

BIEN Congress, Munich, September 2012

Presentation: The political feasibility of a Citizen's Income in the UK

Introduction: Using De Wispelaere's and Noguera's categorization of feasibilities,¹ I shall discuss the political feasibility of a Citizen's Income in the UK. I shall conclude with an overall assessment of the feasibility of a Citizen's Income in the UK.

Terminology: In the UK, the word 'guarantee' has been used in the name of a means-tested benefit for pensioners; and in the academic literature it has appeared as a level of income guaranteed to each citizen, if necessary by using means-tested benefits. So in the UK we do not use 'guarantee' to refer to an unconditional and nonwithdrawable benefit. In UK English, 'basic' has slightly derogatory undertones, so many of us find 'Citizen's Income' to be the most appropriate designation of an unconditional, nonwithdrawable income for every individual as a right of citizenship.

Feasibilities

Jürgen De Wispelaere and José Antonio Noguera have offered us the following typology of political feasibility:²

	<i>Prospective constraints</i> (<i>'achievability'</i>)	<i>Retrospective constraints</i> (<i>'viability'</i>)
Discrete agency	A. Strategic feasibility	B. Institutional feasibility
Diffuse agency	C. Psychological feasibility	D. Behavioral feasibility

A. *Strategic feasibility:*

1. Research on political ideologies as they have been found and are found in the UK (the New Right, Socialism, One Nation Conservatism, Liberalism, Social Democracy, the Third Way, and others) suggests that all of them can generate, and have generated, arguments both for and against a Citizen's Income. Arguments for a Citizen's Income generally cohere with the major preoccupations of the ideology, whereas arguments against are more generic and relate to anxieties not intimately related to the ideologies.
2. Research reported in my chapter in *Basic Income Guarantee and Politics*³ outlines the history of Child Benefit, the UK's unconditional and nonwithdrawable benefit for every child, and also the history of attempts to legislate a Citizen's Income and such related systems as Tax Credits (genuine ones, rather than the means-tested benefit currently called 'tax credits'). I conclude that those attempts which have succeeded did not reduce the number of civil servants, whereas those which failed would have done so. A currently proposed single-tier state pension, which would be almost a Citizen's Pension, would not reduce the number of civil servants.

I conclude that two routes to a Citizen's Income might be strategically feasible:

- a. One demographic group at a time: We already have Child Benefit; we might soon have a Citizen's Pension. Next could come a younger adult's unconditional allowance, then an allowance for the over 50s, and finally a Citizen's Income to fill in the gap;
- b. A very small Citizen's Income for every citizen, which would then grow.

B. *Psychological feasibility:*

The process envisaged by De Wispelaere's and Noguera's categorization works like this:

Psychological feasibility → Strategic feasibility → Political feasibility

Public ignorance of the tax and benefits system (including ignorance amongst legislators) makes rational public debate of reform options difficult to achieve, so in the UK psychological feasibility would be difficult to achieve.

There is another possibility:

Strategic feasibility → Psychological feasibility → Political feasibility

We have seen this process in relation to equalities legislation, where the Government and its legislation have led public opinion, rather than followed it. The same could occur with a Citizen’s Income. This would alter De Wispelaere’s and Noguera’s categorization:

	<i>Prospective constraints (‘achievability’)</i>	<i>Retrospective constraints (‘viability’)</i>
Discrete agency	A. Strategic feasibility	B. Institutional feasibility
Diffuse agency		C. Psychological feasibility D. Behavioral feasibility

C. *Institutional feasibility:*

The UK has experience of a Citizen’s Income for children. If the proposed single tier state pension is implemented, and this then becomes a Citizen’s Pension, then that too would provide a useful stepping stone. So in the UK any problems related to institutional feasibility would not be insuperable.

D. *Behavioural feasibility:*

Behavioural outcomes will, as always, be the result of a variety of factors, amongst which will be the income tax structure and the extent to which such means-tested benefits as Housing Benefit will still be required. The behavioural outcomes which the UK Government and public might wish to see, and the behavioural outcomes which people might wish for themselves, will be diverse. This is not a problem. Lower marginal deduction rates, the individual claimant unit, and simpler administration *will* offer more choices to individuals and to households, enabling citizens to determine their own behavioural feasibilities and then to ask whether their expectations have been met.

E. *Conclusion:*

In the UK, achieving a Citizen’s Income will depend almost entirely on its strategic feasibility. A Citizen’s Income’s continuing acceptability will then depend on the extent to which it can generate institutional, psychological and behavioural feasibilities. A very small Citizen’s Income might fail to achieve these sufficiently to enable it to grow. The way forwards for the UK must therefore be to implement a Citizen’s Income one demographic group at a time.

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¹ De Wispelaere, Jürgen, and Noguera, José Antonio (2012), ‘On the Political Feasibility of Universal Basic Income: An Analytic Framework’, pp.17-38 in Caputo, Richard (ed.) (2012), *Basic Income Guarantee: International Experiences and Perspectives on the Viability of Income Guarantee*, New York: Palgrave Macmillan

² De Wispelaere, Jürgen, and Noguera, José Antonio (2012), ‘On the Political Feasibility of Universal Basic Income: An Analytic Framework’, p.21

³ Torry, Malcolm (2012), ‘The United Kingdom: Only for Children?’ pp.235-63 in Caputo, Richard (ed.) (2012)