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# **BIEN** The Basic Income European Network

BIEN was founded in 1986 and aims to serve as a link between individuals and groups committed to or interested in basic income, and to foster informed discussion on this topic throughout Europe.

Link to BIEN Online at <http://www.basicincome.org>

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## **NewsFlash N°2**

**MARCH 2000**

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BIEN's *NewsFlash* contains up-to-date information on recent events and publications related to BIEN or basic income more generally. The *NewsFlash* is mailed electronically every two months to over 800 subscribers throughout Europe and beyond, and simultaneously made available for consultation or download at [BIEN Online](#). Requests for [free subscription](#) or [items for inclusion or review](#) in future *NewsFlashes* are to be sent to BIEN's secretariat: Philippe Van Parijs, 17 rue de Pavie, 1000 Brussels, Belgium, E-mail: [bien@etes.ucl.ac.be](mailto:bien@etes.ucl.ac.be).

This *NewsFlash* has been prepared with the help of Paul-Marie Boulanger, John Cunliffe, Manuel Franzmann, Laurent Geffroy, Gabi Grün, Laurence Jacquet, Manos Matsaganis, Eduardo Suplicy, Yannick Vanderborght and Benjamin Van Parys.

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### **1. BIEN'S 8TH CONGRESS (BERLIN, 6-7 OCTOBER 2000)**

The preparation of our Congress is proceeding according to schedule. The Wissenschaftszentrum Berlin will host the event; various foundations have confirmed their financial support and the Berlin government will invite all participants to a reception.

*Workshop contributions: last call for paper proposals*

Workshop topics will include the (partial) funding of basic income by money creation (with Prof. Joseph Huber), the funding of a basic income by energy, land and Tobin taxes (with Dr Paul Metz) and the promotion of basic income by single-issue parties (with Roland Duchatelet, founder of "Vivant"). Many other paper proposals have reached the organisers. This is your last opportunity to send one in. Proposals (title + abstract) should reach the organiser (Prof. Claus Offe, [bien@rz.hu-Berlin.de](mailto:bien@rz.hu-Berlin.de)) by March 31st or very shortly after. They

are particularly welcome in the following four areas : (i) "Legitimizing Non-Market work" (ii) "Life time flexibility and income security" (iii) "Citizenship rights, responsibility, and paternalism" (iv) "Basic income and social cohesion in an integrating Europe"

#### Registration:

The deadline for registration is July 15th, but there is discount for early registration. The conference fee (excluding accommodation) is as follows:

- Regular fee: Euro 80 (70 before July 1st)
- Reduced fee for Life members of BIEN: Euro 60 (50 before July 1st)
- Central & East Europeans: Euro 50 (40 before July 1st)
- Combined fee with life membership of BIEN : Euro 160 (150 before July 1st)
- Combined fee with membership of BIEN for 2001-02: Euro 90 (80 before July 1st)

A registration form and further information (including about cheap accommodation) are available from BIEN's web site: <http://www.etes.ucl.ac.be/BIEN/bien.html> or from the conference organiser, Prof. Claus Offe ([bien@rz.hu-Berlin.de](mailto:bien@rz.hu-Berlin.de)).

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## 2. OTHER EVENTS

*VIENNA (AT), 20 May 2000, symposium on "Guaranteed Basic Income"*

A symposium on Guaranteed Basic Income will take place on 20 May 2000 at the Viennese "Institut für Wissenschaft und Kunst" (IWK). Speakers will include Georg Vobruba, Lieselotte Wohlgenannt, Bernhard Achitz, Karl Althaler, Wolfgang Kier, Barbara Grün, Alice Pechriggl and Manfred Füllsack. The organiser is Karl Reitter. The Symposium will be covered in two radio programmes and the Austrian economic journal *Zeitschrift für Gemeinwirtschaft* will publish the papers in a special issue. For further information, contact Karl Reitter at [karl.reitter@univie.ac.at](mailto:karl.reitter@univie.ac.at).

*BRUSSELS (BE), 19 June 2000, Conference on "From Employment to Participation."*

A conference organised by the King Baudouin Foundation, with the collaboration of the Centrum voor sociaal beleid (Antwerp) and the Chaire Hoover d'éthique économique et sociale (Louvain-la-Neuve) in order to explore and discuss two ways of broadening the project of an "active social state": a reshaping of unemployment insurance into "participation insurance" (as suggested in *Travail et non-travail. Vers la pleine participation*, Brussels: De Boeck Université, 1999, 140p, a report for the King Baudouin Foundation coordinated by Luc Soete, professor of economics at the University of Maastricht) and Anthony Atkinson's "participation income" (a basic income subjected to a broad condition of social contribution). Speakers will include Laurette Onkelinx, federal Minister for Employment, and Frank Vandebroucke, federal Minister for Social Affairs. For further information, contact Anne-Françoise Genel, Fondation Roi Baudouin at [GENEL.A@Kbs-frb.be](mailto:GENEL.A@Kbs-frb.be).

*LONDON (UK), 7-10 July 2000, 12th Annual Conference of the Society for the Advancement of Socio-Economics: "Citizenship and Exclusion"*

For further details, contact the local organiser: Prof. David Marsden, LES, Houghton Street, London WC2A 2AER at [d.marsden@lse.ac.uk](mailto:d.marsden@lse.ac.uk).

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## 3. BITS OF NEWS

### AUSTRIA

Does the "blue-black" government propose a "citizen's income"? Yes it does. Which would no doubt be both astonishing and embarrassing if the "Bürgergeld" (or "citizen's income") it advocates in its programme were not rather different from what is usually meant under

that label (namely a universal basic income, or at least its negative income tax variant) One section of the coalition agreement between Chancellor Schüssel's *People's Party* (ÖVP) and Jörg Haider's *Freedom Party* (FPÖ) is devoted to what should be done about the long-term unemployed. In order to "activate their personal capacities and integrate them into a meaningful labour process", it states, "the long-term unemployed must be obliged to accept suitable work in the social, environmental or monument-conservation areas, in which case they will be granted a bonus by way of citizen's income (Bürgergeld), in addition to the unemployment benefit or social assistance." In the case of social assistance, this bonus can reach up to 20% of the standard rate, thereby bringing it up to 650 Euro per month for a single person. "The sanctions currently in place when one turns down the job one is offered keep applying and must be extended to this community work. " This proposal does not appear in the FPÖ's programme, but it did feature under the same name in the conservative party's manifesto for the 1999 election, also combined with "non-marketable community work" for those physically and psychologically fit, and it was developed by Andreas Kohl, the ÖVP's parliamentary fraction leader in a recent book (*Mein politisches Credo. Aufbruch zur Zivilgesellschaft*, Moldenverlag, Wien, 1998). Thus understood as a mean compensation for the performance of compulsory toil by the poor, "citizen's income" has little to do with the instrument for universal emancipation from unchosen toil which most of those using the same expression want it to be. How weird! Not completely out of the blue, though. In a recent book (*Schöne neue Arbeitswelt. Vision: Weltbürgerschaft*. Frankfurt: Campus, 1999, p.133), the famous Munich sociologist Ulrich Beck, argues that every man and woman who so wishes must be able to get access to at least a part-time paid job, but also to perform civic work ("Bürgerarbeit") and get social recognition in this way too through the payment of a citizen's income ("Bürgergeld") at a level no lower than current levels of social assistance and unemployment benefit. To be fair, there is a noteworthy difference between optional and compulsory civic work. But Beck's deviant use of the expression makes the right-wing Austrian government's misuse of it less perplexing. For further information, contact Gabi Grün, student at the University of Vienna, at [a8904988@unet.univie.ac.at](mailto:a8904988@unet.univie.ac.at).

#### BRAZIL

Senator Suplicy launches a Brazilian section of "BIEN" The 2nd National Congress of the Workers' Party (PT), Brazil's main opposition party, held in Belo Horizonte in November 1999 approved a *Democratic Revolution Program to Build a Solidary, Just and Free Brazil*, which contains as part of its item 24 the following passage, phrased by Senator Eduardo Suplicy (Sao Paulo) and unanimously approved: " All Brazilians will be guaranteed a Citizen's Income that will allow them to attend their vital needs, to secure the education of their children through "Bolsa-Escola" (school grant) programmes , and to assure the greatest degree of freedom to all." During the Second Semester of 1999, the Brazilian National Congress set up a Special Commission to Study Social Inequalities and Proposals for Eradicating Poverty. In December 1999, the Commission unanimously approved the following conclusion: "that the Brazilian government should endeavour, in the relevant multilateral forums, to bring about international mechanisms, such as the James Tobin Tax on International Financial Transactions, so as to guarantee, in all nations, the establishment of a basic income as a citizen's right to all inhabitants of the Earth." (The full report was published as *Comissão mista especial destinada a estudar as causas estruturais e conjunturais das desigualdades sociais e apresentar soluções legislativas para erradicar a pobreza e marginalização e reduzir as desigualdades sociais e regionais, Relatório final*, Brasília: Congresso Nacional, 1999, 130p.) Senator Suplicy, who has been actively promoting a guaranteed minimum income proposal for Brazil for over ten years, is setting up a Brazilian section of "BIEN", reinterpreted as a *Basic Income Earth Network*, in order to support these initiatives as well as the many local experiments that have sprung up throughout Brazil in recent years. All those interested are invited to contact him at [esuplicy@senador.senado.gov.br](mailto:esuplicy@senador.senado.gov.br), or Praça dos Três Poderes, Senado Federal - Edifício Principal - Térreo, Brasília - DF , CEP: 70.165-900, Telefones: (0XX61) 311-3213/15/17.

#### FRANCE

For the first time, an official report discusses (and rejects) basic income. In a long article, the French daily *Le Monde* announced (29 February 2000) the imminent publication of an important report on social protection in France prepared for Prime Minister Jospin under the aegis of the Commissariat Général du Plan by a commission chaired by

Jean-Michel Belorgey, member of the constitutional court, former socialist member of parliament and one of the fathers of the French guaranteed minimum income (RMI). After a critical analysis of the current system, the report focuses on various alternatives. It strongly favours the implementation of a "mobility insurance" for the young (each individual under 25, who is currently not entitled to the RMI, should be guaranteed an access to a job or training), which it prefers over the extension of the RMI to the young, as advocated by the greens and the young socialists. It displays some sympathy for Roger Godino's "allocation compensatrice de revenu" (a household-based negative income tax). For the first time at this level, it also explicitly discusses the idea of an unconditional basic income ("allocation universelle" or "revenu d'existence"). The Belorgey Report rejects it firmly, however, on the ground that there is no reason to expect "the end of work" and that "work brings more freedom than alienation". A basic income could not be a substitute for work as an instrument of emancipation. Though less stigmatising than current provisions, it would remain a "source of discrimination". As our societies are based on formal work, the choice to live on the sole basis of her/his basic income would not be socially accepted. Moreover, a universal basic income is economically meaningless as soon as its funding is considered. Means-testing has clear disadvantages, the report concedes, but this "must not lead us to prefer an undifferentiated treatment of people at the expense of their specific needs".

#### PORTUGAL

The guaranteed minimum income under scrutiny. Within the framework of its presidency of the EU, Portugal's Ministry of labour and solidarity has been organising two major international events on the future of European social policy: a seminar in the Algarve on 1-2 February and a conference in Lisbon on 5-6 May. The seminar provided a useful opportunity to put the guaranteed income scheme recently introduced in Portugal into a wider perspective, including the prospect of gradually moving to a universal basic income (see Ivone Gravato's interview with Philippe Van Parijs, "Dar aos pobres e aos ricos", in the daily newspaper *Diário de Notícias*, 21 February 2000). First among the four Southern EU member states, Portugal's parliament adopted a national guaranteed minimum income scheme in June 1996, somewhat modified by a government decree in July 1997. (Each of Spain's seventeen provinces now has its own scheme too, with highly variable levels and conditions, but there is nothing at the national level.) Portugal's scheme was strongly inspired by the French "revenu minimum d'insertion". But compared to the schemes that exist elsewhere in Europe, it stands out in three respects. First, its level is particularly low: just over Euro 100 per month per adult, i.e. less than a third of Portugal's minimum wage. Secondly, it is more strictly individual than all existing schemes, in the sense that each of the two members of a couple is entitled to the same amount as a single person. (A third adult, however, is entitled to only 70%.) Thirdly, the scheme is of the standard "make-up" type (with income from other sources supplemented up to the guaranteed income level), but with two qualifications. First, only 50% of earned income is taken into account when applying the income test during the first year, which is pretty similar to existing schemes elsewhere in Europe. Second, only 80% of earned income is taken into account beyond the first year, which means that the effective tax rate on the lowest earnings remains permanently at 80%, rather than 100% in standard schemes. The last two features make the Portuguese scheme somewhat closer to an (individual and non-means-tested) basic income than other European schemes. In February 2000, however, the body in charge of financial control (Tribunal de Contas) criticised the scheme on the ground that it was fostering dependency and advocated a five-year time limit on benefits, which the people in charge of the scheme find nonsensical. For further information, contact Pedro Adão Silva at [psilva@mts.gov.pt](mailto:psilva@mts.gov.pt) or Noemia Bandeira, Ministério do Trabalho e da Solidariedade, Instituto para o Desenvolvimento Social, Rua Castilho 5-3º, 1250-066 Lisbon, Telephone 351.21.3184900, Fax 351.21.3184953, at [noemia.bandeira@Seg-social.pt](mailto:noemia.bandeira@Seg-social.pt).

#### UNITED KINGDOM

In a report published under the title "Ownership for All" by the *Institute for Public Policy Research* (London, January 2000, 27p.), a think tank closely linked to the UK's Labour Party, senior research fellow Gavin Kelly and researcher Rachel Lissauer explore and defend the idea of a basic endowment for every British child. To counter growing inequality in asset ownership, every child should be given an initial lump sum of about 1500 Euro at birth by the government. In addition, the government would match any further, private investment in the fund according to a means-tested sliding scale. For a family on very low

income, the government would contribute a further 3 Pounds for every Pound invested from other sources. This ratio would taper down to a point where the level of income would disqualify the child from any matched investment. The money in this "opportunity fund" could be spent on education, training, starting a business or buying a house. To prevent abuse, payments from the fund - at age 18 or above - could be made direct to mortgage companies or universities, or made in the form of vouchers, or closely monitored in cases where the cash was being used for a business start-up. According to Gavin Kelly, quoted in the Guardian, "Opportunity funds have the potential to become one of those rare creatures in British public life - a policy which is both highly progressive and intrinsically populist." Review by David Brindle in *The Guardian*, Monday February 14, 2000. IPPR's web site: [http:// www.ippr.org.uk](http://www.ippr.org.uk). E-mail: [postmaster@ippr.org.uk](mailto:postmaster@ippr.org.uk).

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#### 4. PUBLICATIONS

##### DUTCH

BARREZ, Dirk. "Tien frank per dag voor iedereen" [Ten franks a day for everyone.], *De Morgen* (Brussels), 22.12.1999. Author: Kroonstraat 83, B-3020 Herent, België, e-mail: [dirk.barrezvanhoof@pi.be](mailto:dirk.barrezvanhoof@pi.be)

In this short piece published in the main Flemish progressive daily, VRT television journalist Barrez defends the idea of a world basic income of one quarter of a Euro per day. This is a lot, he argues, if you think that the average Indian earns three quarters of a Euro per day. At the same time, it is little, since one quarter of a Euro for everyone on Earth would amount to no more than 2% of world income. Must we give it to the rich too? Yes, we must, as a constant reminder of how little many people have to survive with. If the measure would cost so little and mean such a lot, we should definitely aim for it. A worthwhile objective for the United Nations, Barrez claims, as a powerful alternative to countless pointless development programs.

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##### ENGLISH

GOUVEIA, Miguel & FARINHA RODIGUES, Carlos "The impact of a Minimum Guaranteed Income Program in Portugal", available at <http://pascal.iseg.utl.pt/~depteco/wpapers/wp31999.pdf>.

Portugal introduced a low but comprehensive Minimum Guaranteed Income Program (RMIG) in 1996. What has been its impact on the distribution of household incomes and poverty? Assuming no behavioural responses to the transfer mechanism, a simulation shows that 4,8% of domestic households and 5,7% of the population are eligible to receive the RMIG. Assuming full take up by those eligible, the RMIG can be shown to have a small but positive impact in reducing inequality and poverty, both among households and among individuals. However, taking labour supply effects into account results in a smaller gain in the extent of inequality and in the number of poor individuals. However the most important consequence of the RMIG is a sharp decrease in the severity of poverty among the poor, including when labour supply incentives are taken into account.

HOWELL, Graham. "Crusoe meets Friday as a Fellow Citizen" in *Victoria Economic Commentaries* (Victoria University at Wellington (NZ), Economics Department), 1999. [howellgrah@scs.vuw.ac.nz](mailto:howellgrah@scs.vuw.ac.nz)

Within the framework of a simple two-person multi-period economic model, the article (written by an economics student) shows that the traditional wage/charity system is flawed, in that neither person can survive in the long term. However, if the "unimproved" production from their island is shared evenly and if any additional production from innovation belongs to innovator, both persons survive and become wealthier.

LERNER, Sally, CLARK, Charles M.A. & NEEDHAM, W. Robert. 1999. *Basic Income: Economic security for all Canadians*, Toronto: Between the Lines Press (720 Bathurst St. #404. Toronto, ON Canada M5S 2R4, fax (416) 535-1484, [www.btlbooks.com](http://www.btlbooks.com)), 112 pp., \$14.95, ISBN 1-896357-31-8. First author's address: [lerner@watserv1.uwaterloo.ca](mailto:lerner@watserv1.uwaterloo.ca)

A highly readable and didactic presentation of and plea for a basic income in the Canadian context. Two chapters present the main general arguments for basic income. Two chapters argue that basic income is particularly called for in the present Canadian situation. And the final chapter explores in detail a precise proposal, its cost and expected impact. The second half of the book consists of additional readings by David Korten, Kit Sims Taylor, Rod Dobell, James Robertson and Guy Standing.

PECK, Jamie and NIKOLAS, Theodore, "'Work First': Workfare and the Regulation of Contingent Labour Markets", *Cambridge Journal of Economics* 24/1, January 2000, pp. 119-138.

A critical review of UK and US welfare-to-work strategies, stressing their implications for changing forms of labour regulation. The "work first" policy orientation forcefully redistributes the risks and burdens of job-market instability from the state to unemployed individuals, the solution to whose "welfare dependency" is presented in terms of a one-way transition into (low) waged work. The resulting destabilisation of the welfare state via work-activation measures creates a forced labour supply for contingent jobs.

ROWE, Nicholas & WOOLLEY, Frances. "The efficiency case for universality", in: *Canadian Journal of Economics*, 32(3), May 1999, pp. 613-629.

The article presents a technical argument, based on the optimal tax literature, to the effect that non-means-tested transfers to people with special needs (e.g. suffering from specific handicaps) are more efficient than means-tested transfers. The core of the argument is as follows. The means-testing of such transfers implies that those with special needs (the short-sighted, for example) will face higher effective marginal rates of taxation than those without such needs (because of the withdrawal of their benefit as their income grows). But unequal marginal tax rates are only efficient, in the sense of minimising the deadweight loss from taxation, if they match different elasticities: efficiency requires that the less responsive should be taxed at a higher rate. But there is no general reason to expect those with special needs to have a less elastic labour supply than others, and no general reason, therefore, to depart from universality, understood as the requirement that agents with the same market income should face the same marginal rate of income tax, regardless of other attributes. The argument does not directly expand into a case for a universal basic income over a means-tested guaranteed income, but it does apply to child benefit, and basic income supporters may find it instructive.

WHITE, Stuart. "The Egalitarian Earning Subsidy Scheme", *British Journal for Political Science* 29, 1999, 601-622. Author's: [stuart.white@jesus.ox.ac.uk](mailto:stuart.white@jesus.ox.ac.uk)

Using the income tax to fund a substantial universal basic income is one way of reducing inequalities between people with higher and lower earning powers. Introducing a battery of lump-sum taxes and subsidies closely correlated with people's earning powers is another. These two redistributive set ups are often perceived as having the fatal disadvantage of being, respectively, too soft and too hard on potential high earners with little taste for work. A basic income indulges the highly productive surfers, while lump-sum taxation enslaves them. In this lucid article, the Oxford political theorist Stuart White explores a third option which seems to avoid both defects. The egalitarian tax-and-subsidy scheme he considers consists in taxing or subsidising earnings in such a way that the hourly net wage rates achievable by each person are equal, irrespective of their gross earning power. At whatever level of effort, the impact of earning power on income is thus fully neutralised, while the impact of work effort is fully preserved. This is a *prima facie* attractive proposal whose relevance for policy is worth scrutinising. However, its informational requirements (how can one measure a person's true earning power or, more difficult still, the part of it that she does not owe to her past efforts?) and the danger it represents for the self-respect of the subsidised (how good does one feel when one's capacities are assessed and given a pathetic score?) makes White very cautious about inferring any policy recommendation.

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## FRENCH

BOURGUIGNON, François. 1998. *Fiscalité et redistribution*, Paris: La Documentation française, with comments by Tony Atkinson and Guy Laroque and appendices by Laurent Cassat, Sylvie Hel-Telie and Bernard Salanié, 100p., 35 FF. [bourguignon@delta.ens.fr](mailto:bourguignon@delta.ens.fr)

Bourguignon's analysis of the French redistributive system focuses on non-contributory benefits and personal taxation. On the basis of an original comparison between European countries (France, Germany, Belgium, Ireland, Italy and the United Kingdom), he shows that France's effective marginal rates of tax are comparatively high at the two ends of the distribution of income and that the redistributive performance of France are lower. The means-tested minimum income (RMI), housing subsidies and family allowances create poverty traps at the lower end. At the higher end, high marginal rates result from the steep progressive increase in income taxation. To increase redistribution, one may wish either to target non-contributory benefits more narrowly on the poor, or to strengthen the progressivity of taxation. But this would worsen the distortionary effects on incentives. Bourguignon suggests that from the standpoint of both efficiency and equity, a household-based negative income taxation, coupled to a proportional tax, is worth considering.

BOURGUIGNON, François & BUREAU, Dominique. *L'Architecture des prélèvements en France: Etat des lieux et voies de réforme*. Paris: La Documentation française, 1999, 142p., FF 35, [bourguignon@delta.ens.fr](mailto:bourguignon@delta.ens.fr).

A remarkably clear, yet theoretically sophisticated, presentation of France's current tax-and-transfer system and of its problems, followed by a sketch of the direction reform should take. Bourguignon is one of France's most respected economists and a member of Jospin's council of economic advisers, while Bureau is on the staff of this council. Two priorities emerge from the report, both at the lower end of the earnings scale: a reduction of the cost of low-skilled work through lower social security contributions, and an enhancement of financial incentives for the low-skilled by allowing people to keep more of their benefits as their earnings increase. In the context of their discussion of the latter objective, the authors examine sympathetically Roger Godino's proposal of an "allocation compensatrice de revenu", which they present as an intermediate measure between the current RMI (which generates 100% effective rates of taxation or more in the lower range) and a (linear) negative income tax. Under Godino's scheme, the effective rate of taxation in the wage range between the level of the minimum income (RMI) and the level of the minimum wage (SMIC) would remain above the standard rate in the higher range, but well below its current prohibitive level. The report is followed by comments by Jean-Paul Fitoussi and Gérard Maarek.

FRIEDMAN, Yona. 2000. *Utopies réalisables* (2e édition), Editions de l'Eclat, 89120 Les Coiffards.

This second edition of a book initially published in 1974 (Paris: Collection 10/18) by the French architect Yona Friedman (born in Hungary in 1923, author of "Pour une architecture scientifique", 1971; "Alternatives énergétiques", 1980; "L'univers erratique", 1994) contains a new chapter with the following blueprint for a "social capitalism": a strictly individual and unconditional basic income for each citizen at 20% of GDP per capita, funded by a tax on all electronic payments (including deposits) of 1.5% (paper money is abolished, and no coin is worth more than 10 Euros) and coupled with a privatisation of all public services (education, health, etc.) except the judiciary and the police.

HEIDSIECK, Emmanuelle & BRESSON, Yoland. *Bonne année! Manifeste pour un revenu d'existence*. Editions du Toit (48bis rue Bobillot, F-75013 Paris), 1999, 124p., 85 FF, ISBN 2-9139-16-00-7. [Yoland.Bresson@wanadoo.fr](mailto:Yoland.Bresson@wanadoo.fr)

This original introduction to basic income is formed by two short stories ("Bonne année!" and "Plan social") by journalist Emmanuelle Heidsieck, specialised in social issues, followed by an extensive interview with Yoland Bresson (economist and chairman of the Association pour l'introduction d'un revenu d'existence). Unavoidably less organised than a textbook, but an easy read, and some illuminating images. For example: "I think of today's society as a fortress.", says Bresson (p.107), "Those with a job are inside and throw crumbs at those outside. For the advocates of working time reduction, the insiders have to huddle together to make room. In my view, one must instead make breaches in the walls of the fortress in such a way that one can enter and exit in a fluid way, which is what a basic income makes possible. Yet, both approaches are compatible: the introduction of a basic income can conceivably compensate the income loss generated by working time reduction."

LEROUX, Alain. *Une société à vivre. Refonder le personnalisme*. Paris: Presses universitaires de France, 1999, 250p. [alain.leroux@VMESA12.U-3MRS.FR](mailto:alain.leroux@VMESA12.U-3MRS.FR)

Personalism is a stream of thought that developed in France as from the 1930s under the leadership of Emmanuel Mounier, a left-Christian thinker and founder of the influential monthly *Esprit*. In this footnote-less and reference-free book, economist Alain Leroux presents and defends his own version of a "personalist" conception of society. At its very end, he briefly discusses "the most spectacular transfer of resources that was ever conceived, even if it is not (yet?) on the political agenda: the universal basic income (allocation universelle)". According to Leroux, basic income's "rigorously egalitarian principles satisfies both liberalism and socialism, each of which justifies it in its own way". From a personalist perspective, however, this strict equality is not very appealing, as differentiation is required to fit the needs of different persons. Even in a personalist society, however, the idea of a universal basic income is usable providing it is turned into a "personal basic income" ("allocation personnelle"). Instead of receiving the basic income directly, each individual must freely indicate to which "mutuality" the government should transfer his/her basic income. A mutuality is an association whose sole purpose is to redistribute the funds thus acquired among its members, according to its own conception of what is fair. It could redistribute them in an equal and unconditional way. It could also differentiate the grants according to income or age, or restrict them to those willing to perform some voluntary work, or to workers and job seekers. Free entry and free exit would be guaranteed. What sort of mutualities would emerge? How far would the distribution of personal basic incomes differ from the distribution of universal basic incomes? An intriguing question for personalists and economic equilibrium theorists alike.

SOULET, Marc-Henry. *Le travail, nouvelle question sociale*. Fribourg (Suisse): Editions universitaires, 1999, ISBN 2-8271-0828-3, 394p. Editor's address: Université de Fribourg, Chaire de travail social, [Doris.Gehring@unifr.ch](mailto:Doris.Gehring@unifr.ch)

This collection of lectures given within the framework of Fribourg University's Chair of social work focuses on the changing place of work and its connection with the future of social policy. Even in the French-speaking world, it has become impossible to treat this topic without facing the proposal of an unconditional basic income. The editor himself, a sympathetic critic of basic income, devotes several pages to it in his extensive introduction ("Le travail aujourd'hui: enjeu public de redistribution, enjeu social de répartition", pp. 11-37), and two other chapters vigorously defend it. Philippe Van Parijs's "L'allocation universelle et les deux dilemmes de l'Etat-providence" (pp. 271-278) is a (less than perfect) translation of a paper previously published in English (in the *Political Quarterly* 67, 1996). Jean-Marc Ferry's "Pour un revenu primaire inconditionnel" (pp. 279-304) is a more comprehensive restatement of his stance on basic income in response to a number of criticisms.

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#### GERMAN

OEVERMANN, Ulrich. "Die Krise der Arbeitsgesellschaft und das Bewährungsproblem des modernen Subjekts", 1999, unpublished, available from <http://www.rz.uni-frankfurt.de/~hermeneu/Arbeit-Bewdhrung-1999.rtf> or [Oevermann@soz.uni-frankfurt.de](mailto:Oevermann@soz.uni-frankfurt.de)

In this lecture held in 1999 for the Studienstiftung des deutschen Volkes, the Frankfurt sociologist Ulrich Oevermann develops his diagnosis of the crisis of the work society which he sketched in earlier publications (e.g. "Ethische Verantwortung - Beschäftigung - Globalisierung", *Unternehmen und Gesellschaft* 2, 1998, 14-20). The solution, he argues, lies in an analytical and practical partition of the right to work into right to an income and a right to self-realisation (also outside the employment sphere). He discusses the reasons for the resistance to the idea of an unconditional basic income, which would fit this perspective, and rejects the objection that a basic income would drive many into laziness and threaten social cohesion.

PIOCH, Roswitha. "Zwischen Reziprozität und universeller Teilhabe - der normative Handlungszusammenhang von Beschäftigungs- und Sozialpolitik", in *Zeitschrift für Sozialreform* 45 (11/12), November-December 1999, 970-982. [pioch@mpi-fg-koeln.mpg.de](mailto:pioch@mpi-fg-koeln.mpg.de)

Why are the prospects for moves towards a basic income so much brighter in the Netherlands than in Germany? Because of the mutually reinforcing effects of an institutional structure that expresses a universal form of solidarity and of a representation of social justice that privileges universal access over reciprocity. So at least, Roswitha Pioch argues in this article largely based on interviews with social policy experts in both countries.

SCHLOTHFELDT, Stephan. *Erwerbsarbeitslosigkeit als sozialetisches Problem*. Freiburg/München: Alber, 1999, 196p. Author's address: Humboldt Universität, Fachbereich Soziologie, [schlothfeld@rz.hu-berlin.de](mailto:schlothfeld@rz.hu-berlin.de)

Based on a doctoral dissertation supervised by Prof. Dieter Birnbacher (Dusseldorf), this is a systematic account of the ethical issues raised by involuntary unemployment. The last chapter looks at policy implications and briefly discusses basic income as a desirable, indeed indispensable component of the policy package required to give the right to work its due. The author firmly rejects André Gorz's idea (before his recent "conversion") of coupling the right to the basic income to the performance of some work service. Instead of questioning the central role of employment, this would further strengthen it (pp. 180-182).

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#### GREEK

MATSAGANIS, Manos. 1999. "Prostasia tôn camelôn eisodematôn kai pagida ten tôceian" ("Support of low incomes and the poverty trap"), in *Epiqeôrese Koinônîkôn Ereunôn* (Greek Review of Social Research) 100, 65-78. Author's address: Department of Economics, University of Thessaly, Argonauton & Philellinon, Volos 38221, Greece, [manos@uth.gr](mailto:manos@uth.gr).

In Greece, as elsewhere in Europe, a consensus seems to be taking shape among policy makers and policy analysts as to the superiority of selective over universal benefits. Instead of spreading scarce resources thinly, it seems wise to target benefits to the most needy. Written by an economic adviser to the Greek Prime Minister, this article argues that this line of reasoning is too simple and ignores international experience showing that universal benefits have in fact been more effective as policy instruments to combat poverty and support low incomes. In addition to low rates of take up and stigma problems, selective benefits can give rise to poverty traps: as individuals work harder, their

total income may increase very little or not at all if their benefit entitlements are at the same time cut back. The paper analyses the implications of selective benefits for work disincentives using as a test case the minimum income guarantee. It then shows that the corresponding universal benefit, the basic income, preserves work incentives albeit at the cost of higher overall tax rates. Moreover, it demonstrates how a negative income tax might offer a middle way: planned and relatively low withdrawal rates for those on benefits, coupled with less than punitive tax rates for the rest of the population. Although a generalised negative income tax system exists nowhere, the paper reviews recent experience with in-work benefits that may be seen as a partial case of negative income tax. In particular, the US Earned Income Tax Credit and the British Working Families Tax Credit are analysed for the significant insights they provide on the problem of designing income support policies that are affordable but preserve work incentives. The quest for positive sum solutions to the issues raised by welfare reform goes well beyond a simplistic presumption that selective benefits are always superior, and may well include the recognition that some universal benefits, for instance family benefits, are both equitable and efficient.

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### ITALIAN

FUMAGALLI, Andrea & LAZZAROTTO, Maurizio eds. 1999. *Tutte bianche. Disoccupazione di massa e reddito di cittadinanza* [White overalls. Mass unemployment and citizen's income]. Roma: Derive Approdi (Via Carlo Alberto 10, 00185 Roma, [derive.approdi@mbx1.flashnet.it](mailto:derive.approdi@mbx1.flashnet.it), 192p., ISBN 88-87423-06-7, LIT 20.000. First author's address: Dipartimento di Economia Politica, Università di Pavia, I-27100 Pavia, Italia, [afuma@eco.unipv.it](mailto:afuma@eco.unipv.it)

The first part of this collective volume contains a number of pleas for a universal outcome by various authors from the Italian Left (chapters by Andrea Fumagalli on the main objections against a citizen's income, Cristina Morini on basic income and women, Giuseppe Bronzini on various misuses of the expression "citizen's income", Yuri Biondi and Antonio Casilli on a basic income funded by money creation, Angelo Zaccaria on basic income and self-management, and "Robin" on the Roman unemployed movement "Tute bianche" (white overalls), which suggested the title of the book), while the second part contains a number of French contributions dating back to the Winter of 97-98, when the movement of the unemployed publicized the idea of an unconditional guaranteed income (interviews with Laurent Guilloteau and Jeanne Revel, leaders of the association AC!, and with André Gorz, articles by Yann Moulrier Boutang and Alain Lipietz, both prominent economists in the French Green Party, a short piece by Patrick Dieuaide and Carlo Vercellone on the history of the idea, and a note by Maurizio Lazzarato on basic income and the unemployed struggles). The volume also contains a very useful 10-page annotated bibliography of books and articles on basic income published in Italian.

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### PORTUGUESE

SUPLICY, Eduardo Matarazzo ed. *Renda mínima. Discussões e experiências*, Brasília, 1999, 180p. Editor's address: [esuplicy@senador.senado.gov.br](mailto:esuplicy@senador.senado.gov.br), or Praça dos Três Poderes, Senado Federal - Edifício Principal - Térreo, Brasília - DF

These are the full proceedings of a major conference on minimum income schemes organised in Brasília on 11-12 August 1998 by the Inter-American Parliamentary Group on Population and Development, with the participation of the mayors of various Brazilian municipalities in which minimum income experiments were taking place and of foreign specialists (including Guy Standing from Geneva, Ruben Lo Vuolo from Buenos Aires, and Artur Penedes, a member of the Portuguese Parliament who was actively involved in the setting up of Portugal's guaranteed minimum income). In his informative introduction, Senator Suplicy bemoans the rolling back of Brazil's largest minimum income experiment (in the Federal District of Brasília), as former Governor Cristovam Buarque's cash benefit scheme is being replaced, following the victory of the right-wing candidate Joaquim Roriz, by distribution in kind.

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### SPANISH

LO VUOLO, Rubén, BARBEITO, Alberto, PATASSI, Laura & RODRIGUEZ, Corina. *La pobreza... de la política contra la pobreza*. [The poverty of anti-poverty policy], Buenos Aires & Madrid: Miño y Dávila editores, 1999, 350p. "Ruben Lo Vuolo" [ciepp@arnet.com.ar](mailto:ciepp@arnet.com.ar)

This is a very substantial contribution to the debate on guaranteed income in medium-income countries. Written by a group of economists connected to the Buenos-Aires-based "Centro Interdisciplinario para el Estudio de Políticas Públicas", which has been at the forefront of the Argentinian debate for several years, it starts off documenting the poverty of Argentina's current anti-poverty policy. After a strong plea for the importance of income security and its unachievability through employment policy, it distinguishes and costs three variants of a guaranteed minimum income

scheme: (1) universal and individual, (2) universal and household-based, (3) universal and individual for dependents (children and the elderly) and means-tested for adults of working age. The net cost of the third variant is less than a third of that of the first one and less than half that of the second one. It can provide an important step forward, with a universal child benefit system as the top priority.

RAVENTOS, Daniel. El derecho a la existencia. La propuesta del Subsidio Universal Garantizado. Barcelona: Editorial Ariel Practicum, 1999, 160p. (Author's address: C/ Sicília, 101, 3-1 tf. 932.315.527, 08013 Barcelona, [ravento@eco.ub.es](mailto:ravento@eco.ub.es))

Based on a doctoral dissertation submitted in 1998 (in Catalan) at the University of Barcelona and prefaced by philosopher Antoni Domènech, this is a neatly-produced and well-documented discussion of basic income and the various ways in which it could be justified. In particular, the last chapter contains a systematic refutation of "the best and the most frequent objections" to basic income

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## 5. HISTORICAL NOTES

### *NOT EVERYONE A KING (ENGLAND, 1824)*

What's really wrong with unearned income; that not everyone has it, or that its unearned? This issue was raised in an amusing exchange on 'royal families.' between Allen Davenport (1775-1846), who played an important role in the early Chartist movement, and Richard Carlile (1790-1843), a prominent freethinker and republican activist. The exchange was published in the English radical journal *Republican* (No.13, Vol. 10, 1 October 1824, p.396) as part of a protracted debate over various schemes for land and fiscal reform. "Why should not every child that is born in the country be entitled, at its birth, to a revenue from the state, from the common farm, from the productions of the earth, as well as the child of a king?", Davenport asked. "It is quite clear, that you want to create a nation of Royal Families; and I think one too great a burthen.", Carlile replied.

Search conducted by John Cunliffe; [john.cunliffe@uce.ac.uk](mailto:john.cunliffe@uce.ac.uk) Department of Public Policy, University of Central England, Perry Barr, Birmingham B42 2SU, UK.

### *THOMAS SKIDMORE ON UNIVERSAL CASH DIVIDENDS (NEW YORK, 1829)*

In 1829, Thomas Skidmore, a machinist who was prominent in the New York Working Men's Party, produced *The Rights of Man to Property*, with the lengthy and significant subtitles, *Being A Proposition To Make It Equal Among The Adults of the Present Generation: And To Provide For its Equal Transmission To Every Individual Of Each Succeeding Generation, On Arriving At The Age Of Maturity* (Reissued, New York, Burt Franklin:1970). His scheme combined a state funded 'maintenance allowance' for children with a state funded universal capital grant for young adults. To begin with, 'All native born citizens from the period of their birth, to that of their maturity, shall receive from the state, a sum paid by monthly or other convenient instalments, equal to their full and decent maintenance, according to age and condition' (p.143). On reaching 'the age of maturity' (eighteen), each person would receive a 'dividend...in cash or, to use the credit of it, in the future purchase of other property' (pp.141-2). The funds for this dividend would come from 100% death duties on the estates of those who had died in the previous year. Neither rights nor utility justified individual bequest/inheritance; these conventional practices were based solely on legal fictions that violated entitlements to initially equal shares in natural and produced assets. Would there be 'prodigal' individuals who would 'squander' their 'patrimony' and 'reduce themselves to poverty'? Indeed, there would be, but the possible abuse of the scheme by some was no excuse for depriving either them or others of their entitlements: 'Is it of no consequence to these, that that they should have their rights? Are they not to have accorded to them, what belongs to them?'(p.219).

Search conducted by John Cunliffe [john.cunliffe@uce.ac.uk](mailto:john.cunliffe@uce.ac.uk), Department of Public Policy, University of Central England, Perry Barr, Birmingham B42 2SU, UK.

### *ORESTES BROWNSON ON EQUAL SHARES (NEW ENGLAND, 1840)*

Some ten years later, the New England liberal, and later arch-conservative, Orestes Brownson, independently proposed a similar scheme based on the abolition of "hereditary property" or "what will amount to the same thing, a plan  $\bar{S}$  by which the portion inherited by each shall be absolutely equal' ('Descent of Property', *Boston Quarterly Review*, October 1840, p.479). If the American people were committed to the principle of 'equal chances,' then they should also endorse as a corollary, 'equal starting points.' (p.495). On maturity, each person would acquire an equal share of the 'general inheritance' (p.484), that would enable all 'to stand on their own two feet' (p.480). Once more, these shares were to be funded from 100% death duties; legal fictions aside, 'the right of a man to hold and control property ceases at death (p.488).

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