

# What role for a modest participation income? - Lecture by Guy Standing

25th anniversary BIEN Maastricht 30 january 2016

25 years is a long time for many of us who set up BIEN, nearly 30 years ago. remember the establishment of the Basic Income Network in the Netherlands. It's a great pleasure to be able to see some of the founders in the room today. I was asking about Robert van Veen who organised our Amsterdam congress that some of you will remember and I wish him all the best, he is not here today. But there are others here that deserve to be celebrated in their own right. Alexander the Roo an old friend, I'm pleased to see him back in the heart of our movement, it's wonderful on a personal level. But there are many others I should be mentioning but I apologise for not doing so.

It is a moment for reflexion and it reminded me when I was thinking what to say this morning that when BIEN had its 25th anniversary something, may be it was a drink or two that let me to write a letter to all our live members. I tried to concentrate on what sustains a movement.

I think a movement has to go through a number of phases. I was reminded of Albert Hirschman's great book on how all progressive ideas go through three phases. Where first of all people dismiss it on grounds of futility *won't work it's useless*. Then they go through arguments of perversity *it has unintended consequences blablabla blablablablbla*. Then it goes through the arguments of jeopardy, *it will jeopardise other great ideas*. In the end the idea becomes part of the common discourse and it becomes accepted. Within a very few years after that it is regarded as *of course, of course, of course*.

In the same time I was reminded of something that Milton Friedman had written way back when the members of the Mont Pellerin Society of which he was a prominent member, were regarded as renegades. Most of us in this room would not agree with the Mont Pellerin Society and its neo-liberalism. But his fundamental point was that you need to keep ideas alive. He gave approximately thirty years when it goes from being impossible, ridiculous, absurd to the point where it becomes inevitable. He lived to the point where some of his ideas, and we regret that, came to be regarded as a premonition. He became a Nobelprice winner given all sorts of rewards with his friends and so on. We haven't quite reached the point of thirty years but we are getting close and any of us who has been in the movement in this period will feel, I think, a sense of dramatic change in the atmosphere. We are no longer regarded as mad, bad and dangerous to know. That's gone a long time ago. Every single day you will hear of some prominent person who has decided that they just invented the idea of a Basic Income.

It's wonderful. I remember a congress in Brasil where Eduardo invited me to speak and in the first session of the Senate everybody was attacking us. Remember the second one, it was very funny I was on the rostrum and the whole series of prominent Brasillian politicians, ministers and senators and so on, were rushing into the podia, one after the other claiming it was their idea. Three years before they had been the ones attacking it. That's great, let's not name names.

It is wonderful that across the political spectrum there is a rush to joining our ranks in one way or another. My job this morning is to try to provide a little contexture background. Because most of us are friends and have known each other for many years, you will be glad to know I'm not going through the standard arguments for and against. We know that or we should. I want to say that I think I'm rather fortunate in having been involved in four major pilots of a Basic Income. In Namibia and in India, three schemes in India where we actualy put a Basic Income into practice.

Thousands of people receiving a Basic Income comparing what happens to them with thousands of similar people elsewhere. The experience of doing it has been remarkable in various aspects. Not just the results, but in helping to legitimise the whole idea of a Basic Income with local intellectuals, local politicians, local bureaucracies and most of all local people. That is so important about where we are today.

Many of the people who worked with us in the beginning of the Indian Basic Income pilots, it's in

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the book if anybody is interested on the results. Most of them I can say without fear of contradiction, at the beginning said *okay Guy we work on it but to be honest I don't really believe it.* Today all of those people are more passionately in favour of Basic Income than any of us in this room. I promise you. I'm proud of them for adjusting. And they just established the Indian Network Basic Income. Hundreds of people are joining and prominent people amongst them. I would like it to be a message sent from the Dutch network and from BIEN today as we celebrate this 25<sup>th</sup> anniversary to wish them every success. Because I think they would appreciate that as a gesture.

We know the journey is long, but at another point that I tried to make in that letter of the 25<sup>th</sup> anniversary is that it's great to be part of such a journey. You make friends, the Greek idea of philia, you develop your ideas collectively to the point where anything Eduardo says anything that I say, that Philip says, Alexander says and anyone of you in the room might say you never actually are sure who gave you that idea. You may have done it yourself, I may have gotten it from you, you may have gotten it from somebody else. It belongs to some sort of collective argument. That is something precious that you get from a collective journey that we have been making. Of course we had our disappointments, of course we faced insults. But having that sense of solidarity really reinforces what is so important. We know that we are trying to do something that is ethically and morally desirable, something respectable, something that we can say to our grandchildren **I stood up.** That's great. But to do it together makes it even greater.

Now I want to say a couple of more things that have struck me recently. One is that I think we need to strengthen the distinction why we support the Basic Income. Between the idea that it should be a substitute for other forms of social protection, partially or wholly, in favour or instead of old social insurance, or universal whatever it might be, and the idea that we want the Basic Income because we want to redistribute access to resources and access to freedom.

That's different, it is complementary but too often I think we get into a situation where we left arguing about the details, arguing with social security specialists, when really our fundamentally strong round is that we believe in a Basic Income as a mechanism for redistribution, for social emancipation and for a dignified life in a good society.

It's different but complementary. That is why I always liked it right from the beginning in the early 80's I have always liked the term **Social Dividend.** I still find myself using this term Social Dividend. Social dividend implies the idea of Thomas Paine (1737-1809) and George D.H. Cole (1889-1959). A dividend as a return on the investments and achievements of our ancestors who produced the wealth that we all share, accept that we share it unequally. We don't know who's ancestors contributed to our collective wealth. A social dividend is like a return from our ancestors efforts. But the main problem still persists within our own ranks as much as in popular debate. We still find ourselves using the term Basic Income, others use Citizens Income, some use Universal Basic Income, some use Unconditional Basic Income. I have never felt happy with this **prelephera** of words. And in particular I never felt happy with any of the prefixes to Basic Income. Because each one of those prefixes actually raises awkward questions. We use the term Citizens Income that must mean you want to exclude certain people. If you are using the term Unconditional Basic Income, excuse me because we are being dishonest intellectually and logically. Because we do believe in conditions, but very limited conditions. We believe that you should obey the law, we believe that you should be a legal resident or do we or don't we. If we use the term Unconditional you raise issues that are problematic. But a long come to conclude, we have to live with those **prelephera** of words and deal with them as best we can as we go along.

The same applies with Full and Partial Basic Income. I have been working on this subject for more

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then thirty years and I have a confession. I'm sorry, it shows my deficiency but I still don't actually know the difference between Full and Partial. I'm sure you can define it in some way but I can't satisfactorily. I believe in a Basic Income. What that means as it goes forward is something for us to see as we go forward. The same problems I have with another popular term, associated with Tony Atkinson in particular of a Participation Income. Participation in what, for what, for how long, by whom? All of these questions allow a neo-liberal or a moralistic paternalistic politician to say *hahaha yes if you participate in welfare scheme then you deserve of a basic income*

It's always a problematic development when you use such terms. I actually do believe in one condition. In my books I proposed it, you may oppose it. I think most of us do believe in some sort of condition. The condition I believe in is that today we are faced by a crisis of thin and commodified democracy. In those circumstances we need to encourage people to be citizens, to be participating in society. That's why I argued in the book on the Precariat Charta that in order to strengthen the liberties of democracy, once people start receiving their Basic Income they write or sign a statement making a moral, not a legal binding, making a moral commitment to participate in politics in some way. Participate in meetings on political issues like the ancient greeks would have done it or in some way. That is a conditionality. That is not a conditionality that restores the market. It's not a conditionality that effects one group and disadvantages them in some way in the labour market.

Now I just want to say just a few words on what is a minority but I will not go into any detail. I think it provided us with a unique opportunity to make progress towards a Basic Income. That is that we are undergoing a global transformation in which a global labour market is developing, inequalities and insecurities are multiplying like the alderman said and technology is having a huge effect on inequality. I disagree with the argument that robots and technology are going to remove all the need for work. I think this is bunk. I'm a **ladite(?)** in the best sense. The **ledites(?)** objected to the technological changes of their age because they saw it as disrupting their way of life. Disrupting the ability for themselves to be able to have community and solidarity and reciprocities of society. That was their rejection. Today technology is changing the character of work, of course it always disrupts some jobs and creates a whole lot of other jobs. That has always been the case. What is unique about this technological revolution is what's being called **hectromation(?)**. In other words it's generating a whole lot of extra work that is not labour. Work that people have to do but don't get remuneration for. This is a big problem for a Basic Income movement.

I was recently invited to Silicon Valley to speak about Basic Income and the precariat and all these hightech wiskids, every single one in the room either billionaires or multimillionaires I felt completely alienated. I talked about Basic Income and what was remarkable is that most of them got it. Most of them said, look if we don't have a Basic Income the **inequalities** and insecurities that we are generating inadvertently will become explosive. They were sensible enough to see that. What they were not very nice to me about, is that they took me to a laboratory and they arranged for me to have a debate with a robot. I told someone of my friends about this because what they didn't tell me was that they were videoing my debate with the robot. It was very interesting because the robot showed an ability to do Salsa and Tai-Chi that would disgrace most of us in this room but also started to argue very coherently about the precariat. It was pretty good, it got the accent right and every thing. But in the end I think that everybody accepted that having a Basic Income makes sense.

Now we have got a situation where more than 40 percent of our population is today or will be

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tomorrow in the precariat. Suffering declining real wages, an inability to get access to nonwaged benefits or right-based state benefits. Having to rely on charity which is one form of social protection which has been growing. Or having to rely on privatised social policy which is inadequate. More and more they are rejecting the old social democrats, they are rejecting the neo-liberals, some atavistically are going to support the Donald Trumps or your crazy politicians on the far right and others everywhere. Some are waiting for a new progressive politics. We must appeal to that third group. Today as we know we are faced with a political crisis, unprecedented in most of our lifetime. Where the far right is gaining and gaining and gaining and dragging politicians of the center further and further to the right. A Basic Income must be part of the progressive response. It has moved from the point of being desirable, for reasons that many of us in this room have articulated many times, to being essential. Because unless we give basic security to all our people, that disgusting far right populism will very soon be spreading amongst us all. Even in civilised places like Maastricht. I think Basic Income has a new political urgency. This leads to my last couple of points.

I strongly believe that pilots are essential at this stage. We are at an era of experimentation. There will be those amongst you who will say they are not necessary because the findings we know. That's not the reason why we need pilots. We need pilots to get political legitimization, to show how they work, why different variants work in different ways and we need to know what things not to do as well as what things to do. I think it's going to be very important, as this era of experimentation that's rushing in towards us, to make sure that every experiment starts with normative principles of social justice. Just as this person has said social justice principles are the basis of any viable pilot. In other words we need clear hypothesis and know why we are doing it. That is so important. I think that tells us one point in which I'm going to stop which is what we found in India above anything else. It's so important that everybody in a community whether it's a small community or a big community, receives the Basic Income. It's not a matter of giving Eduardo a Basic Income and you not, and you one and you not. The community-effects of a Basic Income are at least as important as the individual welfare-effects on nutrition and health and schooling and all those things that we emphasise in our research. The community effects include the emancipatory effects that I have written about recently, which are actually greater than the monetary effects of the Basic Income. So a pilot should be everybody in a community. That principle is fundamental for a good design.

I like to conclude by congratulating once again the Dutch for being leaders in our movement over the years and great examples of liberal thinkers and progressive thinkers.

I congratulate Eduardo for appropriately getting a degree in a University that's celebrating a great event in our movement. It's a global one it is an European one and in a time of refugees when people in politics and elsewhere behaving with a disgusting opportunism we stand for something that offers a good society. Thank you very much.

## Questions

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1. Dear Guy Standing: What about establishing a Basic Income as a Human Right.
2. Could you say a little bit more about that you said that people need to be more political active when accepting Basic Income.
3. I am a social historian: main reasons for propagating Basic Income is that labourmarket is changing, the precarious labour is growing but will you enable labour market officials to continue with this precariat, that enables employers to have bad wages, apalling working conditions. Basic Income should be supplemented with campaigns for secure labour conditions, better income wages, better employment conditions for precariat workers. There have been campaigns for living wages in London and the US and also Trade Unions are becoming more and more aware of this urge to fight for a wage which is secure. We had the Justice for Janitors campaigns in the US, the Cleaner-strikes in the Netherlands, I think one story has to be added to the basic story that is, action of the precariat workers themselves to defend their interest and to campaign for a living wage.

Guy Standing:

Q1: let me first of all respond on the human right. Basic Income is a right. That's what we believe. Rights always begin as demands, they always begin as class based demands in my view. That was the lesson of the Magna Charta. Rights are freedoms. That's the old essence of a Basic Income, it gives people a sense of freedom, it is emancipatory that's why I think it is a right.

Q2: I developed it in the Charta at the end and I drew my inspiration from the city of **Pistam(Pystan?cm)** in Southern Italy. I was asked about this in Barcelona recently, I said P.....(?) is one of the great cities because there is where deliberately democracy began. To be a citizen meant you had to participate in voting in your city. I believe that people should make a moral commitment to vote in their general elections, presidential and parliamentary elections. In some countries they have that as a constitutional rule anyhow. But I think that it should be a moral commitment. Furthermore what I recommend is that people should agree morally, not necessarily pay a penalty as they don't, but to go along to at least to one political meeting held in their town or their village each year. The crises of thin democracy is a real one. When you have a situation in my own country f.e. where a government gets the majority when they got 24 percent of the vote! 24 percent of the electorate voted for the Tories. That's the reality, that is not democracy, not democracy. I think you can twist it, but the idea is to encourage people to re-engage.

3. The third question it demonstrates I suppose you haven't read my books. I argued for thirty years we must never see Basic Income as a one-of penacy. We must see it as part of a progressive package. In my proposed Precariat Charta there are 29 articles. 29 types of linked reforms which I think will reduce inequality and improve freedom. Most of the points that were mentioned are in that Charta. I think we almost always need to emphasise that point. We don't believe that a Basic Income by itself resolves all social and economic problems. We don't need to make fools of commentators on tv or interviews and so on trying to suggest that that's what we believe. We dont. What we do believe is that the Basic Income and the moving towards it is a essential part of a progressive strategy, that's where we stand. So I think many of the other things that the speaker mentioned are part of it. I don't think a living wage would do very much. I'm in favor, who can be against. Can you be against a living wage?

But it wouldn't reach most of the precariat tasks and doing crowd labour and doing all the

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fragmented tasks that have been generated from globalisation. It won't reach them. So let's stop pretending. It's a good idea that it's has standards but it won't. Whereas a Basic Income strengthens the bargaining position for an individual, for a group. The ability to turn round to an exploiter, an oppressor and say *no*, except use Anglo-Saxon words. So I think a Basic Income is better than those alternatives, but then again I'm not against it neither would most of us.

## Question

4: I come with a very important point Basic Income principles behind a Silicon Valley proposal. What's to my knowledge the first time a private company funds a sort of Basic Income. So my question is what's your view on this politics of the private sector, to me that's a very dangerous or potentially dangerous opening.

5: Christina Lambrechts from Belgium: Thank you Guy I love your talks very strongly. I would like to invite you in Belgium and talk to the Labour Unions. Because to us in Belgium that's a very big problem. Next week f.e I have an interview with television reporters and they already told me *We talked already with one of the leaders of one of the Unions Left and they are clearly against Basic Income*. So I don't know how I can reach them, how to persuade them. I remember you wrote a paper : "Why Unions should support Basic Income". I don't know how it is in the Netherlands or in other countries but in Belgium it's very difficult to reach the Labour Unions.

6. my name is Jo Bothmer from the European Anti Poverty Network, there is also an European Minimum Income Network. Within the network there is a support for Basic Income and next there is a discussion about living wage and Basic Income. The second thing is what the gentleman before me said if I have Partial Basic Income it means that I can work, I can work on developing new skills, I can use it to go to train myself. It's not just a question of enabling bad employers to misuse it, it is also to enable poor people to really use it.

## Guy Standing:

Q4: let me first begin with a new initiative that's just been announced in California. I don't think they were trying to recruit me but I was sent the job description the day before yesterday, of the coordinator that they wanted to recruit for this five year Basic Income pilot. If there is anybody in this room who likes to work five years on a pilot then they could go online or chat with me and I'll give you the answer. I should warn you in advance. Having worked for five years on a Basic Income pilot, it will age you and it will drive you to distraction, it will drive you to drinking strong drinks and otherwise frustrate you. But if you'll survive all of that it will be one of the great things you do in your life. So there are pluses and minuses. I agree with your concerns that having privately funded initiatives had moral hazards, that's very clear. I would much prefer it if the alderman and his colleagues in Maastricht would get it from a public fund and a public basis.

I think that we all must understand that we must try to take advantage of the opportunities that are opening up. I don't agree with having Mr. Oltman, he is a billionaire who is funding this scheme, doing it. What I recommended is that if it were to go ahead they should have an international advisory board of independent people drawn from different backgrounds, to make sure that the worst moral hazards were not permeating the whole experiment. I think the man is well meant and is intended with good intentions. He was in Silicon Valley and I know a bit about it. I agree with your concerns. The same is the case with this independent thing "give direct" which I don't like at all. It's a sort of lottery when you pick out

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one lucky winner somewhere in Uganda and some where else and then you say *hihihi eureka it works*. Of course it's likely to work. It doesn't help us with advancing the arguments.

Q5: As far as the Unions, I must say two things that have happened in the last few years on the Unions. One is that for a long time if I would be talking to a meeting in any country on the precariat with the precariat in the room, if I started talking about Labour Unions there would be a rush for the bar. Fuck the Unions. Excuse me but that was the attitude. Because the Unions have not understood the Precariat and related their politics to the precariat. For a long time the same hostility, the worst hostility of all to Basic Income was from Labour Union leaders. We have all seen that right? But today there is a change taking place. I think I have about 20 invitations this year from Trade Union movements around Europe to go and address them. I'm sure it's not because they like my face it's because they realise that they have to change their posture before they become so irrelevant and weak that they are deadmen walking as Pepegrillo(?cm) would describe it. The Unions are the problem. But we need collective bodies, we need collective bodies. If it is the Unions that has been transformed and getting it for the precariat and for Basic Income is part of their challenge not mine or yours. But I think more of the young people in the Unions are open and advocating. Quite often I get an email from some junior official in the Union Movement: *dear Guy please don't tell my boss that I'm writing to you*. I'm touched but I think things are changing and let's hope so. Thank you very much.

Q6: The last point about minimum income. As you probably know we have had debates with the minimum income particularly in Brussels. There has been debate. We do have fundamental differences that we don't fundamentally agree with means testing and that makes the dialogue intellectually difficult. But of course if the minimum income people are proposing a move towards giving people security and they believe that, then we have the basis of a potentially productive debate. I do think that we are relating to those and we must continue to do so in every chance. And that it's something that, I think I can say, has been a feature of all of BIEN the last thirty years.

Thank you very much.