RECIPIROCITY
AND THE JUSTIFICATION OF AN UNCONDITIONAL BASIC INCOME.
REPLY TO STUART WHITE


Real Freedom for All (Oxford: Clarendon Press, 1995, henceforth RFA) claims to provide a principled, first-best justification of a substantial unconditional basic income (henceforth UBI). One objection to this claim is that it condones exploitation: those who choose to live off their basic income without making any productive contribution "unfairly free-ride on those citizens who do make the required contribution". Chapter 5 of RFA examines several variants of this objection and argues that either they rely on indefensible conceptions of social justice or they prove consistent with the legitimacy of an UBI.

In a thoughtful critical essay, Stuart White argues that this rebuttal is unsuccessful. His "essential intuition" is the same as in the variants of the exploitation objection I considered: "where others bear some cost in order to contribute to a scheme of cooperation, then it is unfair for one to willingly enjoy the intended benefits of their cooperative efforts unless one is willing to bear the cost of

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1 Earlier versions of this reply were incorporated in talks I gave at Nuffield College Oxford (3 November 1995) and at the Political Thought Seminar, University of Cambridge (21 January 1996). Many thanks to Tony Atkinson, Jerry Cohen, John Dunn, Cécile Fabre, Sue James, David Miller, Adam Swift, Stuart White, Andrew Williams and others (whose names I forgot or never knew) for stimulating discussions on these two occasions.

2 S. White, "Liberal Equality, Exploitation and the Case for an Unconditional Basic Income", Political Studies 1996.
making a relevantly proportionate contribution to this scheme of cooperation in return" (p.7). This intuition relies on some reciprocity-based conception of justice, though one that need not appeal to some unavoidably and unacceptably inegalitarian principle of strict reciprocity ("putting in as much as one takes out"). It can appeal to a far more egalitarian principle of baseline reciprocity ("doing one's bit"): "in return for [a] decent minimum of income each citizen has a corresponding obligation to perform a decent minimum of contributive activity, the size of this minimum varying with degree of productive handicap" (p.8). Those who do not satisfy this suitably adjusted reasonable work expectation "take unfair advantage of - i.e. exploit - those citizens who do satisfy this expectation" (p.9). Such a critique is not vulnerable to the same brute luck objection on the basis of which White says I rightly rejected the versions of the exploitation-based objection I examined (p. 15). At the same time, unlike the "weak effort principle", which only requires some positive association between effort and income (p. 14) and therefore creates no embarrassment for my position, it jeopardizes the justification of a substantial UBI.

As White himself emphasizes, however, his conception of justice is consistent with- indeed, it most likely requires - substantial systems of transfers in the form of productive capital grants, employment subsidies, or even basic incomes paid to all on condition that they make some sort of paid or unpaid contribution (p. 12). It is even consistent with a very low UBI funded exclusively out of two sources (pp. 10-12, 16): the value of "pure natural resources", i.e. natural resources "in their natural, unimproved state", "deducting the value added by any human improvement" (fn20), and the value of that portion of non-natural wealth that is "produced by members of past generations who were not co-existent with present-day prospective recipients of this wealth". These two forms of wealth do not qualify as "economic benefits of social cooperation" among the current generation, and each of the latter's members can therefore claim an equal share of its value "simply qua person", without this entitlement carrying "a corresponding obligation to contribute productively to a given cooperative community" (p. 10). No higher UBI is legitimate, White claims, because the argument that applies in these two cases does not apply to other forms of non-natural wealth, in particular to jobs, which, in the key move of RFA, I propose to regard as scarce assets like any other, whose value is to be shared, in non-discriminatory fashion, among all. The argument does not apply to these further forms of wealth because they constitute "economic benefits of social cooperation" and therefore fall within the scope of the baseline reciprocity principle stated above (10-11).
White’s distinction between two types of assets, I believe, cannot play the crucial ethical role he ascribes to it. To see why, compare the following two situations. In situation A, you receive a plot of land which contains a great deal of oil and whose value is quite high because of the complex technologies which, all over the world, make great use of oil. In situation B, I am offered a simple and enjoyable job building a wooden house in a forest whose owner pays me double the amount required to attract to the job equally skilled unemployed workers. White and I both agree that the value of the (unimproved) plot of land should be shared equally and unconditionally among all. But I assert, and White denies, that the value of the job, the rent associated with it, should be similarly shared. What is the reason for a distinct treatment? According to White’s official reply, what is allegedly up for redistribution in situation B consists in “economic benefits of social cooperation” among the present generation, whereas it does not in situation A. But surely, the “efforts of social cooperation” play a far greater role in generating the value of situation A’s raw land than the rent I appropriate by taking on situation B’s job. So, if there is an ethically relevant distinction that makes the value of natural resources intrinsically fit, and the value of jobs intrinsically unfit, for redistribution, it cannot be the distinction he invokes.

Beyond some ad hoc repair work that would just call for a reformulation of the counterexample, might the relevant distinction not simply be that in the job case, unlike the land case, someone simply has to do the work. What is crucial, if you wish, is plain economic operation, rather than any broader economic cooperation: it would be unfair to distribute to those choosing not to work benefits that would not exist if there were no one to do the work. But if this is the relevant distinction, then natural resources too fail to justify an UBI. For if no one was keen enough to work on the land, to do something with the resources it contains, there would be no value to


3 Subject to a number of qualifications which I do not think are contentious between us, nor relevant for the purposes of the present discussion: for example, one should deviate from strict equality if maximin so requires (see RFA, section 4.2), one should stop short of maximin redistribution in the present generation if the implied level of unconditional redistribution is unsustainable (see RFA, section 2.3), one should refrain from unconditional redistribution if this is needed to reasonably satisfy the criterion of undominated diversity (see RFA, section 3.8), and the administrative cost of the scheme should be subtracted from everyone’s entitlement (White, fn 21).
be shared in the form of an UBI. It is only because there are enough people able and willing to detect, extract, carry and process the oil that Kuwait’s desert is worth more than peanuts. Hence, since even land cannot generate an income (in the relevant sense) without work, making the cut as now suggested would amount to restricting the distribution of the value of land to those willing to work.

To sum up. The first distinction (“cooperation or not”) cuts across the divide between raw land value and job rent and is therefore unable to justify why the former, unlike the latter is up for unconditional redistribution. The second distinction (“work or not”), on the other hand, puts both raw land value and job rent on the same side, thereby making them equally unsuitable for the funding of an UBI. But there is a third distinction which I regard myself as the crucial one and which shifts them both, as it were, to the other side. Whether or not cooperation or work play any role in generating them or in determining their value, there are things which we receive and which are in scarce supply. These assets include, inter alia, natural resources and the rent component of wages. It is their value, I assert (and, in RFA, I argue), that must be distributed equally and unconditionally to all.

Of course, if I am to dispel the dissatisfaction with the latter assertion on the part of those, like Stuart White, who feel it does not give reciprocity its due, I need to do more than show that his compromise proposal does not work. Within the present context, let me just stress that the above assertion is perfectly consistent with

4 Or, in the terms of my crucial fable (RFA, section 4.1), it is only because there is a sufficiently large number of sufficiently Crazy people that Lazies can legitimately get away with receiving an income without work.

5 At any rate if one holds a liberal-egalitarian conception of justice, one that combines an equal respect for people’s conceptions of the good life and an equal concern for their interests, and subject again to the qualifications mentioned in footnote 3.

6 Stuart White’s compromise between his attraction to reciprocity and his attraction to basic income consists in allowing for a principled, first-best justification of a very low basic income and none whatever for a higher one. Brian Barry’s compromise (in “Real Freedom and Basic Income”, Journal of Political Philosophy 5, 1996) consists in rejecting principled justifications at any level and endorsing a pragmatic, second-best justification of a substantial unconditional basic income.
a belief in the massive importance of reciprocity in the normatively appropriate organization of our society, more specifically in the regulation of access to anything over and above universal basic endowments. Immediate reciprocity must govern market transactions and contributions towards the cost of public goods.\(^7\)

Probabilistic reciprocity (insurance) and counterfactual reciprocity (solidarity) must govern access to all transfers to which not everyone is entitled.\(^8\) But whether in the legally organized or in the informal sphere, the "commutative justice" of reciprocity must operate on the background of the "distributive justice" of real freedom for all. Let's first get people's basic entitlements right, and then let reciprocity rule over the allocation of privileges.

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\(^7\) In "Free Riding versus Rent Sharing. Why even David Gauthier Should Support an Unconditional Basic Income" (in Ethics, Rationality and Economic Behaviour, F. Farina, F. Hahn & S. Vanucci eds., Oxford: Oxford University Press, 159-81), I provide a detailed response to the claim that making room for reciprocity in the just participation to the cost of public goods jeopardizes the legitimacy of an unconditional basic income.

\(^8\) I spell this out in the first essay of P. Van Parijs, \