



# Citizens' Income

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What it means, why it should be  
part of a green economy



# Introductory Discussion

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- Why do people work? How many different reasons can you think of?
- How many people would still work if they had enough money to live on?
- Might they make different decisions about what work to do?
- Why is there a problem with the work-life balance?

# Anthropology of human societies



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- Side by side with family housekeeping, there have been three principles of production and distribution:
  - Reciprocity
  - Redistribution
  - Market
- Prior to the market revolution, humanity's economic relations were subordinate to the social. Now economic relations are now generally superior to social ones.

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- 'By universal basic income I mean an income paid by a government, at a uniform level and at regular intervals, to each adult member of society.'
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- The grant is paid, and its level is fixed, irrespective of whether the person is rich or poor, lives alone or with others, is willing to work or not. In most versions—certainly in mine—it is granted not only to citizens, but to all permanent residents.
- The universal basic income is called 'basic' because it is something on which a person can safely count, a material foundation on which a life can firmly rest. Any other income—whether in cash or in kind, from work or savings, from the market or the state—can lawfully be added to it.'

- [Philippe Van Parijs](#), 2000



# The proposal

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- Automatic payments depending on need
- Tax-free and without means
- Income tax and employees' national insurance contributions would be merged into a new income tax
- The tax-free allowance would balance out the Citizens' Income for higher earners

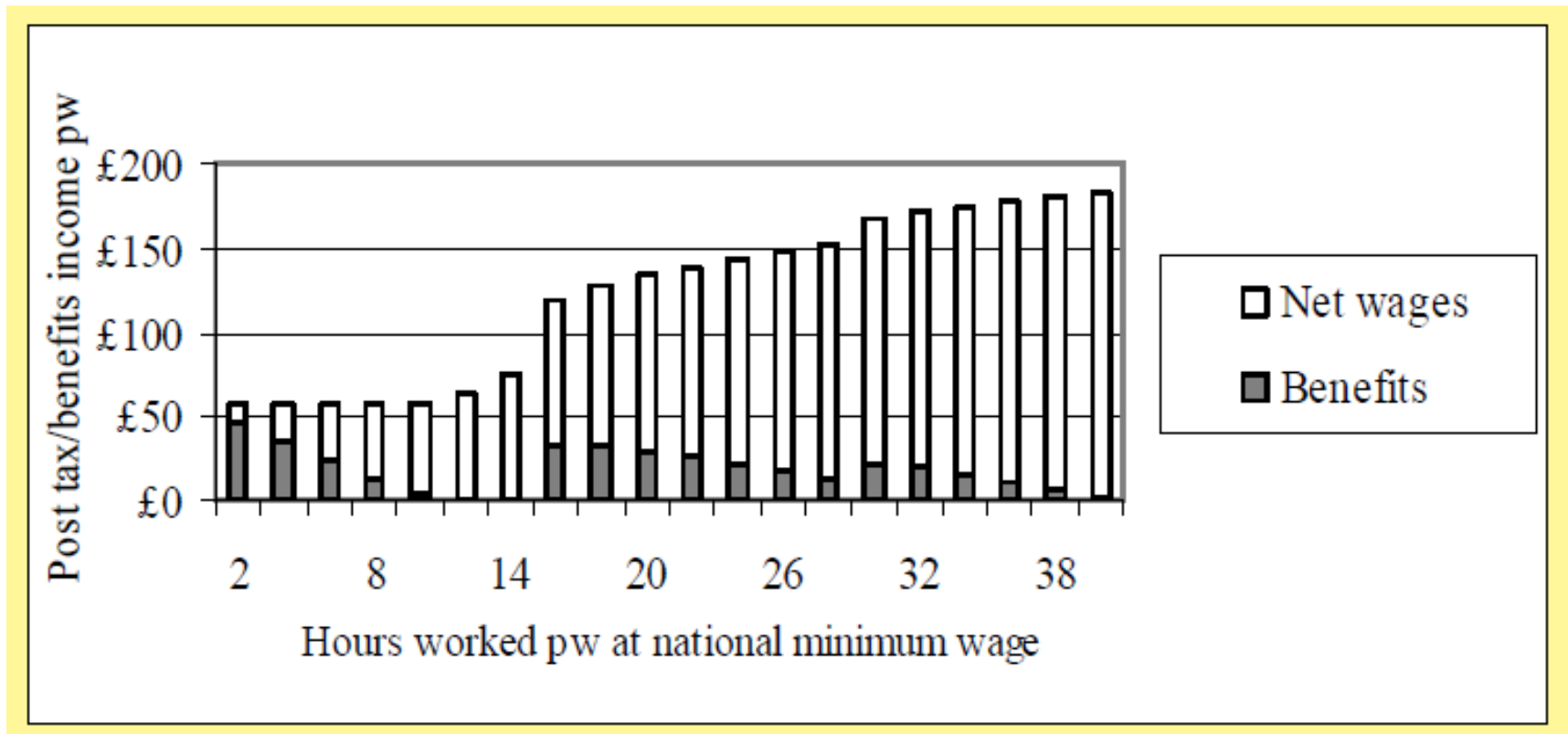


# Important changes in welfare

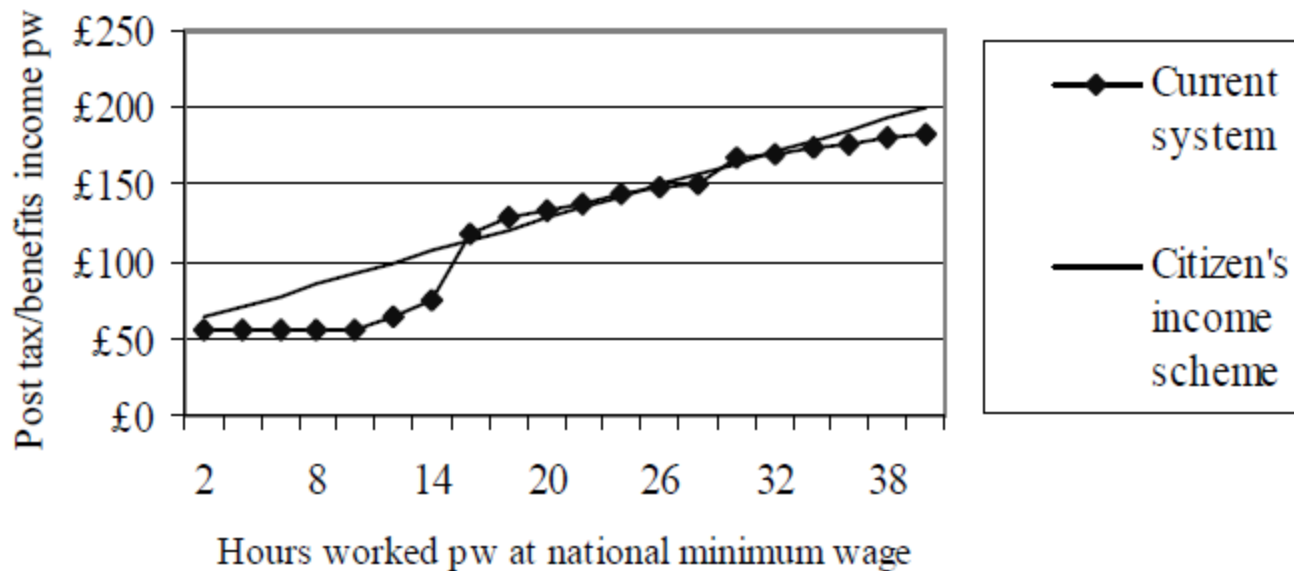
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- 1. Citizenship becomes the basis of entitlement
- 2. The individual would be the tax/benefits unit
- 3. The Citizen's Income would not be withdrawn as earnings and other income rises
- 4. The availability-for-work rule would be abolished
- 5. Access to a Citizen's Income would be easy and unconditional
- 6. Benefit levels would be indexed to earnings or to GDP per capita rather than to prices.

# Escape from the benefit trap



# Effect on incentives





# Cost of the scheme

<b>Age</b>	<b>Population survey 2006</b>	<b>Citizen's Income per week</b>	<b>Cost</b>
0 to 17	13,912,600	£34	£25 bn
18 to 24	4,770,800	£45	£11 bn
25 to 64	32,141,500	£57	£95 bn
65 and over	<u>9,708,100</u>	£114	<u>£58 bn</u>
	60,533,000		£189 bn
Running costs (1%)			<u>£2 bn</u>
Total cost p.a.			<u>£191 bn</u>

# Costs of current welfare system

Social security spending	£100 bn
Tax reliefs and allowances	£94 bn
DWP running costs	£6 bn
HMRC (tax credit administration)	<u>£1 bn</u>
Total	<u>£201 bn</u>



# Social economy

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- Like the family economy the social economy is based on reciprocity; unlike the family economy kinship is not involved;
- The market economy and public sector are based on monetary exchange; the social economy is not;
- The public sector is based on official legislation, whereas the social economy is based on commonality of interests and values;
- The market economy and public sector are based primarily on material capital whereas the social economy is based primarily on social capital.

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- Revolves around the nature of relationships
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- 'Reciprocity can be described in terms of give-and-take in a relationship between actors who, to a certain extent are equals. . . Mutuality is often used as a synonym for reciprocity. . . Reciprocity of social relations creates mutuality of economic relations, but mutuality in economic transactions is no guarantee of reciprocity in social relations.'

# Time for a rethink . . .

- Market or commons
- Consumption vs. provisioning
- Employment vs. livelihood





# Gary Snyder on commons

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- 'The commons is a curious and elegant social institution within which human beings once lived free political lives while weaving through natural systems. The commons is a level of organization of human society that includes the nonhuman. The level above the local commons is the bioregion. Understanding the commons and its role within the larger regional culture is one more step toward integrating ecology with economy' (Snyder, 1990: 40).



# English commons history

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- 'a territory which is not suitable for crops' and lies 'between the extremes of deep wilderness and the private plots of the farmstead'
- Neeson (1989) estimates up to 30 per cent of British rural land
- A form of subsistence where meeting your needs from the local environment was explicit



# Meeting your basic needs . . .

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- Reed was plentiful and valued most as thatch for roofs and also to cover the stacks, ricks and clamps for all kinds of crops and vegetables. Rushes—bulrushes—were equally plentiful, waterproof, and woven into baskets, mats, hats, chair seats and toys. . . they were also good for bedding, as a netting in the plastering of walls, and wrapping for soft milk cheeses. They made cheap, bright rushlights too (Neeson, 1989: 166).



# Commons today . . . and in the Czech Republic?





# From commons to markets

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- Enclosures preceded industrialisation
- Movement from the land to the cities
- Loss of subsistence; lower standard of living
- Population explosion
- CI as a modern form of common right?

	1873	2001
Total acreage	733,640	652,011
Agricultural acreage	696,958	509,908
Non-agricultural acreage	36,682	142,103
Population	534,640	549,500
Owners of nothing at all	496,935	246,600
Total dwellings	101,474	233,000
Smallholdings <sup>a</sup>	29,280	403
Small landowners <sup>b</sup>	8425	3260
Large landowners <sup>c</sup>	250	215
Acreage of large landowners	454,732	211,287
Percentage owned by large landowners	61.9%	41.4%



# An economy of solidarity?

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- The projects of an economy of solidarity have a tendency to reunite that which has long been separated and to question some presuppositions of the market-state synergy: the separation between the economic and the social, the sharp dividing line between paid work and leisure, the state's monopoly on solidarity, the market-state dichotomy, and so on.



# Characteristics

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- Bottom-up—what we might have called mutualism
- Anti-capitalist? At least anti-globalisation
- Importance of the local—level of control
- Reduction of consumption and respect for the planet—a partially new concern



# An economy of emancipation and co-operation

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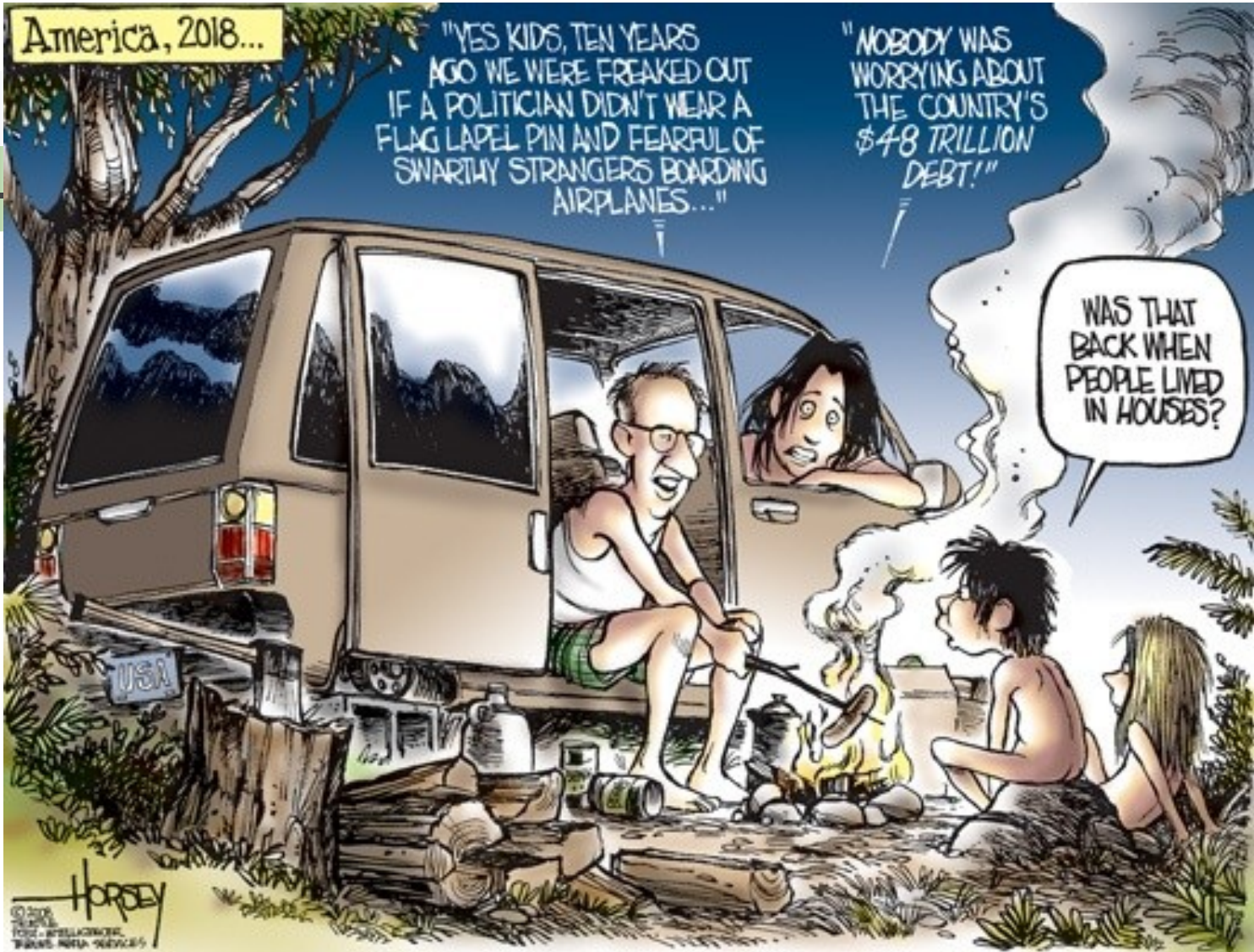
- Why produce only as a function of an unjust market that depletes and exploits, denying us the chance to manage both the production and the economy for our own service, for the service of all citizens, and of all peoples of the planet, as well as for future generations? Our proposal is a socio-economy of solidarity as a way of life that encompasses the totality of the human being, that announces a new culture and a new form of producing to fulfill the needs of each human being and of the entire humanity.

America, 2018...

"YES KIDS, TEN YEARS AGO WE WERE FREAKED OUT IF A POLITICIAN DIDN'T WEAR A FLAG LAPEL PIN AND FEARFUL OF SWARTHY STRANGERS BOARDING AIRPLANES..."

"NOBODY WAS WORRYING ABOUT THE COUNTRY'S \$48 TRILLION DEBT!"

WAS THAT BACK WHEN PEOPLE LIVED IN HOUSES?





# Further questions . . .

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- Why should anybody ever work again?
- How would the CI affect wage rates?
- How would it affect students, artists, activists?
- What does this have to do with a green economy?