

BASIC INCOME, SOCIAL JUSTICE AND POVERTY⁵⁵⁴

Yannick Vanderborght

1. Introduction

In December 2010, at the end of the European Year for Combating Poverty and Social Exclusion, the European Commission launched a new initiative on poverty. Officially designated the “Platform against Poverty and Social Exclusion”, it is part of what has been christened the Europe 2020 Strategy, which aims to achieve a number of ambitious targets by 2020. They include reducing by at least 20 million the number of Europeans affected by or threatened with poverty and social exclusion.⁵⁵⁵

In this context the European authorities aim to take resolute action to foster social innovation. However, at least up to now, it has merely been a question of applying already tried and tested policy measures, beginning with the reinforcement of minimum income systems, which have nonetheless clearly shown their limits.

Why not take advantage of this window of opportunity in order to hold an open discussion on genuinely innovative proposals? Would it be possible for the Council of Europe itself – by offering a forum for debate ranging beyond the 27 EU member states – to lead the European Union players in this direction, while encouraging them to rethink to a large extent their ideas on social justice and poverty?

It is with this aim in mind that I here wish to advocate a concept which, although not really unheard of, as we shall see below, has never been implemented in practice.⁵⁵⁶

Referred to in French as the *allocation universelle* (universal grant), or sometimes “citizenship income”, this concept is now more frequently designated by the English term “basic income” (*revenu de base*) and seems very simple to define: a regular income paid by a political community to each of its members on an individual basis and unconditionally.

554. This article is based on the author’s earlier works, in particular together with Philippe Van Parijs (see, for example, Vanderborght and Parijs 2005).

555. Cf. the Europe 2020 targets on the European Commission’s Internet site, <http://ec.europa.eu>. In 2009 (the most recent data available), over 80 million Europeans were living under the poverty line, set at 60% of median disposable income.

556. Apart from the specific case of the oil dividend paid by the state of Alaska since 1982.

During the 20th century this idea was already advocated by UK Labourites, Dutch socialists, French liberals, Catalan nationalists, Belgian ecologists and many others. It was also explored by many academics, including a number of Nobel Prize economists.⁵⁵⁷ In 1986 a few European researchers and activists founded the Basic Income European Network (BIEN),⁵⁵⁸ headquartered in Louvain-la-Neuve, a European network set up to conceive and promote the basic income concept. Since 2004 this, now global, network has gone by a new name, the Basic Income Earth Network. Today, the network is more active than ever before and publishes a regular newsletter. It has also instigated the launch of an academic journal, *Basic Income Studies*.⁵⁵⁹ The network held its most recent congress in São Paulo (Brazil) in July 2010, on which occasion its Executive Committee had a meeting with President Lula da Silva. The next congress will take place in Munich (Germany) in September 2012.

The arguments advanced through these congresses and publications and, even more so, during the extensive debates on the subject that have taken place in many countries – recently in Germany, Spain and Italy, in particular⁵⁶⁰ – show that many questions remain unanswered regarding this proposal. Some consider it too radical, and others too moderate, as a means of combating exclusion. However, it is now clear that in a debate on how to overcome poverty in Europe the idea can no longer be ignored.

2. More ambitious than a minimum income, different from a minimum wage

The standard definition of basic income, on which the remainder of this paper will be based, has already been referred to above: a regular income paid by a political community to each of its members on an individual basis and unconditionally.

This makes it possible to identify from the outset three key differences between a basic income and the minimum income mechanisms already established in most European countries:⁵⁶¹

557. For an overview of the most important works on basic income, see Widerquist (forthcoming).

558. www.basicincome.org.

559. This journal is an invaluable source of information for those wishing to learn more about basic income schemes and to read critical commentaries on them: www.bepress.com/bis.

560. See respectively www.grundeinkommen.de, www.redrentabasica.org and www.bin-italia.org.

561. Among the EU member states, the notable exceptions include Hungary, Greece and Italy.

1. A basic income is strictly individual, whereas traditional social minima are awarded taking into account household composition.
2. As the French term itself implies (the term “universal grant” is also sometimes used in English), this form of income is awarded on a universal basis, that is without means-testing. Both rich and poor receive it, regardless of their income level, whereas traditional social assistance schemes are naturally targeted at the poorest.
3. It is awarded unconditionally, with no requirement of availability for work and no obligation to sign any kind of rehabilitation or social reintegration contract, as often provided for by legislation in this field.

It is true that there are also some similarities: like traditional social minima this is a cash sum, in principle financed from taxation and paid on a regular basis. However, the three differences set out above make it clear that, if and when implemented, such a measure would entail a substantial change in social inclusion policies.

It must nonetheless be said that these three non-conditions do not really constitute a revolution. A number of European countries already have universal systems of family benefits, basic pensions and sickness insurance, which are often very popular.

Proponents of the basic income therefore perceive it as a more ambitious measure than payment of a minimum income.

It must also be distinguished from the minimum wage, the minimum level of remuneration provided for by law or under collective agreements in many industrialised countries. It goes without saying that only workers may benefit from such a minimum wage, whereas the basic income is paid to everyone, without anything being required in return.

Although opinions diverge on this issue,⁵⁶² it can be assumed that the basic income and the minimum wage constitute complementary rather than conflicting measures. It is true that, if one wishes to avoid employers using the existence of a basic income as a pretext for applying a general wage cut, it may prove necessary to adopt strong legislation on the minimum wage, actively supported by trade unions. This should nonetheless take account of the fact that persons who are less skilled and less productive (in the direct economic sense) could find themselves lastingly excluded from the labour market if the legislation is too inflexible.

562. See, for example, the discussion on this matter in Blais 2001: 82 ff.

3. The right to work or the right to an income?

One of the main bones of contention with regard to the basic income concept is in fact its impact on the employment market. At a time when all the countries of Europe have adopted “active” inclusion policies, is there not a risk that such a blatantly unconditional basic income would undermine the progress made in this direction? Does it not amount to seeking to do away with exclusion by encouraging dangerous inactivity? Would it not be better to guarantee a genuine “right to work”, for example in the form of mass subsidising of low-skilled jobs or through the creation of public sector jobs?

Basic income’s supporters consider that the only way of achieving a right to work is, in point of fact and paradoxically, to guarantee the right to an income. This would not be a second-best alternative to full employment, but a strategy for achieving it. This is because traditional social assistance schemes, like all targeted programmes, do indeed tend to dig a genuine inactivity trap by penalising those who succeed in finding low-paid work. The gains from taking up work are sometimes more than offset by the reduction, or complete withdrawal, of transfer payments, which results in implicit marginal taxation rates close to (or even exceeding) 100%.

A number of European countries have already taken account of this pernicious effect of targeted measures when reforming their welfare policies. This has led to the introduction of so-called “incentive” or “socio-professional exemption” mechanisms, enabling those concerned to continue receiving part of their benefits at the same time as they earn income from an occupation.⁵⁶³

This was, for instance, one of the key aspects of the reform of the French minimum income system, the *Revenu Minimum d’Insertion* (RMI), which in 2009 became the *Revenu de Solidarité Active* (RSA). This new policy is expressly aimed at allowing beneficiaries to retain part of the minimum income when they find work.

Such mechanisms in fact bring the benefits schemes closer to the basic income concept, in any case to its “negative tax” format.⁵⁶⁴ They nonetheless continue to have latent defects: they are highly complex, and therefore often poorly known and understood and not well planned for; they are frequently also subject to time limitations, which merely postpones

563. On this subject see the study commissioned by the King Baudouin Foundation (Belgium): De Vil and Van Mechelen 2011.

564. See Friedman 1968.

the problem of the decrease in income after finding work. What is more, their targeted – and therefore non-universal – nature creates unjustifiable inequalities in the employment market: a worker formerly in receipt of the minimum income benefits from an income supplement that is not available to colleagues paid the same hourly wage. It comes as no surprise that the initial evaluations made following the introduction of the French RSA scheme revealed significant shortcomings: reference is made to the “system’s complexity”, “incomprehensible” payment and calculation methods, “administrative hassle”, “breaks in support” and so on.⁵⁶⁵

For its part, the basic income also makes it possible to encourage people to seek work, even low-paid, low-productivity or part-time work, because that lastingly improves their net income as compared with what they receive when they are inactive. Disregarding mechanisms for its subsequent recovery through taxation, the basic income is retained in full by the recipient whatever the circumstances.

However, its universal nature differentiates it from the systems described above: it can be compared to a stable, permanent employment subsidy, available to everyone, regardless of their prior employment history. It accordingly avoids creating income inequalities at the bottom of the wage structure, while being far more transparent as regards conditions of entitlement.

Despite appearances, the basic income is therefore perfectly consistent with an active inclusion strategy. However, it must be clearly distinguished from the more hard-line version of such a strategy, consisting in a forced return to work through workfare. This is because its unconditionality gives the most vulnerable recipients some negotiating power, enabling them to refuse menial, dead-end jobs that offer them neither training nor future prospects. In short, while the measure’s universality makes it an effective subsidy for work that is unprofitable (again in the direct economic sense), its unconditionality prevents it from functioning as a subsidy for degrading work.

4. How does it affect poverty and inequalities?

Despite the worrying increase in the number of working poor throughout Europe,⁵⁶⁶ it is clear that access to employment remains a key means of escaping poverty. In the light of the above, it therefore follows that the basic income can be conceived as a component of an anti-exclusion policy.

565. Rollot 2010.

566. On this subject, see, for example, Clerc 2008.

The fact nonetheless remains that there is something disconcerting about the basic income concept. If the aim is to tackle the pressing problem of poverty head on, would it not be clearly more intelligent to target expenditure at those who are really in need of it? It would indeed make no sense to award a basic income to all members of the public, if that entailed an increase in disposable income for each of them. However, the aim of a basic income is not to bring about a net improvement in the situation of the richest members of society, and that would not be its end result. One way or another, the allowance has to be funded, like any other redistribution scheme. Most versions of the basic income concept involve a restructuring of current social transfer and personal taxation systems. In concrete terms, this would mean, firstly, eliminating or reducing certain transfers to the poorest members of society – but never in an amount greater than the basic income – and, secondly, ending tax exemptions (or reduced rates) benefiting the rich rather than the poor. Depending on the amount of the basic income, taxes would have to increase by a more or less insignificant (or significant) amount. Whether this tax were to be levied on a progressive or a proportional basis, and in the form of a traditional tax or a universal social contribution, it would of course primarily be the richest people who would pay it.⁵⁶⁷

A basic income awarded even to those who are rich is therefore not better for the rich. But why would it be better for the poor? In this connection, a brief comparison of the countries having a universalist tradition, chiefly in Scandinavia, with those where the focus is traditionally on targeting, such as the United Kingdom, Ireland or the United States, is instructive. Everything goes to show that the former succeed far better in reducing poverty and inequalities than the latter.⁵⁶⁸ A number of explanations are usually given for this seeming paradox.

Firstly, potential beneficiaries' knowledge of targeted transfer schemes is poor, as it is hard to find one's way through the maze of organisations, rules and categorisations. Secondly, the very nature of targeted schemes entails verifying, sometimes in an intrusive, humiliating manner, that the beneficiaries effectively meet the entitlement criteria. Lastly, targeted schemes are not very good at guaranteeing continuity of entitlement. As explained above, transfers are partly or fully terminated if the recipient's status changes, which does not encourage beneficiaries to take risks in order to reintegrate into the employment market. By avoiding these three

567. For information on the many financing possibilities, see the recent publication co-ordinated by the network BIEN-Switzerland (2010).

568. See, for example, Wilkinson and Pickett 2009.

pitfalls inherent in targeting transfers at the most disadvantaged, regular payment of a basic income helps to give them more economic security.

It nonetheless has to be acknowledged that the basic income alone cannot solve the problem of poverty, which is by essence multidimensional. Other reforms, for example concerning access to housing or education, are also needed. Social workers will continue to play a fundamental role here. However, the elimination of complex – and often arbitrary – procedures will enable them to focus on supporting, rather than checking up on, the most disadvantaged.

5. A liberal-egalitarian reform

Beyond the pragmatic arguments advanced to show how the basic income can be an effective means of combating unemployment and poverty, it is important not to lose sight of the standards-based justifications for it. After all, as John Rawls wrote at the very beginning of his famous work *A theory of justice*, justice is indeed “the first virtue of social institutions”.⁵⁶⁹ Even if Rawls himself was sceptical about the potential of this proposition, it is clearly fully consistent with the so-called liberal-egalitarian tradition.⁵⁷⁰

As already mentioned, the payment of this kind of basic income, combined with funding through progressive (or proportional) taxation, should help to decrease inequalities, as has been observed with other universal schemes.

In addition, a number of the key features of the basic income confer on it a unique potential for emancipating individuals. As Philippe Van Parijs showed in one of his most commented works on the subject, it maximises “real freedom” for those who have the least of it.⁵⁷¹

It can be noted that the “egalitarian” nature of the concept became apparent from the very outset of theoretical debate on basic income, at the end of the 18th century. At the time its advocates described it as a form of just reward for the appropriation of common goods by a small minority. This argument was to be frequently utilised throughout the 19th century by thinkers with more or less utopian leanings. For example, in 1848 in Brussels, the socialist Joseph Charlier published his *Solution to the social problem*, in which he maintained that everyone was entitled to a dividend (which he

569. Rawls 1971.

570. See Parijs 1991. For arguments in favour of a basic income founded in other traditions of political theory, see in particular Parijs 1992.

571. Parijs 1995. See also, for example, Widerquist 2011.

subsequently christened the “territorial dividend”) corresponding to the per capita value of national territory and its natural resources.⁵⁷² This reasoning subsequently became more and more widespread and is still present today, in more sophisticated forms. The aim is very frequently to demonstrate that our economies produce wealth of which we are the collective owners, but which remains very unequally distributed.⁵⁷³ A convenient way of organising the necessary redistribution is to grant everyone access to basic resources leaving them free to lead what they regard as a well-lived life.

This is naturally where the profoundly “liberal” nature of the basic income lies, and it is this aspect of it that has sometimes perturbed the usual proponents of egalitarianism within social-democratic parties or trade unions.⁵⁷⁴ It is true that guaranteeing everyone such an income, without conditions, is a way of equalising opportunities to enjoy greater individual freedom. Some people accordingly consider that such a measure would foster individualism and a withdrawal into the private sphere, without regard for the need to forge social ties and for the concept of the common good. However, it is precisely because the basic income severs the link between income and making a productive contribution in the narrow sense that it has been construed, in particular by ecologists, as favouring autonomous, non-commercial activities.⁵⁷⁵

6. Guaranteeing participation?

While the basic income constitutes a subsidy for low-paid employment, it can hence also be considered as a subsidy for other forms of activity to which the market attaches no value. In principle, there is therefore nothing to prevent individuals from deciding to make the most of their resulting financial independence and free time by spending their days surfing on the Malibu beaches.⁵⁷⁶ To avoid this type of “parasitic” behaviour⁵⁷⁷ and encourage everyone to contribute to the common good by fulfilling their obligation to reciprocate, it would be possible – some say desirable – to arrive at a compromise regarding the radically unconditional nature of the basic income, but without relapsing into the shortcomings of traditional

572. Charlier 1848. See also Cunliffe and Erreygers 2001.

573. See , for example, Herbert 2001.

574. See Vanderborght 2005a.

575. See, for example, Offe 1992; Gorz 1997; Parijs 2009; or more recently Arnsperger 2010; and Arnsperger and Johnson 2011.

576. This example refers to the discussion in Parijs 1991.

577. See Van Donselaar 2009.

welfare mechanisms. It is with this aim in mind, that advocates of this solution frequently defend the concept of a “participation income”, as proposed by the British economist Anthony Atkinson.⁵⁷⁸

The idea seems simple. Rather than granting everyone an unconditional allowance, why not pay an income to those who perform a “socially useful” activity and thereby contribute to the common good? This participation income, entailing low conditionality, would make it possible to put a value on autonomous activities without rewarding idleness, as does the basic income. Atkinson lists a whole series of occupations that would confer entitlement to this allowance, including in particular taking care of people who are dependent, actively looking for work, training or recognised forms of voluntary work. Although he considers it logical that this participation income must also be paid to workers, he above all stresses the fact that, unlike classic welfare programmes, a measure of this kind would allow for people “opting out of the formal employment status for significant periods of their lives, pursuing some alternative lifestyle”.⁵⁷⁹

A number of key objections can be raised with regard to this apparently attractive proposition. Here, I shall focus briefly on just two of them.⁵⁸⁰ Firstly, at least if the amount of the allowance is significant – so as truly to permit the pursuit of autonomous activities – it stands to reason that an appropriate supervisory mechanism will have to be put in place. The public authorities will have to stipulate the nature and extent of the activities conferring entitlement to the participation income, while rigorously verifying the effective performance of these activities. As with traditional welfare mechanisms, these verifications will be complex and costly to implement, paving the way for arbitrary administrative decisions and a risk of non-take-up of the allowance, particularly among the most vulnerable members of society. Secondly, it is worth asking which criteria will be applied to distinguish between “socially useful” activities and those regarded as “socially useless”. Is a non-arbitrary boundary line possible? Will someone who devotes their time to a sports association be entitled to the allowance in the same way as someone who is active in a human rights organisation or a political party? The stricter the criteria, the greater the risk of confining payment of the allowance to those who have the cultural or social capital required to be able to take an active part in the

578. It should be noted that Atkinson in fact tended to view participation income as a policy device for circumventing the reciprocity obligation. See, in particular, Atkinson 1996.

579. Atkinson 1998: 147.

580. For a more detailed discussion, see Vanderborgh and Parijs 2001; and Wispelaere and Stirton 2007.

civil society networks. The more flexible these criteria become, the more the participation income will resemble the basic income.

Attempting to guarantee reciprocity and a contribution to the common good by introducing such conditionality accordingly appears to be a fairly unpromising path. It might be said that the need to delimit the scope of what is “socially useful” as it were entails a highly paternalistic approach, which is likely to operate to the detriment of the poorest members of society. It is better to forgo these attempts and accept the idea that a measure such as the basic income will facilitate pursuit of a dual goal: promoting participation in a multiplicity of autonomous activities, on the one hand, and substantially increasing the real freedom of the most disadvantaged, on the other hand.

7. Some challenges: training, individualisation, migration

An unconditional basic income has many advantages that help make this proposal a serious alternative to traditional poverty reduction schemes. Nonetheless, it should not be inferred from this that its acceptance would not pose difficulties. In particular, the moral objection that it is unacceptable to tear asunder the link between a right (to income) and the corresponding duty (to contribute) continues to stir up debate. In addition, the proposal’s advocates have to contend with a number of practical challenges.

Firstly, is there not a risk that establishing the basic income would result in a huge waste of human capital? In 1995 two Dutch economists published an article on this subject in one of the Netherlands’ oldest economic journals.⁵⁸¹ At the time the coalition in power in their country was seriously envisaging introducing a basic income, which had become a topic of heated discussion.⁵⁸² Although Lans Bovenberg and Rick van der Ploeg shared some of the concerns of the idea’s proponents – in particular regarding the problem of inactivity traps – they drew attention to one major drawback, which can briefly be summed up as follows. If young people know that, upon reaching their majority, they will be entitled to an unconditional allowance, there will be no incentive for them to train and study so as to improve their skills. They will opt for undemanding, low-productivity jobs, without investing their energies in their schooling. The two authors maintained that “these developments threaten the most important capital good in a

581. Bovenberg and Ploeg 1995.

582. See Vanderborgh 2005b.

knowledge-intensive society: the human capital and the work discipline of future generations".⁵⁸³ The worrying level of youth unemployment in many European countries, due, *inter alia*, to low qualifications and dropping out from school, requires that this challenge should be taken very seriously. One cannot reasonably consider it enough to say that access to conditions allowing maximum individual freedom must also apply to young people. Although that is important, it must nevertheless be acknowledged that free choices made during adulthood are very different from those that may be exercised at the age of 16 or 18, when the employment market is still a very distant, abstract thing and it is hard to anticipate the negative and long-lasting consequences of the options envisaged.

Some proponents of the basic income have concluded from this that, although the low conditionality inherent in a participation income would be unworkable if it were applied generally to the population as a whole, it would not be unreasonable to impose it in the case of the youngest, for example those aged between 18 and 25. The basic income would then take the form of a subsidy for training in the broadest sense, making it possible to extend to a larger share of the population the financial support that is currently all too often reserved for students alone.⁵⁸⁴

The second challenge is whether the proponents of a basic income do not underestimate the real cost of this measure. Of course, as in any universal scheme, a distinction must be made between the gross and the net cost. However, would there not inevitably be an extra cost because, unlike all traditional income support schemes, the basic income would be paid on an individual basis? This is a criticism frequently heard concerning any suggested individualisation of benefits. Calculating benefit levels according to a household's composition makes it possible to take account of the economies of scale obtained through living together and *de facto* reduces the overall amount of the transfers made. If it became necessary to give everyone the amount currently awarded solely to those living alone, the additional cost would not necessarily be prohibitive, but would certainly be considerable.

A possible answer would be to devise an unconditional basic income payable to households.⁵⁸⁵ However, is the allocative efficiency that would be achieved through such an adaptation of the proposals sufficient to

583. Bovenberg and Ploeg 1995: 103. See also Groot and Veen 2000.

584. See Vanderborgh and Parijs 2005: 99.

585. For instance, this is what Denis Clerc proposes in the French context: Clerc 2010. See also the answer proposed by Y. Vanderborgh and P. Van Parijs in the same issue of *L'Economie Politique*.

justify abandoning one of the key features of the reform as proposed here? Probably not, for at least two reasons.

Firstly, if the income's level depends on the household's standard of living, there will be an incentive for the most disadvantaged to declare themselves as living alone even when that is not true – this is a phenomenon already noted with many selective benefits. As a result, the administrative verifications would have to be continued, or even reinforced, so as to guarantee the scheme's sustainability and legitimacy. A genuine, individual basic income, by definition independent of the household's composition, would make these costly verifications superfluous. As those who decided to cohabit would not be penalised by a reduction in their income, this solution would also favour shared living, which is known to be a condition conducive to poverty reduction.

Secondly, at a more fundamental level, individualisation must be regarded as an essential component of any egalitarian strategy. An individualised guaranteed income improves the situation of the most vulnerable partner, ensuring that he or she will benefit from uninterrupted payment of an allowance, regardless of the household's overall income. On account of the unconditional nature of this individual allowance, the formula makes it possible not only to limit the harmful consequences of inequalities within families, but also to increase the real freedom of each family member, which is a measure particularly in favour of women.⁵⁸⁶

The last challenge lies in the fact that it can legitimately be asked whether such an allowance would be viable in a Europe whose frontiers are increasingly easy to cross. Within the European Union, in particular, it is no longer possible to restrict access to social rights to a country's citizens alone. If a single member state introduced a basic income and a residence requirement continued to apply, that would probably not suffice to discourage migration by those wishing to benefit from such a basic income, especially if it represented a quite significant amount.

Furthermore, if one of the objectives is indeed to equalise opportunities by redistributing genuine freedom for the benefit of the most disadvantaged, it would seem absurd to preclude awarding the allowance to migrants (from inside or outside Europe), when they are on average far poorer than the rest of the population.

586. An issue of the journal *Basic Income Studies* was devoted to this question of feminism and basic income. See *Basic Income Studies*, 3 (3), December 2008, www.bepress.com/bis/vol3/iss3.

This challenge highlights an inevitable stress point to be found in all redistributive schemes in a globalised economy. The selective migration that can already be observed in some industrialised countries⁵⁸⁷ exerts pressure on the most generous systems and may result in their levelling down. A benefit that is as radically unconditional as the basic income can be seen to be particularly exposed to this risk.

It is not only easily accessible, but also provides no particular incentive for immigrants to integrate, for example by improving their language skills. The latter characteristic could rapidly make it unpopular with the indigenous population. A simple, satisfactory response to this challenge is therefore not necessarily feasible. Would it be enough to show that the integration of persons of foreign origin into the employment market would, in point of fact, be facilitated by the subsidy for low-skilled work that the basic income constitutes? Would it be possible to win over the sceptics by showing that the positive effects on the jobs supply would easily suffice to cover the cost of the scheme?

Whatever the answers to the above questions,⁵⁸⁸ the migration challenge requires us to envisage the possibility of creating a basic income at a supranational level.

While it seems unrealistic – albeit probably desirable – that such a measure could be implemented at world level, it is not incongruous to imagine that it might serve as a basis for reform at regional level. For example, the American philosopher Michael W. Howard has explored the idea of establishing a dividend within the NAFTA (North American Free Trade Agreement) countries – Canada, the United States and Mexico. He argues that this dividend would make it possible to reduce inequalities, which are growing in these three countries, would provide a useful development tool and would at the same time guarantee that regional co-operation “benefits the least advantaged”.⁵⁸⁹ It is naturally desirable to consider introducing a similar scheme within the most integrated regional entity worldwide, the European Union.

587. Borjas 1999.

588. For a more detailed discussion, see Vanderborght and Parijs 2009. See also Howard 2006.

589. Howard 2007.

8. Conclusion: towards a Euro-dividend?

The solution of introducing a basic income can now no longer be disregarded by anyone who views fighting poverty not as a charitable obligation, but as a demand for justice.

Taking into account the difficulties described above and the radical nature of this reform, it is nonetheless doubtful that it could be introduced anywhere by suddenly transforming welfare systems.⁵⁹⁰ However, it is not at all illusory to hope that the proposal, and the underlying ethical and pragmatic arguments, will serve as inspiration for reforms substituting universality for selectivity, thereby reversing a dominant trend in the majority of European countries.

There is even reason to think that, as the growing powerlessness of nation states forces us to devise and implement a scheme of inter-individual redistribution at European level, the idea of a basic income will gradually take hold. One means of transition that should be explored in this context is the establishment of a genuine “Euro-dividend”, which could initially take the form of universal family benefits financed at EU level.⁵⁹¹ The amount of these benefits could vary according to the cost of living in each member state. While both supporting and being a partial substitute for the Union’s cohesion policies, such a Euro-dividend would simultaneously constitute a first step towards an at last fully renovated European social model.

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590. Concerning the difficulties of implementing a universal grant, see Clerc 2011.

591. For a discussion of the various possibilities for paying a Euro-dividend, see Parijs and Vanderborght 2001.

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