drug misuse, lower education and social mobility. If you have a more equal country on the other side, you come across more trust and health within the community, a higher education and more permeable social mobility.

If you refer to the more equal income, you can see that money determines the most aspects of life in the western industrialized societies.

On the one side especially in the Scandinavian countries and in Japan one can meet less inequality, where you can find on the other side more inequality in countries such as Great Britain, Portugal, USA and Singapore.

It is also very important to mention that there isn't a never-ending higher rate of well-being. It is said, that there is a certain level of income and money, from which on you can't get any happier or more comfortable.

What you also have to take into account is, that social problems are often the result of comparisons and high status competition and social fear. You can find this thesis also in Thorstein Veblen "The Theory of the Leisure Class (1899)".

Especially unequal societies are amplifying these social fears and promote status competitions. More equal income distributions are exhibiting less social problems. The biggest problems which could appear within a more unequal society are radicalizations, riots, dissatisfaction, insurrections, revolutions and the erosion of solidarity. A problem which you can nowadays see in movements like Occupy or the social problems in Spain and Greece.

5. Basic Income as John Rawls "Veil of ignorance"

If you follow John Rawls normative "Theory of justice" (Rawls 1971), he argues from a hypothetical "veil of ignorance", in which not every co-contractor is aware of the place they will be having in the new order to be defined. They don't know about their social class and status, abilities, income, talents, preferences, animosities, drives and needs. Not knowing this should guarantee a possible just order to vote for, because nobody wants to have a bad position and so almost all positions are very "human" equipped.

If you transfer Rawls' normative postulation for a justice social order, you can call the basic income as his stipulated "Veil of ignorance". And in this sense as a required basic human right. Delivering a basic income can also grade the degree of inequality and therefore support a more justice and happier society.

6. Public Justification

If you consider the habilitation treatise of the philosopher Wilfried Hinsch (“Gerechtfertigte Ungleichheiten 2002”), he argues there from a Rawlsian point of view, why you should plead for more equality. The main point in his reasoning is, that a moral existence minimum can be justified if you argue with Rawls maximin-principle. This is saying that behind the veil of ignorance the participants will decide that the worst case of any possibly options will occur and after the veil is exposed, they will be standing in the worst group of the social order. So it is in their best interest to maximize the expectations of this underprivileged group. Going with the explanatory statement of Hinsch, he argues with a different one to Rawls reasoning. Only the maximin-principle is the only one which can be justified in public and exactly the same goes for the concept of the basic income.

7. The achievements of the “others”

There is another interesting point of view regarding the concept of basic income. It is often said, that the basic income contains the formula “Receiving money for doing nothing”. But in fact it is not. If you look at all the achievements the older generations have accomplished, it is easy to see, that there is almost “no own achievement”. The conception of the commons goes in this direction. This means, you have to make use of the point from philosopher Thomas Paine, who strengthens the natural justice. It is responsible for giving the whole world to be governed and dealt with to the people. This argument may or may not derive from a higher force.

In this sense the wheel hasn’t to be invented twice – all technical achievements are built up from other inventions and innovations. So you aren’t allowed to say, a person has done this or that, because all the people are dependent on each other. When a new child is born, it would die within a few hours if nobody takes care of it.

Other aspects are the globalization and the world-wide division of labour, which makes it almost impossible to trace all individual contributions and accomplishments.

8. Basic Income – A call for a just basic human right or not?

If you have a look at the Human Rights Declaration of 1948 you will find the different rights like the right to live, the right to have a human dignity and the right to existence. If you try to implement the basic income into the human rights, it stands out, that it is a relative demand for the security of the existence, because this claim is only valid in monetary societies. But the most modern societies are based on a monetary system.

Sascha Liebermanns Veto against a global human right for a basic income

The German sociologist and basic income proponent Sascha Liebermann refuses the idea of a world – wide human right to receive a regularly paid basic income. Because of the fact, that right now there isn’t a global government besides the UN, which could represent all interests of the world, human rights are for Liebermann conceptual normative demands, which aren’t allowed to demand for a practical validation or a suability. He brings forward the argument that human rights do only come

with the expression as civil rights. Liebermann pleads for a relative human rights concept. A community has the right to demand for itself, what is fair and what isn't. No other community has the right to undermine this proclaimed sovereignty and autonomy of a certain country. Therefore the conception of the basic income could not be a human right and it has to be established in a national state context.

But the big problem with this restricted introduction of a basic income could be migration effects and how you will deal with them. But this is not only a problem of basic income, nowadays you still have different levels of well-being throughout the countries in the world.

9. Disadvantages of selection-based aid money

1. Horizontal poverty can hardly be reached
Many households will not be reached due to selection of bureaucracy, special abilities, not knowing, sense of shame or required guidance. It is stated that right now only 50-70% of the entitled households in Germany will have access to the social benefits.
2. Vertical poverty can hardly be reached
You have the risk of dependency in households, so that the money will not reach the individual person.
3. Social stigma
Selection can often mean a social stigma, because of the fact, that poverty is stigmatized in most western communities. Special transfers to poor people can lead to enviousness and conflicts within a society. It can also split the community and enforce stereotypes as well as discriminations.
4. Charity and gentle donations
Enormous inequalities within a society require different acts of charity. Although they enjoy a high standing in the societies, they are to be questioned, because they are cementing and ceding the current states of poverty and inequality as charity and gentle donations of the rich people.
5. Disregard of the human dignity
Considering the current conditions of means test they are often degrading, because you have to tell your whole financial situation.
6. Control of the administration of the selection and the bureaucracy
Complicated criteria of selection can aggravate the control of the administration. If you have a complex selection situation, unintended faults of the administration can appear, which can't be discovered by the victims. Little mistakes can already have big effects on the victims.
7. Risk of Abuse
If you deal with a big control and bureaucracy system, it almost goes automatically, that wrong allocations, discrimination, repressions, abasement and deprivation of rights will

occur. Another risk is clientelism – transfers could mainly go to party supporter in exchange for good conduct or pressurizing agent in political disputes. Another abuse can arise through corruption and wrong details from the acceptor.

8. Poverty trap

This means, that work isn't rentable because of the loss of the total income, if a person is willing to work. In this sense carrots will be reduced and black labour could arise.

The advantages of universal-based aid money

1. Entitlement and easy access

Every person knows about the entitlement and will have an easy access to it. (For example via a transfer on a bank account.)

2. Avoidance and reducing of dependence

Every dependence in a community of members of a household in need of benefit, in familiar or in partnership conditions will be cut through the strict individual payment.

3. Less until no violation of human dignity

Through the decoupling of income and labor there will be more creation of freedom. With the existence minimum the workers will be in the situation that they have a better position of negotiation. They have to agree on every conditions of employment.

4. No social stigma

Because of the strict individual transfer, a social stigma and enviousness can be reduced.

5. Less abuse

An administration- and bureaucracy apparatus as well as abuse can be reduced.

6. Democratic and solidarity aspects

The democratic society and the solidarity within can be fostered. The rich people do not have to be anxious, because they are better off than the rest of the society.

7. No hidden poverty, working poor or poverty traps

An universal transfer money will prevent income poverty before its arising. It is also from an economic point of view more efficient, because any curative measures can be saved. Thomas Paine stated this before: „Wouldn't it be more profitable and lucrative to prevent poverty through different measures?“ You have to design the basic income that if you are willing to work, you have to get more money altogether. And also many social problems won't occur or if so, at a lower extent.

8. Appreciation of „other“ works and activities

The gainful occupation will lose his current special status. Other activities can be upgraded and treated coequally, because there will be no difference or separation of gainful workers and transfer recipients any longer.

Disadvantages of universal-based aid money

The disadvantages of an universal transfer is the idea of the human changes of the behavior in aspects of idleness, the question of freedom and financing.

Doing scientific research is strictly vague, especially in terms of what will happen in the near future. Science isn't able to make predictions into the future. It only can make simulations, models, extrapolations and anticipations from past data. The problem which can arrive with this is known under the term "self-fulfilling prophecies". This means, that when you have a certain anticipation, it will occur just because you had this anticipation in mind.

For this case you have to ask for more empirical examinations and field studies in which the conception of the basic income will be tested.

10. Conclusion

Nowadays the conception of the basic income is discussed in different forums. It has become popular since the evolution of the world-wide finance and economy crisis 2008, the following occupy movement 2011 and the awareness of the increasing separation between rich and poor.

The conception of basic income as a just basic human right is a normative call for more justice and equality. Right now in most of the western industrialized countries monetary funds are the key to the social, political and cultural life in a community. Without the sufficient money you cannot participate in various aspect of the society.

As you can see in the study of Wilkinson and Pickett 2009 the more equal a society is, the better for the well-being and the whole of the society in terms of security, the health care system and trust. These aspects can be seen as the main pile in a society.

When you compare the conception of the basic income with the famous "Theory of Justice" from the political philosopher John Rawls it can be stated that his stipulated veil of ignorance, in which every co-contractor does not know about the social position in the new order to be defined, is like the basic income. It can level the inequality within a community and it will do it in a regular certain period of time, if it is paid like a loan for like every month.

Following the argument of philosopher Wilfried Hinsch, the main point of the basic income as a global human right concerns the justification aspect. The rich people have to justify their positions in any upcoming order of society. So especially when the poor people are getting too poor and them isn't really granted a minimum for their existence, you can see people rising up like it have been seen in the occupy movements, which are still existing in various countries throughout the globe.

It can also be seen as the moral call for delivering every person with the sufficient amount of money, because of the improvement of the technology, the globalization and the mass production. This can on the one side deliver goods and services for a lot more people and they don't have to "work" to create all this values. On the other side it's not only a matter of moral, but also a matter of stability, security and solidarity within a society.