

BASIC INCOME

Newsletter of the Basic Income European Network

N°10 Spring 1991

**Many thanks to all those who have promptly renewed their
subscription
or subscribed for the first time. A green mark in the space below
indicates that we have received your payment.**

**A red mark indicates that we had not yet received it by 15 April.
AS FROM THE NEXT ISSUE, THE NEWSLETTER WILL ONLY BE
MAILED TO THOSE WHO HAVE PAID THE FEE
in accordance with the instructions on the back page.**

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**Thank you for responding promptly. Your support is greatly
valued.**

**For two decades, the assistant
editor of the *Financial Times*
has been one of the most
outspoken advocates of basic
income.**

After publishing a new edition
of his 1973 plea for basic
income capitalism, Samuel
Brittan has just co-authored a
new book on the topic. Both
are reviewed on p.5

**Basic income, a central
component of a viable and
desirable socialism?** A view
increasingly shared by those
who keep believing that
socialism has a future, as
witnessed by the recent
writings of Breitenbach & al.,
Gorz, Roemer and van der
Veen reviewed on pp.5-8

News from the far North.

Several recent publications are proof of the liveliness of the debate on basic income in Finland. See pp. 9-10.

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THIS ISSUE

of Basic Income

has been prepared with the help of
Jan-Otto Andersson, Sue Black, Guy Standing, Georg Vobruba
and all those who have spontaneously sent relevant material.
Many thanks!

HOW YOU CAN HELP

How useful this Newsletter can be depends on YOU.

1. Please keep it informed. Send promptly to the editor (address on p.2) any news, announcement, book, pamphlet, working paper, etc. that may interest other people in the network. This information and material need not be in English. Given the steady

increase in the amount of material received, a short summary would be greatly appreciated, preferably (but not necessarily) in English. **Deadline for the next issue: 31 July 1991.**

2. Please circulate it. BIEN members can ask for free additional copies, e.g. for seminars or conferences they organize.

NEWS FROM THE NATIONAL NETWORKS

**BASIC INCOME RESEARCH GROUP
(Britain)**

- Thanks to the financial support of the Rowntree Charitable Trust, BIRG has now embarked on a new three-year programme, with an emphasis on dissemination of the idea of basic income and research around it.

- Malcolm Torry has been appointed Director of BIRG. Christopher Monckton (of the Evening Standard) and Professor Meghnad Desai (of the L.S.E.) are now among its trustees.

- BIRG now has three active regional branches, one in the North-West (coordinated by Kevin Donnelly, 20 Nan Nook Road, Manchester M23 0BZ, 061/9984791), one in the South-West (coordinated by Bill Jordan, Perriton Farm House, Whimple, Exeter, 0404/822809) and one in the Midlands (coordinated by Conall Boyle).

- BIRG's next annual conference will be at Toynbee Hall, London, on Friday 12 July, just before "The Other Economic Summit" (TOES) organized in London on 15-16 July by the New Economic Foundation.

Address: BIRG, 102 Pepys Road, London SE14 5SG, (44)(71) 6399838.

**WERKPLAATS BASISINKOMEN
(Netherlands)**

- A new association called "Friends of the Basic Income Workshop" has been set up in order to better mobilize the energy and financial support of individuals (the "Basic Income Workshop" itself has only corporate members, such as Trade Unions, political parties, claimants' associations, etc.). It will hold its first public meeting on 14 September 1991. The executive

committee includes Saar Boerlage, Ria Dijkstra, Frans Jacobs and Rob Steinbuch.

- The proceedings of the conference on "Basic income, the tax base and the environment" (see BI 9: 5) have now been published. They are reviewed below.

- The name of the quarterly Newsletter ("It no longer works") will be modified.

Address: Werkplaats Basisinkomen, Herman Heijermansweg 20, 1077 WL Amsterdam, (31)(20) 202212.

**ASSOCIATION POUR L'INTRODUCTION
DU REVENU D'EXISTENCE
(France)**

- Plans are being made for a collective volume and for a TV programme on basic income (Philippe Guilhaume, the General Director of one of the French channels, is the joint author, with Yoland Bresson, of a book on basic income).

- Professor Henri Guitton, AIRE's chairman, has written to BIEN's chairmen to confirm that his group would be willing to organize the 1992 BIEN conference.

Address: AIRE, c/o Futuribles, 55 rue de Varenne, 75341 Paris Cedex 07.

PUBLICATIONS

DUTCH

DOUMA, Kris & al. Verslag van de studiedag Basisinkomen, heffingsgrondslag en milieu, Utrecht: Voedingsbond FNV & Amsterdam: Werkplaats Basisinkomen, 1991, roneotyped, 58p.

These are the proceedings of a conference held in Utrecht in November 1990 on the relationship between basic income and the environment at the joint initiative of the Food Workers Union (FNV), the National Environmental Council (LMO) and the Dutch basic income network. They include introductory papers by Kris Douma and Raf Janssen, a summary of Greetje Lubbi's (of the Food Workers' Union), Bram van Ojik's (of the Green-Left Alliance) and Liesbeth Bakker's (of LMO) addresses, and a more technical contribution entitled "The price of labour" by consultant Guido den Broeder (Magnana Mu Publishing & Research, Ifgo Stravinskisingel 50, 3069 MA Rotterdam). On the basis of a

macroeconomic model, the latter argues that a basic income financed by a tax on net value added (accompanied by a matching reduction in employment benefits, pensions, disablement benefits etc. and net wages) would significantly boost the demand for unskilled labour and discourage capital- and energy-intensive, environment-damaging production. A recurring theme throughout the conference was that the extent to which a basic income can be environment-friendly crucially depends on the way in which it is financed, and in particular on the extent to which it shifts the burden of taxation away from the use of labour towards the use of nature. [A general income tax à la BIRG, from this standpoint, is better than social security contributions, but worse than energy taxes à la Robertson (*BI 8 : 10*) or Soininvaara (see below).]

(First author's address: c/o Voedingsbond FNV, Postbus 9750, 3506 GT Utrecht.)

ENGLISH

BIRG BULLETIN N°12 (published by the Basic Income Research Group, 102 Pèpys Road, London SE14 5SG), February 1991, 32p., ISSN 0954-8246, £3.00.

Yet another rich issue of the only scholarly journal entirely devoted to basic income. It contains a brief description of the Alaska social dividend scheme (see *BI 9 :8*); an attempt at terminological clarification by Hermione Parker ("basic income", she proposes, should be distinguished from "social dividend" by virtue its being financed by an income tax and thereby allowing an integration of tax and benefit systems); an interesting though cautious efficiency-based case for basic income by Oxford economist and former Director of the National Economic Development Office Ken Mayhew (the introduction of a basic income, he argues, should lower the relative attraction of low-skill poor-training full-time jobs from both the employers' and the employees' standpoint, and thereby help a country such as Britain out of a "low quality/ low skills equilibrium"); a note by Professor Jonathan Bradshaw on the

relevance of Family budget unit research to the basic income discussion; a note on the Dutch debate by Trade Union leader Greetje Lubbi; a brief statement by Steven Webb of why, in his recent book with Samuel Brittan (see below), he puts forward a family-based (rather than individual) basic income scheme; a plea for basic income (starting with a basic income for children) in the context of the Australian "Poor Law welfare state" by Peter Travers, of the Flinders University of South Australia; a discussion by Tony Walter of James Robertson's proposal (see *BI 8 : 10*) for financing a basic income with energy taxes rather than with income taxes; a lively "Viewpoint" by Irish green writer and activist Maire Mullarney on basic income as an alternative to child care facilities; and various other news items and reviews.

BOWEN, Alex & MAYHEW, Ken (eds.). Improving Incentives for the Low Paid, London: Macmillan & National Economic Development Office, 1990.

These are the proceedings of a conference organized in Oxford in 1989 by the National Economic Development Office. They include contributions by Anthony Atkinson and Holly Sutherland and by Hermione Parker which touch on the question of how the introduction of a (partial) basic income could help solve the problem which low paid jobs create for both the economy (because of the bias towards specialization in "low quality" production they involve) and for the people concerned (poverty, unemployment traps). (Second editor's address: Pembroke College, Oxford, England.)

BREITENBACH, Hans, BURDEN, Tom & COATES, David, *Features of a Viable Socialism*, Hemel Hempstead:

Harvester/Wheatsheaf, 177 p., 1990, £9.95, ISBN 0-7450-0840-2 (paperback).

This book "rests on the belief that if people are to be won over to socialist politics they will need to be able to see in advance what socialism could be like and how it can deal with the complexities of life in modern societies". One crucial feature one needs to specify is the income distribution system. In the authors' view, the latter would have three components: (1) "a basic income paid to all adults as of right"; (2) a basic income supplement for the disabled, the old and those with caring responsibilities; and (3) earnings in the form of public sector wages, wages and dividends from cooperatives or income from self employment. The basic income would take the form of an unconditional weekly payment, initially set at a level low enough to allow just a bare existence without income from work for those who wished to live in that way. "A socialist economy cannot be an idlers' paradise. It must be built on the recognition that work is vital to the production of a tolerable standard of life for all, and that total 'free riding' is both socially undesirable and economically wasteful. But a socialist economy must not reproduce the 'dull compulsion to labour' characteristic of capitalism. On the contrary, as far as possible, it must put itself in a position to avoid any direct compulsion and to end once and for all the pre-eminent place of commodity production under capitalism." Hence the need for a modest but unconditional basic income.

(Last author's address: University of Leeds, Department of Politics, Leeds, England.)

BRITTAN, Samuel. *Capitalism and the Permissive Society*, London: Macmillan, 1973; reprinted (somewhat abridged) in *A Restatement of Economic Liberalism*, London & Basingstoke: Macmillan, 1988, 346p, ISBN 0-333-42083-7 (paperback), pp. 1-209. In his columns in the *Financial Times*, Samuel Brittan occasionally expresses his support for basic income (see *BI 3 : 7*). But he started advocating the idea a very long time ago. The last chapter of his recently reprinted *Capitalism and the Permissive Society* outlines "a compromise between a market economy and the beliefs of the alternative society, which combines the best elements of both and is not just splitting the difference". A central component of this compromise is a modest but rising "social dividend", paid out to everyone, irrespective of income from other sources. This would make it possible for "the aspirations of those who wish to opt out of a work-oriented monetary economy [to be] respected and acknowledged", in exchange for their tolerance for the money-oriented activities of the remainder of the community. "A liberal should attach a zero value to the pain arising from intolerance of others' enjoyment, from whatever side of the political spectrum this intolerance comes".

(Author's address: The Financial Times, 1 Southwark Bridge, London SE1 9HL)

BRITTAN, Samuel. "The never-ending quest. Postscript to the 1987-8 edition", in *A Restatement of Economic Liberalism*, London & Basingstoke: Macmillan, 1988, 346p, ISBN 0-333-42083-7 (paperback), pp. 210-315.

A whole section ("Unearned income for all") of this postscript to Brittan's *Capitalism and the Permissive Society* is devoted to basic income. "If there is anything in the dream of a vast increase in productivity resulting from the silicon chip, robotics, and other technological advances, an unconditional basic income for all becomes possible. If the increase in national incomes takes the form of a very large rise in the return of capital, relative to the average return on labour, then such a basic income becomes essential as a way of spreading the new wealth. But even if it is due to an all-round increase in the productivity of both labour and capital, it is still highly desirable." Basic income "can be regarded as the culmination of popular capitalism or libertarian socialism alike". It is also central to the problem of unemployment: "The

challenge for economic and social policy is to find a way of obtaining as much as we can of the benefits of an American-style labour market, without incurring the cost of American-style poverty", and this is precisely what a basic income makes possible: it provides "a way of re-establishing a fully functioning labour market with a market-clearing rate of pay, on a human base which will improve the position of the least advantaged [...], rather than driving [them] to the wall".

(Author's address: see above.)

BRITTAN, Samuel and WEBB, Steven. *Beyond the Welfare State. An examination of basic incomes in a market economy*, Aberdeen: Aberdeen University Press (Farmers Hall, Aberdeen AB9 2XT, Scotland), Hume Paper n°17, commissioned by the David Hume Institute (21 George Square, Edinburgh EH8 9LD), 66p., ISBN 0 08 0409156.

The three short chapters by Samuel Brittan present what he sees as the philosophy behind basic income (drawing on his earlier writings), distinguishes it from related schemes such as a negative income tax, and draws practical conclusions from the two more technical chapters by Steven Webb (Senior Research Officer at the Institute for Fiscal Studies). One of these briefly surveys some key facts about the current British tax and transfer systems, while the other explores at some length a number of basic income schemes. The general conclusion is that given the prohibitively high cost of an adequate fully individualized basic income with a withdrawal rate not exceeding the standard rate of tax, "there is no alternative but to think of a gradual move towards basic incomes with many compromises and transitional phases". Plugging the gaps and unconditionality (the absence of means and work tests) are comparatively uncostly relative to individualization and a significant reduction in withdrawal rates. This is why any realistic medium-term objective will have to stop short of an adequate individual basic income (either by adopting the household as the reference unit [as in Webb's preferred scheme] or by settling for a partial basic income with supplementary means-tested benefits [as in the Dutch WRR report]) and allow for a higher rate of taxation on lower earnings [as in James Meade's proposals for example]. Even so, basic income offers "a way of rectifying some serious holes in the Welfare State safety net and also of

gradually improving the incentive structure at the lower end of the income distribution."

(First author's address: see above.)

GORZ, André. "The new agenda", in *New Left Review* (6 Meard Street, London W1V 3HR) 184, nov.-dec. 1990, 37-46.

"Work time as the basis for the distribution of socially produced wealth is clung to solely for reasons of ideology and political domination", writes Gorz in this short restatement of the socialist ideal. Both core workers and those intermittently employed must free themselves from this domination. "For the post-industrial proletariat of marginal men and women workers, it is principally a matter of being able to transform the frequent interruptions to their wage-labour relationship into new areas of freedom; that is, to be entitled to periodic unemployment, instead of being condemned to it. For this purpose they need the right to a sufficient basic income which permits new lifestyles and forms of self activity." Such a measure should go hand in hand with a general reduction in working hours, and both should be financed "by indirect taxes, applicable to every European Community country, which are cost-neutral for the businesses". These are essential components of socialism, conceived as "the binding of capitalist rationality within a democratically planned framework".

(Author's address: F-10130 Vosnon, France.)

NEULINGER, John. *The Road to Eden, After All. A human metamorphosis*, Voorthuizen (NL): Giordano Bruno (Hoofdstraat 130, 3781 AJ Voorthuizen, Netherlands), 1990, 154p., ISBN 90 50130143, £8 (package and postage included).

In the post-industrial society into which we are moving, "most people will no longer be needed to provide society's basic subsistence needs". According to John Neulinger, Emeritus Professor at the City College of New York and chairman of the (US based) Society for the Reduction of Human Labour, this will require an entirely new political-economic system. The aim of this book, deliberately closer to poetry than to analysis, is to kindle the desire for such a system by exposing the mounting absurdity of a job-centred society. But how the latter will be attained, and even what its institutions will look like, are questions the

author says he "must leave to those who have the necessary knowledge and skills". Towards the end of his book, however, he ventures a suggestion that some basic income supporters might find congenial. What, he asks, "if we were to set up a worldwide fund, right now, to create an equal guaranteed minimum income in every nation of the world, at an at first negligible rate, but a steadily increasing one. [...] Countries that already have guaranteed minimum incomes would phase out their present systems, to the degree that the World Fund payments approach their levels of guaranteed income. Every nation would contribute proportionally to that nation's economic status [...]"

(Author's address: The Leisure Institute, R.D.1, Hopson Road, PO Box 416, Dolgeville NY 13329, U.S.A.)

PARKER, Hermione. "A different way ahead", in *Progress* (DIG, Millmead Business Centre, Millmead Road, London N17 9QU, England) 1990.

A comment on the British Government's recent White Paper on reform of benefits for people with disabilities ("The way ahead: benefits for disabled people") and a case for basic income from the point of view of people with disabilities in the journal of the Disablement Income Group. (Author's address: c/o BIRG, 102 Pepys Road, London SE14 5SG, England)

PARKER, Hermione & SUTHERLAND, Holly. *Child tax allowances? A comparison of child benefit, child tax reliefs and basic incomes as instruments of family policy*, STICERD Occasional Paper n°16, Suntory-Toyota International Centre for Economic Research and Related Disciplines (London School of Economics, Houghton Street, London WC2A 2AE), 1991, ISBN 0-85328-124-6, 145p, £5.00.

A thorough, clearly presented and well-documented discussion of the future of child benefits. After reviewing the current British debate, the authors present four reform strategies (Residual welfare state, Dual system, Increased child benefit and Basic income) and assess each in terms of simplicity, income distribution, work incentives and family life. On this basis, the authors recommend substantial increases in child benefit financed by an increase in the basic rate of income tax, and/or a restriction of all income tax allowances and reliefs to the basic rate of income tax. An

advantage of the latter strategy is that it would constitute a first step towards replacing all income tax allowances and reliefs by an integrated system of basic incomes, as soon as circumstances permit. (First author's address: see above.)

ROEMER, John. "The morality and efficiency of market socialism", contribution to the Ethikon Institute East-West Dialogue on "Capitalism, socialism or mixed economy?", Ost-West Wirtschaftsakademie, Berlin, January 1991, 26p.

In this non-technical paper, mathematical economist John Roemer (author of the classic *General Theory of Exploitation and Class*, Harvard 1982) briefly presents and defends his blueprint of a feasible and desirable form of socialism that can resist the challenge of the Soviet failure. One important feature of this blueprint is that "the profits of firms will not go to a small fraction of society, but will be divided, after taxes, more or less equally among all households, taking a form that Oskar Lange called the social dividend. [...] The social dividend will be a form of guaranteed income, or what some European writers have called a universal grant. I prefer not to call it a grant, since it is not a gift, which "grant" connotes: it is that part of the national income which is not distributed as wages or interest, but which belongs to the people as owners of the means of production. Of course, a society such as the one I am describing might decide to distribute profits in some other way to people, such as in proportion to the value of labor they have expended, but I personally would oppose that proposal."

(Author's address: University of California, Department of Economics, Davis, Cal. 95616, USA.)

VAN DER VEEN, Robert Jan, *Between Exploitation and Communism. Explorations in the Marxian theory of justice and freedom*, Groningen (NL): Wolters-Noordhoff, 1991, 406p.

This elegantly written and sophisticated book is another Dutch doctoral dissertation with a major focus on basic income (see the review of Raf Janssen's dissertation in *BI 8* : 5). It provides the first book-length discussion of the theoretical foundations of the basic income proposal, in a framework that lies at the confluence of the liberal-egalitarian tradition of Rawls, Dworkin and

Sen and of the analytical-Marxist tradition of Cohen, Elster and Roemer. The book comprises a monograph entitled "A Marxian theory of justice" (part of which was presented at the most recent BIEN conference) and six previously published articles, three of which focus on basic income. The monograph spells out the vision of basic income sketched in the controversial article "A capitalist road to communism" (in *Theory and Society* 1986) and deals systematically with the most central objections this earlier statement gave rise to. Starting from a Marxian conception of justice as the "free development of all" (interpreted in a "non paternalistic" way), it introduces a principle of "leximin real freedom": the opportunities for income and leisure of those with least opportunities must be expanded as much as possible. Under plausible factual conditions, van der Veen argues, this principle justifies a "right to the maximum sustainable universal grant [or basic income]", subject to the realization of some other rights such as equal political rights and the right of free and equal access to education and paid work. This right to the highest basic income is in principle consistent with either a socialist or a capitalist organization of the economy. "Whichever of the two is adopted will depend on the level of real freedom that either can durably guarantee to its least-advantaged citizens" in the form of a universal grant. This involves a major departure from Marx's and most Marxists' conviction that socialism is a necessary ingredient of the ideal "communist" society. (Author's address: Universiteit van Amsterdam, Vakgroep Algemene Politologie, Oudezijds Achterburgwal 237, 1012 DL Amsterdam, Netherlands.)

VAN PARIJS, Philippe. "Equal endowments as undominated diversity", in *Alternatives to Welfarism*, special issue of *Recherches Economiques de Louvain* (3 Place Montesquieu, B-1348 Louvain-la-Neuve), in honour of Professor A. Sen, Vol. 56, n°3-4, 327-56.

How can justice possibly be consistent with an unconditional, uniform basic income in a society in which genetic and social processes have endowed people with very different capacities? If one takes seriously

the existence of handicaps, is one not driven instead to a highly differentiated system of lump-sum taxes and transfers as the most appropriate implementation of the ideal of social justice? Starting from a thorough discussion of the most elaborate attempts to provide criteria for the just compensation of handicaps, this paper presents and argues for an alternative criterion ("undominated diversity" or "potential envy-freedom"), which does justify a significant amount of targeted redistribution to the "handicapped" but remains consistent, in a sufficiently affluent and diverse society, with a substantial uniform basic income. In his reply ("Welfare, freedom and social choice", in the same issue), Amartya Sen endorses the idea of undominated diversity as consistent with the spirit of his own approach, but suggests that it should be amended in a way that allows for aggregative (or efficiency) as well as distributive (or egalitarian) considerations to be incorporated. This amounts to a loosening of the constraint of undominated diversity, and hence to an expanded potential for a uniform transfer.

(Author's address: Chaire Hoover d'éthique économique et sociale, 3 Place Montesquieu, B-1348 Louvain-la-Neuve.)

VOBRUBA, Georg. "Futures of work and security. Trends in the development of dependent work and three scenarios of social security in Europe", paper presented at the 24th Annual Conference of the Social Policy Association, University of Bath, July 1990, 15p.

Against the background of both internal trends (unemployment, flexibilization, etc.) and external events (European integration, new relationships between Eastern and Western Europe), this paper contrasts three realistic scenarios - sticking to the status quo, pursuing neo-liberal deregulation and the generalization of social security through the introduction of a basic income -, and argues for the latter as a basis for the economic and ecological modernization of contemporary societies.

(Author's address: Hamburger Institut für Sozialforschung, Mittelweg 36, D-2000 Hamburg 13, Germany.)

ANDERSSON, Jan Otto. "Kansalaistulo - keino kestävämpään talouteen"

[Citizenship income - a means towards a more sustainable economy], in *TTT-Katsaus* 4, 1989.

A member of the Board of the newly formed "Left-wing Alliance" and the author of a collection of essays in Swedish reviewed in an earlier issue of this Newsletter (*BI* 7 : 11), Andersson discusses citizenship income in relation to (1) work and enterprise, (2) the citizens and the welfare state, (3) family and friendship relationships, (4) town and countryside, and (5) attitudes and lifestyles. He also offers a rough costing of different variants of a citizenship income, and claims that a citizenship income could be introduced in Finland more easily than elsewhere.

(Author's address: Kukonvahantie 17, 20500 Turku.)

KALELA, Jorma. Työttömyys 1900-luvun suomalaisessa yhteiskuntapolitiikassa [Unemployment in 20th century Finnish politics], Helsinki: Työvoimaministeriö [Ministry of Labour], 1989, ISBN 951-861-459-8.

This thorough historical study of changes in both the nature of unemployment and in the attitudes and policies directed at the unemployed shows, among other things, that the most progressive discussions on unemployment relief took place before World War I and in the 1940s. And it ends with a plea for basic income. Following a critique of the book by Jukka Pekkarinen, the author spelled out his views on this topic in a reply entitled "What is unemployment security/ citizenship income about?" (in *Kansantaloudellinen aikakauskirja* 3, 1990). He believes that a citizenship income is on the agenda because (1) it is called for by the changes in the functioning of the labour market; (2) an earnings-related income security conflicts with several measures already introduced; (3) the existing income security system contradicts the logic that underlies the development of citizenship rights; and (4) the "economic" and "social" tasks of labour market policy should be separated from one another, which implies diminishing the significance of workfare.

(Author's address: Oikokatu 2A, 00170 Helsinki.)

KORPINEN, Pekka. Valtio ja vapauden kasy [The state and the growth of

freedom], Helsinki: Hanki ja Jää, 1989. ISBN 951-8916-09-8

In this book, a leading social democratic economist describes the problems of the welfare state and suggests an alternative for the next century. The latter includes a very high citizenship income (FIM 10.000 or \$2.500 a month), but no free public services nor other public transfer. It also includes a proportional income tax of 30%, high and progressive taxes on property and compulsory profit sharing.

(Author's address: Labour Institute for Economic Studies, Hämeentie 8A, 00530 Helsinki.)

LAHTINEN, Ilpo ed. Kansalaispalkka. Ken elää, sen syömänkin pitää [Citizenship wage. Who lives, must also eat], Helsinki: Ylioppilaspalvelu, 1988, ISSN 0785-2614.

This collection, published at the initiative of the National Union of Finnish students includes contributions on basic income by seven Finnish authors and a translation of Mückenberger, Offe and Ostner's contribution to the Gorz Festschrift (see *BI* 6: 9).

(Editor's address: VOTK PL 228, 40101 Jyväskylä.)

PAASILINNA, Maari Birit. Kohti kansalaispalkkaa? Peustulo- ja perusturvakysymykset politiikan päiväjärjestyksessä [Towards a citizenship wage? Basic income and basic security issues on the political agenda], University of Helsinki: Department of Political Studies, 1990 (unpublished thesis).

An in-depth study of the treatment of matters relating to basic income and basic security in the Finnish political system during the 1970s and 1980s. Why has a question that has come up in political discussion so many times never been the subject of a clear political decision?

As from 1970, the author Samuli Paronen started pleading for an "independence benefit" (*riippumattomuusraha*), which would guarantee a minimum income for everybody "without any other merits than being a human being". In 1976, an (admittedly divided) state commission proposed a "universal livelihood" system. In 1986, another state commission proposed a universal social security system with a (Speenhamland-like) income guarantee as its foundation. By the 1987 elections, three of the four main parties pledged their support for some variant of universal basic income. Most favourable

was the Centre Party. The Conservatives supported a negative income tax that would improve labour flexibility as an alternative to high unemployment benefits. The People's Democrats wanted both a universal basic income and income-related social security. The Social Democrats, on the other hand, consistently supported (with some individual exceptions) a selective and earnings-related social security system. So did the Trade Unions and the employer organizations.

The study concludes that basic income has been put on the "pseudo agenda", mainly for the following reasons: (1) Those who stand to benefit most from a basic income have not been able to articulate their demands by forming an organized pressure group; (2) The researchers and intellectuals who have articulated the demand for a basic income have not coordinated their efforts; (3) the demand for a basic income appeals to values that are too radical at this time; and (4) it has proved impossible so far to formulate a proposal that was concrete enough to pass all obstacles in the political decision-making process: for those who oppose it, one obstacle is enough.

(Author's address: Fleminginkatu 4B, 00530 Helsinki.)

SOININVAARA, Osmo. Vihreä markkinatalous [The green market economy], Helsinki: Hanki ja Jää, 1990, ISBN 951-8916-22-5.

Chapter 17 of this book by a Green member of the Finnish Parliament and active BIEN member is entirely devoted to basic income. The author prefers basic income to a negative income tax because of its greater simplicity, although he finds it handy to use the negative income tax variant in order to estimate what a monthly basic income of FIM 2000 (\$500) would cost. The net gainers from such a reform would be students, housewives and househusbands, part-time workers and other low income earners. In order to finance the basic income, Soininvaara suggests a proportional income tax of 55%, 20% of which would be local taxes. He thinks that the national income tax could be reduced to 20% by the introduction of taxes on land and pollution. He proposes the cautious introduction of a basic income system, starting at a low level and gradually increasing.

(Author's address: Amiraalinkatu 1A, 00160 Helsinki.)

FRENCH

BOEUF, Marc. "Un revenu social garanti", in *Le Monde* 12.10.1990.

According to prominent socialist politician Marc Boeuf, the introduction of the "revenu minimum d'insertion" (in 1988) has been a major step towards guaranteeing every citizen the "right to a dignified existence". But it is now time to think more deeply. "Are we not entering an era in which the essential worker has become the machine? Is it not time to think about the introduction of a guaranteed social income for all citizens? This already exists in some countries such as Canada. The novelty would be that it would be paid to every human being, from his or her birth onwards. [...] This income would be an equal basic income for all that could go up with age or in the presence of handicaps. It would be taken into account for tax purposes and replace all other forms of assistance. The citizen would be entitled to this income up to the moment he or she starts working." The cost of this measure (which goes some way towards a basic income, but not all the way, as the restriction just quoted clearly indicates)

may look enormous. But it would be largely financed by a rationalization of existing and overlapping family allowances and other transfers. "What is necessary above all", Boeuf concludes, "is a change in mental attitudes".

(Author's address: Monsieur le Vice-Président de la Commission des Affaires Sociales du Sénat, Palais du Luxembourg, 15 rue de Vaugirard, F-75006 Paris.)

DUBOIN, Marie-Louise & al. "Faut-il se battre pour l'allocation universelle?", in *La Grande Relève* (B.P. 108, 78110 Le Vésinet) 895 (décembre 1990), 3, and 896 (janvier 1991), 14-15.

The majority of the responses to the survey organized (among its readers) by the journal of the French "distributiste" movement (see *BI 9* : 9) express support for the introduction of a tax-financed unconditional basic income as a step towards the realization of a "distributive economy". But many insist that this should not be dissociated from the other major measure advocated by the movement: the introduction of a pure consumption

currency, which is the currency in which the basic income would need to be paid. For a central tenet of the doctrine of Jacques Duboin (a French politician and author who founded the movement in the 1930s) is that a substantial basic income becomes payable to all not through redistribution from some citizens to others, but through the distribution (hence the movement's name) of what is henceforth being created

by machines and technology. The appropriate institutional tool is therefore not a system of taxes (even on value added) and transfers (even universal), but the issuing of money in a special currency that cannot be hoarded, at a pace dictated by economic development.

(Authors' address: c/o La Grande Relève, as above.)

GERMAN

HESCHL, Franz. "Sozialpolitische Positionen der österreichischen Tarifparteien", in *Österreichische Zeitschrift für Soziologie* 16 (1), 1991, 61-73. An informative article on the social policy proposals and interests of the Austrian "social partners (Trade Unions and employers' organizations). Owing to the neo-corporatist structure of Austrian society, the author concludes, a structural change of social policy towards basic security is very unlikely. (Author's address: Ziegelstraße 11a, A-8045 Graz.)

OPIELKA, Michael. "Zur Logik von Grundsicherung und garantiertem Grundeinkommen. Fürsorge, Sozialversicherung und Versorgung in evolutionärer Perspektive", in *Zeitschrift für Sozialreform* 37 (2), 1991, 80-114. A new version of the evolutionary approach to social policy developed by the author in earlier writings (see *BI* 4: 9). A basic income is proposed not as an alternative, but as part of an integrated social security system. (Author's address: D-5202 Hennef 41 Wiederschall, Germany.)

WEEBER, Joachim. *Monetäre Mindestsicherungsleistungen in der Bundesrepublik Deutschland: Bastardsanalyse, Konzeptionen und Folgewirkungen*, Frankfurt am Main, London & Bern: Peter Lang (Postfach 277, CH-3000 Bern, Switzerland), "Europäische Hochschulschriften Vol. 1125, 311p., ISBN 3-631-43004-3, SF 91.00. A well documented doctoral dissertation on minimum income provisions in the German Federal Republic: current situation, reform proposals and likely consequences of the various systems. After the preliminaries and a detailed overview of the complex set of institutions that contribute to guaranteeing a minimum

income, Chapter 7 offers a useful survey of basic insurance, basic pension, negative income tax and basic income proposals made by West German political parties, Trade Unions and academics. Among foreign contributions to the debate, only those translated into German (such as those by André Gorz or the Collectif Charles Fourier) are briefly discussed. Chapter 6 contains a very sketchy analysis of the differential effects of various income support schemes on capital and labour supply, income distribution and effective demand, and the book ends with modestly inconclusive remarks.

(Author's address: Institut für Konjunktur, Wachstum und Verteilung, Fachbereich Wirtschaftswissenschaften, J.W. Goethe-Universität, Postfach 1119, D-6000 Frankfurt-a-M 11.)

ZÜHLKE-ROBINET, Klaus. "Gewerkschaften zwischen Kollektivinteressen und Individualinteressen - Soziale Grundsicherung als Voraussetzung gewerkschaftlicher Handlungsfähigkeit", in *Zeitschrift für Sozialreform* 37 (2), 1991, 115-130.

Can Trade Unions be interested in a guaranteed minimum income, and in particular in a basic income? The author distinguishes the individual self-interest of waged workers and the institutional self-interest of their organizations in connection with basic security. Weakening the mechanism of the industrial reserve army by means of a basic income is one possible way of pursuing the self-interest of the Trade Unions. But it is not the only one. Consequently, basic income being in the self-interest of Trade Unions can provide no guarantee for its feasibility.

(Author's address: Gilbertstraße 18, D-2000 Hamburg 50.)

ZÜHLKE-ROBINET, Klaus. "Sozialpolitik und die Krise des Sozialstaats", in Österreichische Zeitschrift für Soziologie 16 (1), 1991, 92-102.

A useful overview of new German and Austrian books in the field of social policy,

including some dealing with guaranteed minimum income schemes and basic income.

(Author's address: see above.)

ITALIAN

Reddito minimo vitale in un sistema di sicurezza sociale, Supplemento a *L'Assistenza Sociale. Problemi della sicurezza sociale e del lavoro* (INCA-CGIL, Via Giovanni Paisiello 43, Roma) 44 (2) Marzo-Aprile 1990, 61p.

A carefully produced dossier on guaranteed minimum income and basic income, published as a supplement to one of the journals of the CGIL (second only to the Dutch Voedingsbond FNV in fostering the debate on basic income in Trade Union circles). The editorial stresses that it is high time for Unions to go beyond defensive thinking and to consider seriously whether and how to introduce first a "guaranteed minimum wage" (understood as a minimum income guaranteed to all those available for work, whether or not they have been previously employed) and next a "citizenship income" (understood as a minimum income paid to all unconditionally). The mounting social costs of sticking to a welfare state based on workers' rights make it urgent to have a close look at the economic costs (if any) of moving towards a welfare state based on citizens' rights. The editorial is followed by

a survey of existing European schemes by Paolo Negro, a roundtable discussion involving both academics (Capecchi, Brunetta, Paci, Pugliese) and prominent figures from or close to the Trade Union movement (Cazzola, Giovannini, Bassolino, Morley-Fletcher), an interview with CGIL Secretary Bruno Trentin, a note on the CGIL women's proposal of a (means-tested) "cheque for caring work", and extracts from the CGIL's "Materials for a fundamental programme", that express a commitment to the gradual introduction of something like the French RMI, while insisting on the right to work.

ROEBROEK, Joop M. & HOGENBOOM, Erik. "Un reddito che fa discutere", in *Rassegna Sindacale* 37 (2), 21.1.1991, 60-65. An Italian translation of the synopsis of Roebroek & Hogenboom's thorough survey of the European discussion on basic income (see *BI* 8: 6) in the weekly magazine of Italy's leading Trade Union Federation (CGIL). An English version was previously published in the *BIRG Bulletin* n°10.

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WHAT IS BIEN?

The Basic Income European Network was founded in September 1986 to serve as a link between individuals and groups committed to, or interested in, basic income, i.e. an income unconditionally granted to all on an individual basis, without means test or work requirement, and to foster informed discussion on this topic throughout Europe.

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