Chapter 16

The Basic Income Guarantee in Europe:
The Belgian and Dutch Back Door Strategies

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Introduction

Since the early 1980s, public discussions on the basic income guarantee (BIG) have been intense in various European countries. First advocated by intellectuals and a few social movements, the proposal has gained increasing credibility and has even been propelled onto the governmental agenda in two countries, Ireland and the Netherlands. In Ireland, a tremendously influential lobby has managed to push for an official green paper on BIG, which was published in October 2002 (see Ireland 2002). In the Netherlands, as is explained in some detail below, the idea was considered a worthwhile alternative in political circles during the 1990s, but was finally dropped. However, through incremental tax reforms, a modest negative income tax system has gradually been introduced.

Although most BIG proponents are defending the idea as a national welfare reform, some have already considered the possibility of creating a true European dividend (see for instance Van Parijs and Vanderborght 2001). In 1986, academics interested in BIG launched the Basic Income European Network (BIEN), which aims at fostering the discussion of the idea throughout Europe. With the passing of time, BIEN has become a well-developed network involving researchers and activists from five continents. In September 2002, it organized its ninth international conference at the International Labor Organization (ILO) in Geneva. In his enthusiastic opening speech, Juan Somavia, Director-General of the ILO, said to the participants, “the moment may be nearing when [their] ideas will become common sense” (Somavia 2002). In Europe, however, there is still much work to be done, and BIG is nowhere considered a short-term alternative.

Regarding the prospects of a transformation of income-security programs into a universal and unconditional minimum-income scheme, Belgium and the Netherlands are of particular interest. Since the early 1980s, one can find in the “low countries” some of the most prominent proponents of an unconditional BIG. In no other advanced European welfare state has the BIG debate been so broad and lively as in the Netherlands. Since 1975, the idea of a basisinkomen has been discussed.
within many Dutch political parties, trade unions, social organizations, and even at the governmental level. It was at the core of various official reports that progressively increased its respectability in political circles. Belgian political actors have always been more reluctant to consider it, with the noteworthy exception of the two green parties. But the academic discussion has been quite extensive. The founding congress and second international conference of BIEN were held in Belgium, respectively, in 1986 and 1988. In 1999, a Belgian political formation named Vivant was launched as the first European single-issue party entirely focused on BIG. Although Vivant remains a tiny player in Belgium's political game, it managed to attract public attention on the proposal through eye-catching posters in the country's main cities.

In this chapter, I scrutinize the political chances of a BIG in the low countries and the probability of incremental steps in that direction. In section 1, assuming that a BIG would replace most existing means-tested minimum-income schemes, I briefly review the main social assistance programs of both countries I shall try to demonstrate that a paradigm shift is underway that may at first sight seriously undermine the progress to a more universal and unconditional income-security system. Partly based on interviews and an extensive review of the press, section 2 is devoted to a brief account of more than twenty-five years of BIG debate in both countries. Section 3 focuses on the reasons of this failure to gain support, which are of paramount importance for the future prospects of unconditional minimum income schemes. As is argued in some detail, the moral objection to an income by right without a related duty to work seems to be the most decisive impediment. Finally, in section 4 I shall try to clarify why, given the obstacles and objections they encountered, most Dutch and BIG proponents have adopted an incremental approach. Refundable tax credits or a "participation income" constitute two possible steps that may prove to be far more promising than the strategy of going all the way to a full BIG.

1. A Paradigm Shift in Welfare

In the literature, both Belgium and the Netherlands are generally classified as corporatist or Christian-Democratic welfare states. Trade unions and employers—the so-called "social partners"—play an important role in the shaping and administration of social security. Most benefits are insurance based and financed through payroll contributions. Tax expenditures play only a modest role in the field of social policy, mainly in the form of tax allowances for children, even though things have been changing in the late 1990s—in particular in the Netherlands. To sketch the broad context of the basic income guarantee (BIG) discussion, this section briefly considers the main characteristics of both the Dutch and the Belgian welfare states and focuses on minimum income schemes as well as recent trends in social assistance. It is not part of the purpose of this chapter to develop a detailed scenario for the concrete implementation of a BIG in Belgium and the Netherlands. I shall assume here, without argument, that a generous BIG scheme would replace existing means-tested minimum-income schemes, the bulk of tax credits and exemptions, and be integrated with family allowances and, in the Dutch case, the basic pension scheme. In the field of social insurance, a BIG would replace the bottom part of the earnings-related unemployment, disability and pension benefits; the income floor it provides would remain supplemented by earnings-related benefits, designed to make up the difference between the guaranteed minimum and current benefit levels.

Dutch "Miracle" and Belgian "Status Quo"

Since the mid-1990s, many scholars have expressed admiration at what has come to be called the "Dutch Miracle." During the 1980s the Netherlands had been stigmatized as an exemplary case of "welfare without work," and the Dutch themselves were moaning over the "Dutch disease." In the second half of the 1990s, the Netherlands became, instead, a model for European decision makers. The economy seemed to have fully recovered: real Gross Domestic Product (GDP) growth was nearly four percent on average over the 1997–2000 period. Above all, the standardized unemployment rate had dropped from a peak of almost 10 percent in 1983 to 2.4 percent in 2002 (OECD 2002b). According to the usual interpretation, the 1982 Wassenaar agreement between unions and employers inaugurated a long period of wage moderation and working time reduction, which in turn resulted in the creation of many jobs. Significantly, social rights of part-time workers were gradually strengthened, and the trade unions did not oppose the massive creation of temporary jobs.

Compared to the Dutch transformations, Belgium is sometimes said to have been stuck in a kind of "immobilism" (Hemerijck and Visser 2000). Belgian unions and employers, unlike the Dutch ones, had not been able to strike a deal at the national level during the 1980s, and they failed again to do so in the mid-1990s. The discretionary power of the federal state in industrial relations has therefore increased, but has proven to be more efficient in neutralizing the social partners than in combating unemployment (Vloock and Van Leeuwen 1998: 342). From about 10 percent in the mid-1990s, the standardized unemployment rate dropped to 6.8 percent in 2002, under the European average (7.6 percent) but still far above the Dutch level (OECD 2002b). Part-time work is not considered as a viable alternative by unions and has never been fostered by the government. Hemerijck and Visser (2000: 253) have rightly concluded that there is no other country "where governments designed so many pacts, proposals and plans to coax unions into accepting wage restraint and employers into creating jobs, with so little success." A crucial explanation may lie in the fact that in Belgium innovative policy making has long been ruled out by the linguistic clashes that occurred between the Flemish and French-speaking communities. But one must remember, too, that Belgium is the oldest industrial country of continental Europe. It specialized in the production of coal and steel whose profitability began to decline in the 1960s. By contrast, the Netherlands has never been a true industrial nation, and the adaptation of the Dutch economy to new international pressures proved to be far less painful. One should
also stress that in Belgium the slow shift to services has mainly benefited Flanders, whose economic situation is far better than that of Brussels and the Walloon region. Consequently, even if speaking of a relative status quo in terms of outcomes at the federal level is correct, one should pay attention to the regional differences. For instance, whereas in 1999 the unemployment rate in Flanders was 7.5 percent, it was 17.3 percent in the Walloon region and 18.1 percent in Brussels (OECD 2001: 61-63).

**Minimum Income Schemes**

The core transfer programs of the Belgian and Dutch welfare states are earnings-related Social insurance, financed through social contributions of workers and employers, provides various benefits covering such social risks as unemployment, sickness, disability, and old age. In the case of unemployment, workers are expected to register as unemployed and stay available for work. Whereas benefit duration is dependent on work history in the Netherlands, they are theoretically payable without time limit in Belgium. However, an unemployed person can be denied the right to benefit if she is in an "abnormally long period of unemployment," i.e., if this period is twice as long as the regional average for the same sex and age category.

Both countries already have universal schemes, which are nevertheless far from a true basic income guarantee for all as they are restricted to specific age categories. Family allowances are flat rate, and granted without means of income test. The first tier of the Dutch pension system is a universal non-means-tested basic pension, financed through general taxation. Since it guarantees every citizen over age 65 a flat-rate income floor, it has sometimes been described as a first step towards a comprehensive Big Scheme for all.

Finally, a residual tier provides social assistance for those who cannot benefit from the other two tiers. The Belgian and Dutch minimum income guarantees are financed through general taxation and are designed to provide a safety net for those who have lost other entitlements or have no other means of subsistence. People older than 18 whose resources are below the prescribed limit are entitled to the minimum income. The amount is adjusted according to the means of the beneficiaries and as a function of the resources of possible cohabiting partners. Both schemes make up the differences between these resources and the prescribed minimum amount. In Belgium the level of the guarantee (€595 for a single individual) is calculated without any reference to the average disposable income or the minimum wage legislation, but is linked to the retail price index. By contrast, the Dutch minimum income level (€578 for a single in 2004) is fixed as a proportion of the legal net minimum wage. A single person is entitled to 70 percent of the net minimum wage, single parents to 90 percent, and a couple to 100 percent. As in the Belgian scheme, handling of cases of social assistance is individualized.

From De-Commodification to Active Policies

Since the mid-1990s, social policy reforms have been changing the face of the Belgian and Dutch income security programs. Unemployment benefits and minimum income schemes are said to discourage self-sufficiency, and therefore have been transformed by actively linking benefits to work requirements. Parly under the influence of European guidelines, ambitious reforms have already been implemented. New obligations are imposed on beneficiaries, while eligibility criteria have been tightened and sanctions applied more strictly. In this respect, one can argue that both countries are in the incremental process of a true paradigm shift in welfare.

Belgian Minister Frank Vandenbroucke is probably the policy maker who voiced most explicitly the normative core of the new conception of social rights in the Belgian-Dutch context. In an official speech he gave in the Netherlands in June 1999, he explained in detail his vision of the role of a reformed welfare system, which he called "the active welfare state." In his view, contemporary social security programs should not only provide income security, but also increase opportunities to participate in social life, so that the number of active persons in society is increased. It would be proper to suppress or correct, as much as possible, the current social security system mechanisms which discourage people instead of giving them incentives to be active (Vandenbroucke 1999: 5).

The role of the active welfare state should essentially, therefore, be that of fostering participation, in various ways. It would be, by far, an exaggeration to assert that Vandenbroucke supports US style workfare schemes. To the contrary, in his view, social-democratic activation policies should be aimed at dealing with exclusion, not at stigmatizing beneficiaries. But he nevertheless favors an individualized approach to social welfare, meaning that individuals could be held responsible for staying out of the labor market. "The active welfare state," he wrote in an academic paper, "is bound to address questions of individual responsibility" (Vandenbroucke and Van Puyenbroeck 2000: 87). In this sense, his conception of welfare is no doubt part of the same ideological family as American workfare. Within this framework, the importance attached to individual responsibility increases, whereas emphasis on collective responsibility—which forms the historical core of European social security systems—loses its importance. Vandenbroucke's views and have exercised considerable influence over the Belgian social policy debate. As such, they were the first explicit formulation of a diffuse political climate, which had also impregnated the Dutch public debate. The notion of an active welfare state was prominent in the Belgian liberal-socialist-green coalition's governmental agreement, published in July 1999. But it was already underlying initiatives in the field of social assistance and unemployment policy since the late 1980s, in Belgium as well as in the Netherlands. Interestingly, the need to create such an
The shift from passive to active social assistance is one of the most important developments of the 1990s in Belgian welfare reform (Vanaken 1999: 181). The social right to an income in case of need has been progressively replaced by a social right to reintegration through work or training. The new legislation on minimum income, which replaces the 1974 law and took effect in October 2002, is particularly illustrative. Opposed by various social movements, including the main trade unions, it perfectly conveys the ambitions of Belgium's political circles in terms of active social policy. Whereas the initial legislation's first article guaranteed the needy a right to means of subsistence, the new law subtly stipulates that everyone has "the right to social integration" (Belgium 2001a). As it clearly appears in the text, social integration will presumably take the form of paid work. To be entitled to the new "integration income," the claimant will be enrolled in an "individualized integration project," which consists of training and job counseling. For recipients under 25, it is compulsory and must lead to a job contract within a fixed term. The new right to social integration then becomes an explicit "right to social integration through employment" (art. 6). In the preamble including the grounds for the adoption of the new bill, integration through paid work is presented as the norm. Social policies, it is said in the document, have to develop from strictly financial assistance to social action. Everyone should be able to find his/her own place in society, jointly contribute to its development, and benefit from the guarantee of the right to personal emancipation (Belgium 2001b: 2).

In the Netherlands the shift to active social assistance appears even more powerful and radical than in Belgium. When the first liberal-labor coalition came into power in 1994, the unambiguous leitmotiv was "work, work, work." In 1996, the new General Social Assistance Act introduced various work-related conditions into the social assistance scheme. One of the most controversial of these elements is the introduction of a work requirement for single mothers with children of school age, i.e., more than five years. According to Knijn and Van Wel (2001), this particular reform constitutes an "enormous ideological shift," rather than a useful tool for helping single parents to get off welfare. In 1998 a number of training and employment programs for the young and long-term unemployed were merged into the Job-seeker's Employment Act (Wet Inschakeling Werkzoekenden). It includes three main schemes, each designed as a single pathway to the regular labor market: subsidized jobs with a regular employer, subsidized jobs with local employment organizations, and training or "social activation" through unpaid work (Spies and van Berkel 2000). For the young unemployed, if no subsidized job is available, participation in training and social activation is compulsory. After various warnings, recipients who regularly drop out of one of the three schemes or refuse to participate in training activities can ultimately be sanctioned by withdrawal of the benefit. In October 2001, the Dutch Minister of Social Affairs, Vermeend, firmly stated in an official order that possible exemptions from the duty to work had to be granted very carefully: "the obligation to work is the rule" (Vermeend 2001). The latest reform of the assistance law took effect in January 2004. Within the framework of the Wet Werk en Bijstand (WWB), claimants must accept job offers even if they do not match their qualifications or past work experience.

These reforms are constructing a new ideological framework within which any chance of a promising and passionate debate on the basic income guarantee appears at first sight to be jeopardized. How could one imagine that the idea of an unconditional minimum income could be taken seriously, while conditions in social assistance and unemployment insurance are gradually tightened in both countries? Whereas in the 1980s and early 1990s the Dutch BIG debate was comparatively broad and lively, the proposal now seems to have dropped from the public attention. In Belgium, it has gained increasing visibility during the 1990s, but it still lacks any broad political support. I shall briefly concentrate, in Section 2 of this chapter, on the Belgian and Dutch political history of this idea.

2. The Basic Income Guarantee Debate

Belgium: From the Green Parties to a High-Tech Businessman

While in Belgium, the idea of a comprehensive negative income-tax system was discussed during the 1970s, the concept of universal basic income didn't arise until the mid-1980s, almost ten years later than in the Netherlands. From the very beginning, it has always been in some way related to the green movement. In January 1983, Philippe Van Parijs, a philosopher and member of the French-speaking green party Ecolo, had suggested that the party should endorse the idea of a universal basic income guarantee (BIG). At the time that he wrote the first versions of his proposal, Van Parijs did not know that the idea had already been discussed in many countries, including the nearby Netherlands—under the label "basismogelijken." In 1986, however, he organized in Louvain-la-Neuve the founding congress of the Basic Income European Network (BIEN).

The Mid-Eighties as Starting Point

The Belgian debate, which had already been opened within the green parties, broadened to the public sphere in April 1985. A collective (the so-called Collectif Charles Fourier) led by Van Parijs edited a special issue of the Christian-democratic monthly La Revue Nouvelle, in which it suggested a comprehensive reform of the Belgian welfare state and the introduction of a BIG. In the following months, many harsh reactions were published in newspapers and magazines in all parts of Belgium. The severity of commentaries was undoubtedly due to the provocative nature of the initial proposal. In the opening article, the members of the collective had designed a radical implementation program for their BIG, implying the suppression of most existing benefits and the deregulation of the labor market (Collectif Charles Fourier 1985: 345). Needless to say, this way of presenting the
idea, despite the more sober arguments developed in the journal, aroused considerable opposition from the left, to which the Collectif Charles Fourier claimed to belong. In a sense, it also negatively influenced the debate on a long-term basis, creating obstacles that have proven difficult to remove afterwards. On the other hand, the strong impact of the proposal was clearly due to this very innovative and radical way of tackling the issue of social policy reform.

In the Flemish part of Belgium, the debate had naturally been influenced by the Dutch discussion, launched in the mid-1970s. The right-liberal Freedom and Progress Party (Parti voor Vrijheid en Vooruitgang—PVV) was then in favor of a negative income tax system à la Friedman, which had also been discussed within the Flemish employer's organization, the Flemish Economical Association (Vlaams Economisch Verbond—VEV). The simultaneous publication of a Dutch official report on BIG (see infra) and of the Collectif Charles Fourier's proposal contributed the most to boost, be it very briefly, the Flemish debate on the topic. In 1985 the Flemish left-wing journal Komma published a comprehensive analysis of basic income as a way of "uncoupling work and income" (Abicht 1985). However, aside from the discussions that took place within the green parties, from its very start the BIG debate remained confined mainly to a few academic circles.

**Political Forces: The Green Parties and "Vivant"**

In Belgium, the only genuine political forces that have explicitly and somewhat continuously supported BIG are the two green parties, Agalev (Flemish) and Ecolo (French-speaking). Created in the early 1980s, both parties were still very small organizations at the time discussion over a BIG was launched by Van Parijs. However, they quickly became an integral part of the Belgian political landscape. Following strong progress in votes during the 1990s, particularly at the June 1999 general elections, they took part in the federal coalition with socialists and right-liberals.

For the greens, a BIG appears to be conceived of as a long-term objective, as an analytical tool to be used in thinking about social security reforms. According to both parties, various incremental adjustments should be seen as steps towards a true BIG for all. Family allowances, for instance, should become an equal right for each child, and their amount fixed irrespective of birth order or age. A universal basic pension should be established as it exists in the Netherlands (Agalev 2001). While Ecolo officially but cautiously endorsed the idea at its first Socioeconomic Congress in 1985, it hastened to stress that a BIG "could not be directly implemented." The idea has long been in contention among its members, but since the early 1990s there seems to be a consensus regarding the approach of the BIG as a long-term objective. For instance, green Walloon minister, Detienne, who felt worried about the radical and unpredictable effects of the uncoupling of work and income, agrees that the BIG idea is interesting because it can give "guiding principles." In his opinion, Ecolo's priority should consist in acting so that those principles, including universality and individualization of social rights, go forward.

One could not end this very brief survey of the Belgian BIG debate without mentioning the Vivant experiment. It is a unique case of a political party whose platform is almost entirely focused on implementing a full BIG. Even compared to the green parties, Vivant is a tiny party in the Belgian electoral game. Founded in 1997 by high-tech businessman and life-member of the Basic Income European Network, Roland Duchâtelet, the party took part in the general elections for the first time in June 1999. On average, its results varied between 2 and 2.4 percent. Although these percentages were small, they made Vivant the most successful among the parties not represented in the Federal parliament. But this experiment was particularly instructive because of the public visibility it gave to the idea of an unconditional income. With no public funding or elected representative, the party had made its name in 1999 through a large-scale electoral campaign. Through huge posters in the Belgian cities and massive doses of leaflets, Vivant had been very successful in attracting attention to its central proposal: the introduction of a basic income guarantee for every citizen. "You will receive an income at the age of eighteen," "Free yourselves with the basic income," "Choose your liberty with basic income," were some of the eye-catching slogans used by the party.

Even if the emergence of Vivant on the political scene has contributed to the spreading of the idea, it cannot be said to have boosted discussions about BIG in Belgium. Since the 1999 elections, the party has dropped out of public attention. In January 2002, however, it organized a conference on BIG with the participation of some prominent figures of the European debate. Francophone newspapers grabbed the opportunity to make fun of the party with paragraphs entitled "Vivant is not dead.""13

**The Netherlands: The Basic Income Guarantee (War) on the Agenda**

The Dutch discussion on BIG has strongly varied with the ups and downs of the unemployment rate (Groot and Van der Veen 2000: 197-200). It started in the mid-1970s, as the forewarnings of the economic crisis were emerging, and reached a summit of intensity in the mid-1980s, as 10 percent of the active population was unemployed. Between 1985 and 1993, as the unemployment rate was decreasing significantly, BIG was the subject of many scientific studies. It came back into the forefront in 1992 owing to a new report published by a governmental agency. Partly due to unfavorable unemployment figures, the discussion was again more intense between 1992 and 1995. Since the mid-1990s and the surprising "Dutch miracle" (see supra), BIG remains essentially confined to academic and intellectual circles; on the political scene, it became at best an internal debate within some parties. In September 1998, the Seventh BIEN Congress was held in Amsterdam in 2002, while the unemployment rate had dropped to under three percent, the idea seemed, at first sight, far removed from the institutional agenda.

The most intense period of discussion was a direct consequence of the publication in October 1985, by the renowned and influential Scientific Council for Government Policy (WRR), of a bulky report entitled *Guarantees for Security Perspectives for a New Social Security System* (WRR 1985). This document was
part of an ongoing reflection on the future of the welfare state in the context of economic recession. The report insisted on the need to guarantee income security independently of the variations in economic circumstances: "The guarantee of minimum social benefits has to be the most important goal of social security" (WWR 1985: 7). While suggesting a profound reform of the Dutch welfare state, the suppression of the minimum wage and substantial reductions in employer's social contributions, the WRR called for the implementation of a partial BIG of approximately €200/month, "given without any work requirement" (WWR 1985: 8). The reactions to the report were almost unanimously negative, which is hardly even the case for a WRR publication. The traditional proponents of BIG attacked the idea of a partial guarantee of which the amount was far below the poverty level. Unions and the Labor Party (PvdA) denounced the trend towards more flexibility on the labor market, and the government found the measures too radical, laying the report aside.

This failure had a considerable impact on the discussion BIG was almost dropped out of the political debate until 1992. Between 1986 and 1992, it mainly became a subject for academic research in economics and sociology. In 1987, however, various groups committed to the idea launched the association "Workshop on Basic Income," aimed at facilitating coordination of the BIG proponents' activities. After May 1990, the minister for social affairs and employment published a very detailed study of BIG that it had commissioned from two academics. Having proposed an account of the Dutch debate, the authors insisted that the idea of an unconditional income was less controversial than in the mid-1980s. They even asserted "if there is one European country where BIG has a chance to be on the agenda, in the short or medium term, this country should be the Netherlands" (Roebroek and Hogenboom 1990: 195).

In 1994 the formation of an unprecedented liberal-labor government coalition raised "high hopes for basic income," though only for a short period (Goos and Van der Veen 2006: 208). First of all, BIG constituted "one of the serious alternatives to the existing social security system" at that time. During the summer of 1994, the formation of a coalition under the direction of the Labor Party leader and future prime minister, Wim Kok. Representatives of the parties involved "agreed on the principle of a BIG, but not yet on the amount". Secondly, BIG was again front page news in December 1994, when two prominent ministers of the same coalition but from different parties, Hans Wijers and Gerrit Zalm, stated in interviews that a BIG or a negative income tax were alternatives to be investigated in detail. These statements triggered off harsh reactions. The Minister of Social Affairs and Employment expressed his deep disagreement with his colleagues BIG proponents and opponents from all political parties confronted each other repeatedly through opinion columns and passionate interviews, reviving latent tensions within their own groups. In the House of Representatives, the leaders of the different groups were very negative, and decided that the idea was fit for the dustbin. Prime minister, Wim Kok, on the contrary, declared that BIG should not be dismissed in a long-term perspective, and asserted that he had been surprised by "such hasty negative reactions."}

Given the extreme caution that a ruling head of the executive usually manifests, this latter element is particularly instructive. It indicates that BIG was considered a worthwhile alternative by the prime minister himself "I am not against carefully examining what we can do, on a long-term basis, with that idea," he said. As one observer rightly pointed out, discussions about a BIG, which were previously "in the margins of policy-making," suddenly became an item for "the ministerial level" (Van Gelder, 1994). However, BIG quickly dropped out of the agenda onto which it had just been propelled. BIG had not only proven to be at the source of internal party divisions, it also became a source of contention within the recently formed government. Furthermore, Wijers and Zalm did not receive any official support from their own political sides. Consequently, the BIG public debate faded away once again.

This episode brought to light again the crucial fact that Dutch BIG proponents are not only spread over the whole political spectrum, but also divided along ideological lines. They have always had different conceptions of the role of the welfare state and, hence, of the optimal policy package in which BIG should be integrated. In other words, it is not enough for them to unite and go beyond partisanship through groups like the Association Basic Income at the Dutch level, or the Basic Income European Network on a European scale. They still have different views on the best strategy and the desirable final outcome. This constitutes one of the possible obstacles to progress of BIGs, on which we shall now focus in Section 3.

3. Four Obstacles in the Way of the Basic Income Guarantee

The Dutch debate on the basic income guarantee (BIG) was very lively and intense over the period between 1975 and 1995. The idea was discussed within all political parties of any importance, within several trade unions and social movements, and even at the governmental level. The arguments made in its favor were numerous, ranging from ethical justifications related to individual autonomy and social esteem to the call for a flexible and deregulated labor market. In Belgium, by contrast, the discussion has remained more narrowly confined to academic circles. On the political scene, the green plea for BIG made by Agnello and to a lesser extent by Eeckhout has become, if anything, more timid with the passing of years. The emergence of the highly ideological party, Vivant, and its huge posters on BIG in Belgian cities, did not contribute to making it a plausible alternative in established political circles.

It is not easy to account for this considerable difference between the two countries. A crucial explanation may lie in the role played by the labor unions. Belgian unions are far more powerful than their Dutch counterparts and they had, at least until the mid-1990s, closer links with governing political parties. More than 55 percent of the Belgian workers are affiliated to a union, a percentage that is similar to the Nordic countries, whereas less than 25 percent of the Dutch workforce is similarly affiliated. For various reasons, most European trade unions have strongly opposed the idea of uncoupling work and income. In welfare states where they
take part in the administration of social security, they might see a BIG as a threat to their position, for in some scenarios the unconditional minimum income would replace a number of existing social insurance mechanisms. Since Belgian unions, contrary to the Dutch ones, are handling individual cases of unemployed workers within the framework of a 'Client System,' they might look even more suspiciously at the implementation of such an automatic payment system. Furthermore, a BIG would definitely make part-time and flexible work easier, a perspective that Belgian unions, again in contrast with the Dutch ones, have never really accepted. Arguably, a BIG would also tend to give individual workers more power to negotiate their working conditions. This, again, might be perceived as a threat to the traditional role of unions in collective agreements. From the very start of the discussion, Belgian unions have been very critical of BIG. Some union officials are still among the most uncompromising opponents to BIG. The preparatory report of the Christian Unions Confederation's 2002 congress on "The just income" included a section entitled "No basic income" (ACV 2002).

Several other Dutch characteristics are worth mentioning, which require further exploration. The existence of a basic pension scheme, as well as the existence of non-means-tested student grants, has certainly constituted a favorable background for the discussion of a basic cash guarantee for all. Also the fact that a greater proportion of the Dutch unemployed are social assistance beneficiaries, hence receiving non-earnings-related benefits, may have enhanced the attractiveness of BIG. Finally, one should not forget the role played during the 1980s by independent organizations of claimants, which never really emerged in Belgium where a much larger proportion of the unemployed are affiliated with a trade union. Finally, the existence of institutions like the Scientific Council for Government Policy (WRR) and the Social and Cultural Planning Office (SCP) resulted in more long-term policy-relevant thinking, which may have facilitated the discussion of radical ideas like BIG.

In any case, even if the Dutch went further in public discussions on an unconditional minimum income guarantee, BIG has never been implemented so far. As in Belgium, BIG advocates always failed to get long-lasting political support. How can one explain the setbacks they had to suffer in both countries? The vast majority of the key personalities I interviewed in Belgium and the Netherlands dismissed the most common explanation, i.e., the alleged prohibitive cost of such a scheme. Rather, they focused on institutional, sociological, and, above all, ideological factors. Some of them argued that the fact that BIG had been advocated by numerous intellectuals in both countries has not enhanced its political chances. Others insisted on the scattering of BIG proponents over the whole political spectrum. Although, in this section, I will scrutinize these objections in more detail, it seems that they were neither decisive nor particular to the BIG debate. Indeed, the most important obstacle has been one moral one since BIG would be paid regardless of willingness to work. Some believe it would contradict the reciprocity principle lying at the basis of social cooperation. Hence, according to many observers, it is highly unlikely that the Belgian and Dutch electorates will ever accept such a welfare reform.

BIG has, most of the time, been presented as the core element of possible substantial reforms of the welfare state. This has contributed to giving BIG the reputation of being a very radical measure, which has obviously represented a considerable advantage for its success in stimulating academic discussions, but a damaging drawback for the sake of guiding the reform of highly resilient welfare states. Although at the end of the 1990s most proposals were structured round partial benefits, to be implemented gradually, this reputation still persists in both countries. According to Dutch green MP Kees Vendrik, who favors higher benefits targeted to the disadvantaged over a universal minimum income, BIG would be far too much of "large-scale solution, and therefore would not be suited to a well-located problem [i.e., social exclusion]."

The publication of the Dutch Scientific Council for Government Policy (WRR) report in 1985 provoked many negative reactions in the same direction. An editorial writer called the WRR BIG plan "a revolution in social security." And five years later, the lesson drawn by another newspaper was still that "the break suggested was far too radical." This argument was used by the government itself as a justification for the unambiguous rejection of the whole plan: "the council [WRR] has weakened his own position in suggesting, on the basis of its studies, a global project aimed at implementing a totally unprecedented system" (The Netherlands 1985: 28).

A fortiori, similar comments were made by many observers when the Belgian public debate was launched, two months before the publication of the WRR report. The fear that such a big bang in social security would undermine the traditional welfare state's mechanisms, and thereby contribute to dismantling it, was widespread.

The fact that an overwhelming majority of actors involved in social policy consider BIG as being too radical, and therefore possibly burdened with unpredictable effects, may underline its political chances as a medium-term alternative. At the time of the Wijers-Zalm controversy in December 1994, a Dutch BIG proponent pointed this out lucidly:

it is absolutely justified that nobody wants the introduction of a BIG in the short term. For nobody can anticipate the social and economic consequences of such a radical change in the social security and tax system. This may be the most important disadvantage of the proposal (Polik 1995).

As BIG advocate Paul de Beer noted, BIG opponents can easily and tirelessly argue against the plan and point out that "there are other and less radical ways of reaching the same goal." This observation has incited most of the Belgian and Dutch BIG promoters to modify the strategy they employed in the 1980s. Instead of calling for an unconditional right to the minimum income and claiming that redistributive mechanisms should be thoroughly transformed, they adopted a more pragmatic position. At the end of the 1990s, all main green parties were arguing for a very gradual implementation, in which BIG was seen as a long-term objective.
In Belgium and the Netherlands, the BIG debate has been fostered by numerous intellectuals. But in this case the academic pedigree has proven to be a double-edged sword. In fact, BIG has often been stigmatized as an alternative paradigm fabricated by intellectuals who were disconnected from social realities.

The fact that academics were stimulating the debate appeared with the utmost clarity in the Wijers-Zalm case, when two Dutch ministers suggested the implementation of a BIG. As BIG advocate Paul de Beer argues, the two decision-makers were "intellectuals, academics, economists who were freely thinking of alternatives; they thought it was possible to think in an innovative way of socially unacceptable proposals". Minister of Finance Zalm, for instance, was advancing ideas that he developed when he was a professor in economics and, more importantly, a director of the Netherlands Bureau for Economic Policy Analysis. His 1994 statements in favor of a BIG formed a sharp contrast with the negative feelings of most politicians with respect to the idea, including his colleagues within the government.

The Dutch Union of Food Workers (Voedingsbond FNV) provides a good example of the negative effects of a split between the popular support for a BIG and the support for BIG by intellectuals. During the 1980s, strong union support for BIG was in some way related to the very composition of its membership. Most of the Voedingsbond FNV affiliated members were unemployed or low-paid workers, and they could therefore be seen as net beneficiaries from the possible implementation of an unconditional minimum income. However, a closer look at the history of BIG within the Voedingsbond FNV shows that the influence of well-educated staff members was decisive in the choice of the BIG strategy. Neither the very didactic leaflets on BIG printed up by the union, nor the workshops that were organized in working localities, nor the training projects aimed at the members, were sufficient to maintain interest in the idea. The debate ran out of steam and stopped altogether in the early 1990s. According to Van Berkel et al., who made an in-depth analysis of this episode of the Voedingsbond’s history, one of the main reasons lies in the fact that it was a "top-down" debate (Van Berkel et al. 1993: 22). As the leaders themselves conceded afterwards, "it proved difficult to mobilize members on such an abstract and long-term objective as BIG." This very abstract perspective, supported mainly by the executive, was contradicting "the more concrete interests" of union members in going about their daily life (Van Berkel et al. 1993: 22–24).

In Belgium too, academics have been at the origin of the BIG debate that may not have been started without their initiative. But again the academic origin of the idea may at the same time have undermined its political chances. From the very beginning, BIG has been described by some of its critics as a dangerous utopia, disconnected from the social dimensions of politics. BIG advocate Walter van Trier thinks that widespread anti-intellectual feelings within Belgian unions partly accounts for the proposal’s rejection. Within the green party, Ecolo, BIG was also often dismissed as an idea that was not sufficiently rooted in social movements.

Green Minister Thierry Delhaye’s cautious approach to BIG originates in the fact that it constitutes a proposal “which does not always take ongoing social debates and power struggles into account”.

The Scattering of BIG Proponents

In the Netherlands, and to a lesser extent in Belgium, BIG proponents were scattered over the whole political spectrum. They formed at best an active minority within their own formations. Hence, they were not only unable to get the proposal into their respective party’s platform, but were also unable to create a strong trend in its favor across the partisan cleavages. Coming from different political persuasions, giving different justifications of BIG, “they [had] no interest in working together”. According to MP Kees Vendrik, this constitutes a fundamental defect of BIG, which therefore only offers a very “weak electoral strategy.” In his view, BIG is like “a washing powder that can be used in any washing machine,” from the left to the right. The scattering of BIG proponents has often been stressed by Dutch observers. In 1985, the left-liberal weekly magazine Groene Amsterdammer questioned whether a coalition in favor of BIG could ever be possible: “the basic income does not seem to be advocated by only one political side, but by many people coming from all political sides.”

However, one could argue that the fact that BIG advocates are spread over the political spectrum constitutes a considerable advantage for the proposal’s feasibility. In the case of Belgium and the Netherlands, the BIG could in fact become the unifying factor of many types of coalitions. Even if the scattering was described as an obstacle by many actors in the BIG debate and by the people I interviewed, this should not be considered as decisive. The radical flavor of the idea was a more important obstacle when BIG was presented as a short-term alternative. If it is considered to be a long-term objective, to be reached through the introduction of gradual reforms, this obstacle can be circumvented. It is the strategy already adopted by most Belgian and Dutch BIG proponents. The other critique, dismissing BIG as being disconnected from social realities, should not be underestimated. In both countries, it has negatively influenced the BIG debate in a significant way. But again, this does not mean that it constitutes a decisive impediment. Many social policy reforms are in one way or another related to scientific work, be it empirical or not. Academics can indirectly inspire reforms or even act as policy entrepreneurs, designing alternatives and pushing for them in governmental circles. The fact that BIG was not advocated by influential social movements or trade unions does not mean that it offers no answers to some of their specific claims, or to broader social problems such as exclusion and unemployment, which authorities have to deal with. Accordingly, the fact that BIG, as an alternative to existing patterns of social policy, was designed and advocated by academics does not make it significantly different from many other reform proposals. It should therefore not be considered an insurmountable obstacle. Hence, the major obstacle is probably of another type. It is a moral obstacle that clearly undermines all other minor obstacles. It consists in the rejection of an unconditional right to the minimum income.
The Moral Issue: “Why Pay the Lazy?”

Belgium and the Netherlands already have universal family allowances. Moreover, all Dutch citizens older than 65 have the right to a basic pension that is neither means tested nor earnings related. The existence of universal and unconditional minimum incomes at both ends of the course of life, at least in the Netherlands, could imply that a universal BIG would easily gain popular support. Dutch BIG advocates often argued that, in this sense, a BIG is already in place. However, children and retirees are not required to work, whereas the majority of possible BIG recipients would be able-bodied, and thus required to contribute to the common wealth. Consequently, the moral objection to BIG arises from a largely shared conception of justice that states that every able-bodied person should work to cover her basic needs.

To take a single example, the moral objection was raised on several occasions in 1994-1995 after the statements of Dutch ministers Wijers and Zalm in favor of BIG. “Basic income is controversial, but not for financial or economic reasons,” an editorial writer noted after days of heated debate; “it is an ideological debate, which relates to the fact that the link between work and income is broken: citizens have the right to an income without obligation to search for work. The majority of the Dutch population is repelled by the perspective of this ‘money for nothing’” (Van Empel 1994). The work ethic is still strongly present in Dutch society. Empirical research has, for instance, demonstrated that in Europe the Dutch people are the most restricted towards the unemployed. Friedberg and Ploog (2000) constructed an “average score of restrictiveness,” including among other indicators the extent to which people insist on the duty to work when one is unemployed and endorse the obligation to accept jobs that do not match one’s qualifications or experience. They concluded that in 1992 the Dutch reached the highest score of all seven European countries they analyzed in their study.

Within this context, suggesting the introduction of an unconditional minimum income in an electoral platform appears to be very risky. Activation policies or reinforcement of work requirements appear much more politically feasible. For this very reason, Belgian green leader Philippe Defayt has admitted that he would oppose any explicit reference to the radical unconditional nature of BIG in Ecolo’s program. In Belgium and in the Netherlands it seems that a BIG cannot be openly defended by politicians who want to bid for power. But might there not be a way of introducing a basic income without relying on such open advocacy, “through the back door” as it were? This will be the subject of my concluding remarks.

Conclusions: Two Small Back Doors for BIG

In the first section of this chapter, the strong trend towards activation in social assistance was described as a “paradigm shift” in Belgian and Dutch welfare. At first sight this transformation, which obviously represents a new political version of the work ethic, just referred to in the Dutch case, offers few opportunities to proponents of a Basic Income Guarantee (BIG). As the overview of Belgian and Dutch debates shows, the radical unconditional nature of BIG with regard to work requirements constitutes the feature that most contributes to making it impossible to sell. How could BIG fit into the thick conception of reciprocity that lies at the basis of the emerging “active welfare state”? Rather than being described as a highly advanced form of de-commodification, as Esping-Andersen once did (1990: 47), it now tends to be negatively considered as the ultimate “passive benefit.” It seems that if significant steps are to be undertaken in the move from targeted poverty alleviation programs to a universal and individualized minimum income scheme, they will only be indirect and incremental. Hence, a possible implementation through the back door should not be excluded.

The new emphasis on the activation of benefits and beneficiaries is ambiguous. Admittedly, the very notion of “activity” cannot be reduced to paid work in its stricter sense. Unpaid activities like caring, training or voluntary work should be included in its broad definition. For many people they also represent a way of contributing to the common wealth. In other words, “it is not hard to show that having a job and making a social contribution may or may not coincide” (Young 2000: 28). Consequently, if the purpose of the so-called “active welfare state” is to foster active participation in social life, then it should to a certain extent also value activities outside of the labor market. Belgian minister Vandenbroucke himself challenged the assumption that paid work is the only valuable social contribution he once called for a maximization of the possibilities of active participation, while stressing that “one should not reduce this plea to participation in the labor market” (Vandenbroucke 1999: 11). In Belgium to date this view has not been translated into concrete social policies. In fact, as it appears in its preamble, the law on minimum income that takes effect in 2002 is quite restrictive: “participation in social life can take various forms; nevertheless the access to paid employment remains one of the most secure ways of achieving autonomy” (Belgium 2001: 3).

The newly created “integration income” is not yet aimed at valuing unpaid activities, and recipients are still required to enter the labor market as quickly as possible. But, as Vandenbroucke’s assertion shows, there seems to be some room left for a public discussion on the very meaning of “activity.” In 2000, for instance, the renowned King Baudouin Foundation published a report entitled “Work and Activity: Towards the Full Participation,” which called for a relaxed conception of participation. According to the authors, the unemployment benefit should be transformed into “participation insurance,” aimed at fostering unpaid activities (FRB-KBS 2000, Vanderborght and Van Parijs 2001). However, regarding the broadening of the scope of activities to be valued, the Netherlands seems to be comparatively ahead. For, despite the effective paradigm shift in welfare and the renewed emphasis on work requirements, the restructuring of the social assistance system allows for new experiments in social activation. Since 1996, municipalities have the possibility of implementing projects aimed at fostering the inclusion of the long-term unemployed through unpaid activities. Some already broadened the target group to people who refuse to enter the labor market. Recipients who take part in these noncompulsory programs can be exempted from the work require-
ments In Rotterdam, one of the Netherlands’ largest cities, “participation in social activation is voluntary, and the [social activation] project is not primarily aimed at re-inclusion within the labor market” (Van Berkel et al. 1999: 103) Moreover, in 1999 the Dutch government introduced an innovative scheme aimed at helping the artists on benefit. Within the framework of the Income-Security Act for Artists (Wet Inkomensvoorziening kunstenaars—WIK), some of them can be exempted from all work requirements during a maximum of four years. Although the WIK benefits are inferior to the social assistance levels, they are similar to the Belgian minimum income.\(^9\)

Thus, some contradictory trends are at work in both countries that could offer new opportunities to BIG proponents. In fact, one common argument in favor of BIG consists in asserting that a universal minimum income would help in valuing useful and non-market activities that are not yet recognized. Following the advice of the British economist and BIG advocate Anthony Atkinson, BIG supporters could therefore compromise and promote the idea of a “participation income.” Atkinson believes that “a major reason for opposition to basic income lies in its lack of conditionality”; therefore, he argues that “in order to secure political support, it may be necessary for the proponents of basic income to compromise—not on the principle of no test of means, nor on the principle of independence, but on the unconditional payment.” In his view, they should support a BIG conditional on participation, in the broad sense (Atkinson 1998: 147–148). Within the framework of Belgian and Dutch “active welfare states,” and given the strength of the moral objection to an unconditional income, the incremental transformation of the minimum income scheme into a modest participation income seems one of the only feasible steps towards a true BIG. The Dutch experiments in social activation show that this option should not be excluded. Participation income would be a more coherent way of giving benefits than the existing programs that imply numerous discretionary exemptions. Even if this option seems less plausible in the Belgian case, it is worth mentioning that the Belgian Minister of Social Affairs (since 1999), Frank Vandenbroucke, commented quite sympathetically on Atkinson’s proposal, which he called “perhaps the road of political wisdom” (Vandenbroucke 1997: 165). Consequently, in both countries the participation income could represent a significant step towards BIG. It would not contradict the reciprocity rhetoric, while simultaneously giving BIG a decisive boost. For in a further stage, “one may well realize that paying controllers to try to catch the few really work-shy would cost more, and create more resentment all over than just giving this modest floor income to all, no questions asked” (Van Parijs 2000). A form of participation income is therefore one of the most plausible ways of implementing a BIG through the back door in Belgium and the Netherlands.

However, a second type of incremental and indirect strategy could possibly lead to effective results too. The Belgian and Dutch governments are searching for new instruments to deal with the so-called “welfare traps,” i.e., the fact that benefits are withdrawn at a 100 percent tax rate as the recipient enters the labor market. In both countries, refundable tax credits have already been implemented with the explicit aim of “making work pay.” If, in Belgium, it remains modest and targeted at low-paid workers, the Dutch system clearly goes in the direction of a more universal benefit.\(^9\) Before the 2001 comprehensive fiscal reform, all Dutch taxpayers benefited from a general tax exemption on part of their taxable income. The non-earning partner had to transfer this exemption to the working partner, which means that the former’s financial incentive to enter the labor market was reduced. Due to the transferability mechanism, “the implicit marginal tax rate on income earned by the dependent partner [was equal] to the marginal tax rate of the breadwinner” (Groot and Van der Veen 2000: 216). Of course, this exemption scheme mainly benefited well-off households subjected to higher marginal tax rates. Since January 2001, this tax allowance has disappeared and has been replaced by a new individual “general tax credit,” which is a discount on the amount to pay. Contrary to the previous scheme, the credit does not reduce the total taxable income and is therefore independent of the marginal tax rates. Consequently, it benefits all households equally. More important still for our purpose, the credit is made refundable. Workers’ non-working partners are entitled to the full amount of the credit (about €1,500/year), which can be paid directly into their bank account. They keep this entitlement as they enter the labor market, but it then takes the form of a discount on the income tax they pay, supplemented by an additional “employment rebate” of about €800. As a consequence, non-working partners should “find it more attractive to seek paid employment” (The Netherlands 2000: 11).

In other words, since January 2001 Dutch citizens who are not doing paid work are entitled to a modest negative income tax, provided they have a working partner paying a positive income tax. If its level were gradually increased, and its payment not restricted to working families, this refundable tax credit would provide an unconditional and individual minimum income floor to all Dutch citizens. It would, in other words, provide the missing element between universal child benefits and the basic pension. Therefore, it can be said to represent a big step in the direction of a BIG. However, it is not an explicit move, since the stated objective is to launch an active tax policy that gives incentives to enter the labor market. But this has also been one of the stated objectives of BIG from the start. Again, as in the case of a hypothetical participation income, this possible implementation “through the back door” would thus be made, thanks to the “active welfare state” rhetoric.

The transformation of the general tax exemption into a tax credit has long been proposed by Dutch BIG advocates.\(^9\) According to green Euro-MP Alexander de Roo, this has proven to be a successful strategy:

> it will quickly become clear that the amount of the credit is not high enough to have positive effects on the labor market. One will then realize that a truly universal and unconditional income is a better alternative.\(^9\)

Interestingly, the Minister of Finance, Gerrit Zalm, one of the instigators of the 2001 fiscal reform, expressly denied this. Answering the green group’s questions during a parliamentary session, he asserted that “the individual and refundable tax credit cannot be considered to constitute a small step towards the implementation of a basic income guarantee” (Zalm and Vermeend 2000). Of course, this is a
matters of interpretation. But the very fact that Minister Zalm took the trouble to make such a statement could paradoxically reveal that BIG remains a possible option. This cautious statement would then only have been a way of defusing a renewed discussion on the subject, in order to avoid splits within the ruling coalition. Actually, at the time he was a director of the Netherlands Bureau for Economic Policy Analysis (CPB), Zalm himself argued for a gradual implementation of BIG and clearly described the very first step: "one should start with the suspension of the general tax exemption's transferability mechanism." Political effectiveness does not always sit easily with intellectual consistency.

Despite numerous obstacles and a strong moral objection to BIG, the idea of an unconditional minimum income is not totally out of the picture in Belgium and the Netherlands. Paradoxically, the activation rhetoric that underlies current welfare state reforms offers new opportunities for advocating a (partial) uncoupling of work and income. New incremental developments in Dutch fiscal and social policies tend to prove it. In a working paper they wrote some years ago on the BIG debate in the Netherlands, Roebroek and Berben were rightly speaking of an "incremental paradox" (Roebroeck and Berben 1988). Having analyzed years of heated discussions on Dutch income security programs, they concluded that a radical reform such as BIG could not be explicitly implemented, but that no major social or political force would oppose an incremental process in the same direction.

For sure, the back door strategy lacks the grandness of the front gate. For sure, if there are good reasons to believe that the front gate will remain tightly locked, it might make some sense for BIG supporters to keep knocking—but not at the expense of the careful exploration of less pretentious accesses to the mansion, starting, perhaps, with the two I have identified.

Notes

1 The author is grateful to François Biais, Lena Lavinsky, and Philippe van Parijs for their detailed comments on an earlier version of this paper, as well as to Paul de Beer, Martin Rhodes, Philippe C. Schmitter, and Rik Van Berlo for useful suggestions. Interviews in the Netherlands have been made in collaboration with François Biais. This chapter is a revised version of a study that was published as a working paper of the European University Institute (Florence, Italy), Department of Political and Social Sciences (SPS 2004:04).


3 However, according to Organization for Economic Cooperation and Development (OECD) calculations, the outlook for the coming years is "highly uncertain and rather gloomy." (OECD 2002a: 9) Real GDP growth had fallen 0.2 percent in 2003.

4 From June 2002.

5 From January 2004.

6 Van den Broucke has been Minister for Social Affairs (from 1999 to 2003) and, subsequently, Minister for Employment and Pensions (since mid-2003). After the 2004 regional elections, he became Minister for Work, Education and Training in the Flemish Government.

7 For a general overview of Belgium's activation policies and a comparison with the Dutch ones, see Van Beekel and De Schampheleire (2001).

8 The compulsory integration contract for people under 25 years of age was already implemented in 1992. It involved job-seeking activity, training and counseling by social workers. However, it has not proven to be very successful, and sanctions in case of non-compliance were very few.

9 Van Parijs is still one of the most prominent advocates of a BIG. For a discussion of his proposals in the North American context, see Van Parijs et al. (2001).


11 Interview with T. Detienne, Namur (B), December 2001.

12 For a more detailed account, see Vanderborght (2006).


14 For a more detailed account, see Grooth and van der Veen 2000; and Van der Veen and Pels 1995.

15 "Basissinkomen was Serious Alternativ Tijdelijke Formatie," NRC Handelsblad, 19 December 1994.

16 Ibid.


20 Union density rates in 1990 (unemployed and pensioners excluded): 56.5 percent in Belgium and 24.1 percent in the Netherlands. Van Ruyssseveldt and Visser (1996: p 230) stress that "unemployed and retired members account for a large and growing share of Belgian and Dutch union membership; 31.7 percent of all union members in Belgium in 1989, as against 17.4 percent in the Netherlands." The union coverage rates (i.e., the percentage of workers covered under collective agreements) are much higher than the union density rates: 90 percent in Belgium and 81 percent in the Netherlands (for figures from the 1990s, see Esping-Anderson 1999). 

21 This view should probably be somewhat qualified. The case of the Dutch Voordingsbond FNV is a good counterexample, even its commitment to a BIG was related to the specific context of the "welfare without work" period, as well as to the very composition of its membership. In any case, as van Beekel (1994) has pointed out, the Voordingsbond's statement on the BIG was an "exception to the rule." In Ireland, the SIPTU (Services, Industrial, Professional and Technical Union) has also been a cautious proponent of BIG. Nevertheless, there are very few examples of European trade unions in favor of a BIG.

22 On the Ghost System, see Scruggs (2002).


25 Interview with P. de Boer, Dieren, NL, May 2000.
Interview with P. Besseling, The Hague (NL), May 2000

This fact was confirmed by Paul de Beer (de Beer, Paul, interview, Diemen (NL), May 2000).

For an account in English, see van Berkel (1994).


Interview with W. Van Rijt, Utrecht (B), December 2001.

Interview with T. Dettienne, Namur (B), December 2001.

Interview with P. de Beer, Diemen (NL), May 2000.


On this question, see for instance, McKinnon (2003).

The following countries were included in the survey: Denmark, Germany, France, Ireland, Italy, the Netherlands and the United Kingdom. The average score of restrictiveness for all seven countries is 2.5. The Dutch score being 3 (Fridberg and Ploug 2000: 343) On the idea of reciprocity and the reluctance of Dutch policy makers vis-à-vis BL, see Picou (1999).

Interview with P. Defeyt, Namur (B), December 2001. In 2003, Defeyt resigned as green leader.

In the official presentation of WIK, the Dutch government significantly acknowledges that work requirements can make it extremely difficult to "create works of art and to gain a reputation in artistic circles." However, WIK benefits are not totally unconditional. As in social assistance, they are means tested. Furthermore, to become entitled one must be a holder of an artistic diploma or be officially recognised as an artist by a given independent organisation. One of the criteria is the revenues from artistic activity, which must be over €1,089/year. In January 2004, the monthly amount for a single person was €540 and €761 for single parents (Ministerie van Sociale Zaken en Werkgelegenheid, home-szw.nl, section "uitkeringen").

Regarding tax credits, the Belgian tax reform was far less ambitious. A refundable tax credit targeted at low-paid workers has been put in place, which constitutes a very modest version of the American Earned Income Tax Credit. Ecolo leader Philippe Defeyt acknowledged that the tax reform represents a wasted opportunity for Belgian Big proponents (Interview with P. Defeyt, Namur (B), December 2001). With a true refundable tax credit of the Dutch type, it was possible to make a step in the direction of a better integration of the tax and benefit system. While designed by people who had looked closely and sympathetically at Big proposals, the version that was eventually proposed and approved was much more watered down.

For instance, the Radical Party (PPR) stated in its 1981 electoral platform that "it is technically possible to get closer from a basic income by means of the integration and individualization of the tax exemption," PPR (1981: p. 22. In 1994, as it was again thinking of Big as a long-term alternative, the Labor Party argued for the "replacement of the tax exemption by a tax credit," which would subsequently become a "negative income tax," PvdA (1994: 42. In 1999, the green party Groenlink also asserted that "the first step towards a basic income consists in the transformation of the existing tax exemption into a general tax credit," Van Gent et al (1999).

Interview with A. de Roo, Amsterdam (NL), May 2000.


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