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EXISTENZGELD FÜR ALLE - EIN KONZEPT DER BAG-SHI

Existential subsistence for everyone - the concept of BAG - SHI (German network for people on social benefit)

[A paraphrase of former texts written by the working group "Existential subsistence", - Existenzgeld - updated in September 2000]

Existential subsistence for everyone - an old issue discussed in groups of organised unemployed. The BAG - SHI came in the end of the year 1996 to a decision to update the old issue for the purpose of making it possible to discuss the issue on a mass level - without questioning the 10 positions of BAG - Erwerbslose (German network of people who live on unemployment compensation) 1996.

After deciding for 10 thesis on the German meeting of BAG - SHI for all participants of the discussion it was quite clear: this are not issues, this is a concept for whole society. Not to ask political parties for and not to give to political parties for. This is a concept to get rid of poverty within the possibility to redistribute affluence people worked for from the rich to the poor.

In Germany everyone must get 1500,00 DM existential subsistence and a rent according to real costs in community. This must not be depending on categories as nationality, gender, age and family status.

- without the duty to support part of the family
- without a test of indigence
- without the pressure to sell labour on the labour market

Our principle goal is the abolition of poverty. We will reach that goal without full employment in the traditional meaning of the term. Under the circumstances of growing prosperity this goal is reachable even by having a high rate of unemployment at the same time. This terrible high rate of unemployment what is just created because of the ruling interests of ruling class. We will reach our goal, the abolition of poverty by using our "take - half - concept": Everyone is giving half of net wage or net income in the pot and everyone, no matter if this person is rich or out of money, is getting existential subsistence out of the pot. It does not only mean a simplification of administrative work, it means as well the possibility of a solidar community in public mind and personal experience is taking place inside this nowadays atomized structure of our society.

Working out our concept we argued a long time about the question how and if we are able to foundate or should we foundate the account of money people will get in a scientific or a political sense or just by the way. We came to a pragmatic conclusion, reflecting our daily live as people who live on welfare or people being unemployed. So this definition is related out of our experience being poor. We are just hitting our goals of the last 15 years on the top of discussions nowadays. Our graphically expressed demand structure is related to formation of prices, costs of living and needs on the level of the year 1998/1999. It needs a continue process of working out

content and counts permanently without making the subject depending on an European official definition of poverty.

Of course many of you will want to differentiate single parts of demand more clearly. Any of you will not find themselves in our graphical expression of demands reflecting own reality. Other people again will argue against our concept that we are in danger to enrich people who live in big groups (so called demand societies), because the amount of money is not depending on the age of a person. To their opinion we are creating affluence based on criteria which are not fair. To them all it is said that by using our concept a high standard of flexibility will be guaranteed. One is able to fulfill his wishes to satisfy his cultural needs just by not buying a certain amount of new furniture, another one being at work is able to fulfill his duty being a high mobile worker just by cutting off his limit spending money for freetime activities. Existential subsistence in an equal amount for

figure 1

The individual pretension to Existential subsistence is finishing all kinds of existing support duties. In communities, no matter of which kind they are, every single person is having his own pretension to Existential subsistence. In so far this concept is having an emancipatorical aspect. It will be possible to break the top off material dependence, - "housework will be paid". Who is having an income will give his 50%

take - half to the pot, he is paying this way the Existential subsistence of the unemployed members of the community and if having no kids especially:
Existential subsistence for children.

This has to be as well on the level of 1500,00 DM not depending on the age of the child but it is taken place off all kinds of financial children support, as money for education, money for children and extra demand for alone-educating persons. It will abolish poverty of children with all its negative social, medical and psychological results, including this for psychological development and as well setting a sign for value ideas inside society. A sweeping "baby boom" is not to expect because priorities of individual life - style (consumption, free time, individualisme) will not change in short terms and/or in general. Young people are freed from economical dependence to the family, very often the only bondage binding them together with the family.

Proving indigence of people in a need for financial care will not happen anymore. This is a consequence of the individual right of everyone to get existential subsistence and it is finishing the humiliating pressure to give every information about minimal cash into the hands of social bureaucracy we have to live with at present. As well we're not going to loose future perspective because of allowances who are far too low. Another aspect would be the taxation of big fortunes, but we couldn't get ready discussing this subject.

Even if Existential subsistence is not assigning for additional demand in favour of determined groups of persons, there will be further special demands and device done by the general social service.

We are entitled to appear for a model of basic income, that is giving existence security and that is preventing poverty during the time - period of this publication, by giving flexibility in the use of Existential subsistence and not giving an inflexible allowance of accounts for determined demands. But there will be situations of life in future, where a human needs a higher demand given by state, than is cared for by general basic income given by state. Possible examples could be handicapped people, whose demand for assistance is not covered or aged people, whose costs for being in committal to an institution home are not covered.

As well are to mention costs of pregnancy, birth and infant's first layette. Of course there will be ever a need for advice for subjects as how to secure subsistence, housing, childcare,

debts and so on, what shall be covered by a powerful department authority.

Traditionally this is the function of general social service and it shall be also in future as well. Because of the absence of abuse - sniffery or a permanent conflict of interests with payments - agencies the general social service in future will be able to assume the function of giving advice as well as the function of giving extra financial support if necessary.

Around the subject costs of housing the most intensive discussions took place among the initiative groups. The good old issue out of the times of house struggle "houses to them who live in" to many of us was a belonging to the "red" heart and the linked issue of expropriation of landed property seemed to fit to a radical concept of deviding the richness in society like cream to a strawberry cake. But a group of statistics and mathematics wrote on their banners to present a concept that can be

realized tomorrow that is to calculate and understandable, - a concept questioning the deviation of richness in a radical manner but without being wrecked on the question of transforming our economical and political system.

Because of this background we could not decide for a radical solution, so the concept we introduced here is left in old structures, who are not able to fascinate people and who have to be discussed further on.

At any case there endured a consensus about the fact that the costs of housing are an integral part of the security of human existence. Not only people with a need for care are entitled to get the costs of housing but all human beings are. Analog to Existential subsistence the costs of housing are not depending on the income.

Every person are due to get 500,- DM existential subsistence for costs of housing on a national average. Again this is not depending on categories like age, gender, nationality or status of residence. But there are many of criterias and conditions who will be ruled by a simplified law for existential subsistence for the costs of housing for the respective communes. According to this conditions and criterias this number will be relativated:

1. A high rent on a communal average effects an increase of this amount.
 2. A low rent on a communal average effects a lowering of this amount.
 3. An adequate floor space for the respective persons/ for the respective number of inhabitants is to be committed on
 4. The amount is ergo not increasing per member of the living - group.
 5. The Existential subsistence for costs of housing is not a lump sum but it is based on real costs of rents and extra costs if the demand is fallen short of.
 6. Property of home will be treated as living in a rented appartement and it will be in case of inheritance free from estate duty if used by the inheritances themselves.
- The reason for this so well known deduction of calculations of demands and costs is an insecurity about the real costs on the housing market.

It has to be apprehended that an integration of the costs of housing into Existential subsistence as a 5th column of demand and an increase of the sum on 2000 DM for everyone perhaps will produce a rapid advance of rents. There wouldn't be a motivation for the communes too to pursue an active housing construction policy.

Existential subsistence that has to enable a grading life for everyone is just imaginable without labour compulsion.

Human work is always happening in a social connection. So far the conception of work has to be seen has a social conception. To our opinion work is meaning all labour but as well honorary work and educational work. Qualification is part of this conception, especially if worked out in an institutional framework as for example at school, at universitarian studies, at a continuation of one's studies and last not least on a further education. Work is connected with physical and psychological stress too. Work for one's own benefit, neighbourhood assistance, hobbies, free - time and cultural activities we call activities. Very often the lines aren't drawn exactly and have to be drawn in every single case thus. At any rate it is very dangerous to make an obligation work out of neighbourhood assistance in this coherence like the social scientist Ulrich Beck is calling for. The contention t

Existential subsistence means a division of labour and income. The costs of reproduction will be covered by Existential subsistence individually. By the way the political pressure to work if seen under the aspect of advantage for the society is very ineffective. This pressure has to be enforced and that is always linked on strong mechanics of control embracing masters and controllers inside factories and administrations, social administrations and work administration outside. All this mechanics of control could fall away in case of existential subsistence and would be replaced by work of one's own free will. Work spend for control could be spend with a better use for society.

An important change created by a realized existential subsistence is the possibility to choose between different kinds of work. Another pressure is linked to the concept: the simple fact that the whole society has to reproduce itself. That means that a certain level of work will always exist having a different character than leisure, free-time and so on. Because this pressure is existing we don't need anything else in social laws in addition to that.

The other side around: Existential subsistence is a stimulus to work, because it is giving a principle basic income. The effects on labour - market under the circumstances of a realized Existential subsistence would be that the pressure on the labour market (everyone is taking everyones job) would fall away as well as the concurrence between unemployed and employed working class. We assume as well that it would be easier to set up new attractiv jobs. Thereby discussions about the content of work wouldn't be excluded but well concurrence about "working - places" (what a creation of a word). A chance would be given to discuss the what why and how of production in society in a new way.

Fundamental not only for part - time work and working for hours/ for a particular time is the establishment of a minimum - wage base. We need as well a right of labour what has to be defined for being part of the decisions about the means of production. For a lot of working people it will be possible or at least thinkable not to work 40 hours + 20 hours extra work what is not an exception in a lot of enterprices. Instead of that it will be possible:

- To work 20 hours a week or part - time
- To be part of job sharing
- To give oneself a sabbatical year, what means a year of unpaid holiday
- To work honorary, what means unpaid
- To nurse sick patients or old men or women in family or friend group
- To study without having rich or well - caring parents

Here we see that under the circumstances of Existential subsistence everyone is getting a guarantee for the personal freedom for every individual german constitution guarantees for.

Every human will be able to choose about his way of life in future without being threatened in his material recources.

If we all are getting Existential subsistence, all of this will be reality. Under the circumstances of Existential subsistence there will be no more working poor, because no one will work as a dog for a hungry wage as a waiter for example, if she is getting

Existential subsistence and a minimum wage guaranteed by law is drawing a line as well against exploitation.

Combined wages (low welfare or low unemployment insurance help and wages on starvation level caused by so called low level employments) as entrepreneurs and BDI (alliance of German industry) are calling for at times will not take place, because nobody is going to work under these disgracing circumstances. Existing collective agreements will only be mopped up with enormous difficulties, if at all. Existential subsistence will create material security. In times of industrial conflicts will not threaten any more pauperism and the crash of trade - unions cash-box, but just to have to live on existential subsistence only for some months. Simultaneously nobody can be intimidated by being blocked out of working - place or being dismissed. Workers will be less being blackmailed this way and are able to change their situation inside firms more easily as well as choosing their political actions more

Existential subsistence abolishes poverty. With the abolition of poverty disappears the usual, degrading condition in this society that everyone who's not being well is finding somebody else in a condition being even worse.

Existential subsistence replaces:

- welfare including payments according to law of payments for persons seeking asylum.
- unemployment compensation help
- allowance per minor child (public benefits)
- upbringing allowance
- act to promote vocational training (BAFöG)
- promotion on the gifted scholarship

Activities, who were impossible as yet can be done now. Someone who wants to be a musician can't be prevented training by the pressure to labour. Someone who wants to be an artist is able to draw without being prevented by wage - slavery. Nobody has to do without vocational training because of his poverty. Humans are freed from the whip of poverty, which had wasted away a lot of intellectually and artistically potential.

A plan about how to finance Existential subsistence: There is enough money

To us the social question is the question about the richness of a society and how to divide it under the aspect of the abolition of poverty. Our concept of financing is not caring about the propaganda around question of location or the usual volume of division. All of this is determined by ruling class who doesn't want to know what poverty is and doesn't want to abolish poverty at all.

Further on we're going to prove that our concept of existential subsistence is to finance. Thereby we just want to list up the dimensions of costs and that it is to finance, - the calculation of penny-accounts we are leaving to others. For the time we don't take the usual national - economical total calculation, but we take our proofs out of the statistical yearbook and bring it into the right form.

With this concept of Existential subsistence we want to relate to a concrete account orientated on demands in opposition to former concepts. The statement "there is enough money" is verifiable reality as well as our concept is financable without having to transform the whole market-economical system. The intervention that is describing the concept of Existential subsistence is reformistic because of this is cutting to short. (look herefore to labour pressure ore disrelation of income and labour).

Result of the concept is that 2/3 of the population is having real advantages by practizising Existential subsistence or at least no disadvantage, an important aspect for the realisation.

The cost - volume:

Existential subsistence per person per year without housing costs: 12 x 1500,00 DM = 18.000 DM.

The resident population in figures: 82 Mill. persons

gives a yearly demand for Existential subsistence of	= DM 1.476 Billions DM
(without public health insurance 1.279 Billions DM)	
costs of housing	350 Billions DM

Sum	1.826 Billions DM per
year	

Just numeric (giving out 500, DM on an average): 492 Billions of DM. 40,9% of living accomodations are property (update 1998). The costs of housing must here be lower normally because there are no profits of landlords to count. In case of housing property only accounts up to maximal rent limit and appropriate living space will be counted for maintenance of home and household effects and additional costs.

Who has to pay for?

Principle Existential subsistence and an appropriate rent subsidy have to be paid on a national level largely.

It will be paid by

A) shifting former social transfers of communal budgets and of federal economy. (to compare: All social benefits of the year 1994 had been 1.141 Billions DM, in this account there sits a big part of the costs of Existential subsistence.

For example:

No welfare, no unemployment compensation help, no act to promote vocational training (BaFöG), no upbringing allowance, no allowance per minor child, a visible shorting of burocracy and administration. For the last only half of shorted expences would be cared for because a part of administral workers will be need for other necessary communal tasks. The payment of Existential subsistence does not necessarily need an extra administration expense. Financial administration could doe it.

B) by using former social security contributions

It would be an interesting variant under the aspect of labour market policy to hold on only on the volume of employers contribution but to bring it's account back by deciding about a new account of firm - profit - taxes. This would have the effect to unburden firms with high intensive wage costs.

C) using a 50 % delivery on all net income (" take half") of every sum. This delivery is related to an object and it is not a tax!

Taxation will be changed in wage tax class one for everyone. It means everyone will be taxed as a single because everyone is getting Existential subsistence as a single.

According to this concept all taxes and social security contributions in nowadays form will be kept in account and progression as they have been at the end of the year 1999.

Further on it has to be the duty of the state to care for education, culture and infrastructure financed by taxes.

As well social security contributions have to be kept because they are needed to finance the concept.

We distinguish according to post of finances between different kinds of receipts

High financial amounts

Some items seem to be extraordinary high at all but inside the framework of the concept of existential subsistence they correspondent to actual possibilities by using "take half". To put on take half on entrepreneurs activities and on fortunes and property incomes is giving in relation to wages - income a lower account. This is caused in the possibility to avoid taxis for this kind of incomes. Here there is al lot of space for a higher volume of finances!

Taxes on inheritance in the sence of 50% "take - half" delivery will bring at least for the next years big sums in, even being connected with adequate allowances (home of one's own), according to the structure of population and the division of assets.

Lower financial amounts

We put determined items relative low, because we wanted them being bearable by national economy.

The uprising of energy taxes and value added tax (the last one is to expect in the framework of european politics anyway) are given as an example.

Shortings of subventions should not cause a complete deforestation because innovative technologies make extra subventions necessary. Mines, dockyards and parts of agriculture have to be shortened ore cut off but it will be possible under the circumstances of a realized existential subsistence in a social manner.

Up to now uncovered financial amounts (valued)

In our financial concept are extra incomes not proved with concrete single sums, but only valued as a whole. This is related to scopes who are making miss accounts in taxes for years because of missing acts in this sphere ore a not satisfying activity of financial administration offices. We want as well a business profit tax in the sence of net product fees and an interest on money product tax (easier to control on european level - thanks very much to the Euro, even if this possibility was not in the sence of

it's creators). In future we want a capital export tax because we want Existential subsistence without global expropriation. The realization of existential subsistence orientated on demands will cause an intensive consume especially in the sphere of lower incomes, because this people couldn't fulfill their consumptional needs before. It means in the sense of national economy that

(without social security contributions) into the budget of communities, counties and the federal budget. This will be a two-digit billion sum.

- a comment aside: As the costs of the Euro-fighter had been discussed the federal government talked about a cash flow-back about 70%. It had to be corrected after a protest written by the journal SPIEGEL.

How we are not going to finance existential subsistence

Determined possibilities to finance Existential subsistence we don't take consciously.

So we didn't relate to possible shortings in military budget. Military budget is a political question and as such not directly linked to existential subsistence. We are not going to link it because we don't want to make a certain point of discussion to main subject. That is of value as well for items as maximal limit of assets, assets and so on. This are possible items for a discussion in society, but not necessary for a principle concept of Existential subsistence and the way to finance it.

If we are listing up the former discussed items, we will come to following list:

Receipts/ Social Upheaval

"Take - half"

on net income F1	860,8 Billions
on retired pays F2	179,5
on pensions(officials, F3 functionaries, officers)	44,8
on employers fees F4	56,3
on unemployed insurance F5	35,3
public health insurance F6	269,0
(without insurance for convalescent care F7)	
wage - tax - shifting only class 1	40,0 Billions
value added tax	15,0 Billions
inheritance tax F8	60,0
capital profit tax	20,0
(+ profits out of speculation + stocks	
shortings of subventions	20,0
energy tax	20,0
bureaucracy + administration F9	18,0
welfare F10	17,1
unemployment insurance help F11	28,0
Act to promote vocational training F12	1,6
allowance per minor child F13	40,5
upbringing allowance	7,0
rent subsidy F14	6,4
first of all proved	1.739,3 Billions
valued	100,0 Billions

(cash flows back because of higher consumption if existential subsistence is realized, business profit tax, interest on money tax, capital export tax...) F15
account for financing Existential subsistence 1.839.3 billions
We need only an account of 1.826 billions to finance the concept

We are giving the rest to the coffee - pot and so Existential subsistence for everyone will be possible.

F1: income of employed + entrepreneurs
+ income out of assets, but without retirement payments and other transfer payments.
Up to now there are no numbers for the year 1997. (1995 gross income of employed 1,883,94 + gross income of entrepreneurs inclusive gross income out of asserts 857,45 / income/ assert - tax 395,15,- real social security contributions 1.019,85 = net 1.721.52
Billions = 860,77 “ take - half”

F2: 1997 public pension insurance + old age insurance for peasants. Private pensions look up at valued receipts.

F3: 1997 inclusive additions + financial aids

F4: 1997 for example firm's pensions benefits

F5: 1997 inclusive states benefits and short time work payment but exclusive job creation measure, retraining and so one

F6: 1997 inclusive medical insurance for retired persons. Expense: 267,9 Billions. Arithmetical will be paid 196,8 Billions out of existential subsistence. This could cover costs on the level of 1994, before the not questioned explosion of costs. It would be more human to give a free and equal health insurance to everyone.

F7: Insurance of convalescent care had been taken out of the concept. On one hand it is financing itself, on the other hand a discussion about would take the debate about existential subsistence to nowhere.

F8: during the time - period of 1997 - 2002 2.000 billions will be left to, the tendency is uprising. (SPIEGEL 17/1998)

F9: We only cared for half of the costs who are to economize, especially not for contribution costs. A big group of people who work in this subjects can take another communitarian work, hopefully a bit more sensegiving one. The realization of Existential subsistence is not taking any extra administrative effort. It would be practically to let financial administration offices do it.

F10: just benefit for subsistence, without committal to an institution home, without non - recurring benefits. 1999 = 17,6 billions

F11: 1997, 1998 = 30,4 billions

F12: 1997, without administration, without loan

F13: 1997, afterwards advance of the allowance per minor child

F14: only cash restitutions

F15: Consideration of all factors (cutting off transfer - incomes, increasing prices of by energy taxes, value added tax a.s.o.) will lift the available entire "income" round about 420 Billions. Arithmetical it is giving 120 Billions per year under the circumstances of a cash flows back of 30%, but shifted in time.

" Take-half", the 50% contribution on net income under nowadays law but caring for shifting to taxation class 1 is given the deciding deviation from above to below. 2/3 of the population will come out with advantage or at least without disadvantage. The limit of transfer, it means the amount up to this income will uprise or falldown(inclusive all social transfers) is not to define unite but depending on dimensions of a householding, the former wage- tax class - combination and the former rent subsidy. In betray of this fact we are just giving a most simple example of a single not getting rent subsidy.

A person now having net 3000,00 DM will have to give away than 1500,00 "take - half". But the person will get than 1500,00 DM existential subsistence, so she will have 3000,000 again. But she will have to pay 200,00 DM to health insurance.

(comment: 1994 in western Germany 70% of the population and in eastern Germany 91,5% of the population had a net income below 3000,00 DM. total: 33.5 million gainfully employed persons)

figure 2

Around the items account of Existential subsistence and its financing we are going into a detailed discussion. Because it is bringing us to a linked discussion about division and richness and going this way we are coming to a central item: the abolition of poverty

There are many sights of poverty. People who live on welfare, who are thrown out of welfare, whose welfare is shortened for what reasons ever, nearly all people who live on unemployment compensation and unemployment compensation help, people in precarious employments, low - wage gainers inclusive this one who work in governmental measures, a single parent and their children are poor. But only a few humans are defining themselves as poor, because of the fear getting a stigma again. But poverty is part of this society called capitalism not only since the modern term globalization is spreading around. Very often poverty is not a fata morgana passing by, but poverty is determining the biography of people very often one generation after the other. Everyone who knows accommodations for the homeless, slums and poor quarters of town in Berlin, Hamburg, Frankfurt/Main, is having an impression ab

We comment: Enough is enough is enough

It is important to discuss poverty, it is important to write a report about it, but it is much more important to realize Existential subsistence and to keep it. Here there would be a possibility to abolish poverty. By the way that it is not the same as to enrich. Therefore it needs more. But it is a possibility to get rid of misery.

We, members of BAG - SHI went on pragmatically. For the purpose to create the concept we defined at first what a human really needs and thereby we created the minima.

If we all and not only the poor would get Existential subsistence it would be possible in Germany and Europe to abolish poverty according to needs and for a long time - period. But there has to be as well cheap housing, free health - care, mobility and the possibility to use cultural institutions. These are our minimal issues to that what former had been called social state and nowadays is attacked by all political parties. It is a concept for the construction of a European social state. The abolition of poverty and every step made in this direction is very actual and a step into the direction creating a democratic and social society.

“ A real democratic policy has to open the possibility for itself to accommodate the choice between two evils,- at one hand technical arrogance, trying to force humans to happiness on the other hand the demagogic capitulation taken market rules and inquiry sanctions as given.” (Pierre Bourdieu, Post scriptum “Misery of the world”, German, Konstanz 1997, page 824).

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