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# And because every human is a human being...<sup>1</sup>

Regarding the guaranteed basic income discussion

While at the 09<sup>th</sup> of July 2004 the federal council of Germany enacted Hartz IV scientists, students, unemployment and poverty movement representatives', churchly associations as well as different party members founded the German network pro a guaranteed basic income at the social science research centre Berlin. The founder members agreed in four criteria a guaranteed basic income shall fulfil: existence securing, individual legal claim, no audit of indigence, no working pressure.

For a long time the different political camps are engaged with the basic concept.

In the seventies the liberal citizen-benefit concept was formulated. Since the early eighties churchly flows generated basic income models and unemployment movements brought them into discussion. In the end of the eighties the greens discussed the guaranteed basic income and for a few years emancipatory flows within the PDS promote this idea as an answer for the crisis of both, the labour-society and the welfare systems. Only a few claims polarize as much as the call for an unconditional basic income. Therefore the following article deals with main features, advantages and critics.

## **1. Unconditional basic income - main features and advantages**

Every person<sup>1</sup> living in the federal republic of germany<sup>2</sup> a guaranteed basic income should be granted qua livelihood. That means, in plain-talking, everyone gets a fix account monthly; for example managed by the tax office. There are different proposals concerning the amount. The BAG social welfare<sup>3</sup> initiatives argue for 800 € plus housing benefits. The Junge Union<sup>4</sup> calls for an 800 € basic pension. Within the Leftparty an basic income of 950 € is discussed. The highest discussed amount I

know is 1500 €. In my opinion an amount between 800 and 1000 € monthly seems to be very plausible regarding the official poverty-rates.

Also, the implementation of a guaranteed basic income ought to be discussed simultaneously with a reduction of working hours as well as with a minimum wage regulated by law. The implementation could take place successively, for example relating to special circumstances. The possibility for obtaining majority is well in two proposals: the basic rent and basic social care for children.

There are many advantages of the unconditional basic income. Everyone would be free from existential distress. Because of its transparency this model works unbureaucratically. Anymore there is no longer need for indignity by pleading for aid and the conditions of employment will improve. By realizing the right of self-determined activity<sup>5</sup> through assurance in every life-situation the basic income model facilitates setting up business as well as generating communes. There is the possibility of taking a time out, beginning a study with fifty years or taking a sabbatical year. Another basic income effect is facilitating women an independent deployment who depends in this society exceedingly on the income of their partners. If financially weak households are getting more money they will primarily expend instead put aside. Consequently that fact fosters the medium-sized business being reliant on domestic demand. The guaranteed material assurance enables freedom from fear – an important condition for democratic activity. Who's free of existential fear will rather participate.

Whether such a basic income will demolish capitalism like Trojan horse<sup>6</sup> or rebound to comfortable setup is controversially discussed. Definitely the basic income breaks with the inherent exploitation-logic of capitalism and minimizes the possibility of blackmailing by guaranteed material assurance. So political participation and moral courage is facilitated and social transformation is promoted.

## **2. Social context**

### **2.1. The change of labour society**

By increasing productivity labour changed. More and more is produced by fewer people. In combination with profit logic that process decreases the need for labour forces at producing and classical service sector. The especially for men traditional working biographies (graduation – professional education – career entry – career in

educated profession – pension) decrease and disruption in working biographies increase. Additionally there is what Vobruba calls >>double crisis of wage labour<<<sup>7</sup>. What's meant here is the increasing requirement for sense making labour. The previous moral postulate, labour as an intrinsic worth, is increasingly questioned. As the second component of the crisis the cumulative mass-unemployment is depriving the financial base of welfare systems.

## 2.2. Situation of the welfare systems

Our welfare system is directly coupled on employment. Thus there is a high instability in times of mass-unemployment and underclass discussion<sup>8</sup>. Indeed the existing welfare systems absorb people in hardship but ALG II<sup>9</sup> doesn't allow an existence beyond poverty. The persons drawing benefit need to take a degrading demand test and the allowance of partners' income creates or intensifies dependencies. Currently the demand test advantages people handling the bureaucratic process without any problems because of their educational background and their communicational capacities. However the real social hardship cases are unprivileged. Finally more and more people become homeless just because they are not up to this bureaucratic process.

Additionally the outpayment is more and more coupled at the coercion to accept every job offer to every price. In terms of self-determined life and a working idea protecting every person of the >>terror of economy<< a demand test and working coercion need to be abolished.

## 2.3 increasing decomposition and impoverishment

More and more people acquire lower demands and therefore they have to live below the poverty level. One third to one fourth of the people at least is temporarily affected by poverty. Especially the increasing child labour is dramatically (each seventh child) because of bequeathing social exclusion and establishing enduring indigent population. By wage-centring the existing social differences were fixed. That is, for example, a single mother made a classical working career is unable to get high pay offs neither on pension nor in case of unemployment – in contrary to public officials.

### 3. Common objections

#### 3.1 Consequently everyone will just lie in hammock!

Self-realisation is a primal urge, thus a basic human attribute. Sumless unpaid commitment while the tide in 2002 demonstrates: there is many people are up to do things they consider as necessary. Yet the matter of fact 34% (22 million people) of the grown ups voluntarily (and unpaid!) engage more than 15 hours per week confirms this presumption. Furthermore there is any longer a material incentive for gainful employment. Finally 1.000 € isn't wealth.

Even one side effect is better salary for so far low paid jobs for example in care. Due to this fact there isn't so much pressure to accept every job for every wage. Thus the employers were in a better position for negotiation. So there will be increasing pressure for automation in case of awkward jobs like sorting waste. Who ever experienced a manual waste sorting system will appreciate the automatically execution. The basic income's objectors like to take a paid social loafing aim for grant. This is not true. Contrariwise only the unconditional basic income enables to break with the social partition between employees and unemployed. Only consequent reduction in working hours and heightening the mass spending capacities are enduring able to cut mass-unemployment. It is uncontradicted that a basic income will push the mass spending capacities. At the point of reduction in working hours is the question whether in combination with full wage adjustment or not. Some big concern may be able to finance this political claim but at least the most municipal governments and small concerns are not. Here the basic income can act as a wage adjustment.

Maybe there will be lazy recipients of basic income. Like there are lazy millionaires und lazy rich parents' children. But whether lazy or not as someone with humanistic attitudes there is an important advice questioned by Erich Fromm: >>The right to life, food and housing, medical care, education et cetera is inherent and restrictable under no condition not even in terms of whether someone is expedient for society or not.<<

### 3.2 That's unpayable!

By guaranteeing a basic income of 1.000 € per month about a billion Euro were needed. Self-evident the question about financing came up. Therefore there are different proposals which need to be broader analysed. First the basic income substitutes present social benefits. Lone in the year 2000 in BRD 680 milliard Euros social benefits were paid. Already by reducing the therefore required bureaucracy money can be saved. Furthermore bargaining for 30% of the benefits actually paid to people with low income flow back to the national budget per consumption, thus higher sales and value added tax as well as purchase tax. In addition the BAG social-welfare-initiative<sup>3</sup> suggests a 50% contribution on all net incomes. That propose isn't without any controversy because of its complying with tax increase. Yet here is to keep in mind everybody gets 1.000 € monthly. In fact with a 1.000 € basic income there are no losses until 2.000 € net income. Therefore everyone is to be sure oneself and family members being secured in good and bad times by basic income by guarantee.

In this context it's to point out that here is not the question about financing in terms of microeconomic. Rather it's a matter of macroeconomic distribution processes – it's about >>socialisation of investments<<<sup>11</sup> and respectively about redistribution within our current GDP. That was in 2002 about 2,1 billion Euros.

As empty the public cash offices are on the other hand there is a lot wealth. From 1994 to 2001 the profits of large German concerns increased about 64%. Alone in 2002 the number of german billionaires grows to 25.000. While for years earned incomes remain static and decrease the unearned incomes rise about 60%. Certainly a new compromise of distribution necessitates a fundamental reform of the tax structure. Anyway social fairness calls for such a reform. That is because the current tax structure unburdens large concerns and higher income earners.

### 3.3 That's unfair!

Guardians of achievement-oriented society object against unconditioned basic income: you first have to make an effort than you get benefit! But which effort is of use for society? And how much money is that effort worth? Today when one gets

much money by deforesting the rainforest people are classifying him/her as a successful businessman although he damages our basic life resources. While in his lifetime Vincent van Gogh was seen as a no-good living at the expense of his brother. Today his works are considered as important culture assets.

Klaus Esser got 16,5 billion Euros for his nine months lasting job as chief executive. A steelworker at Mannesmann had to work 330 years for the same money.

Is that fair? Which authority has the right to decide which activity is of use for society and how much money worth it is? Which authority has the right to decide which concepts of life are valuable to be supported? First and foremost it's doubtless every person's apart. Freedom by choosing the own concept of life, the every person inherent right on self-determination requires a material grounding. Therefore emancipatory left wingers shouldn't take justice as justice of efforts but fight for social justice in the sense of fair participation. Fair is the every person's possibility of social participation and of a life beyond poorness. For this reason social justice in terms of fair participation keeps with the song line: >>And because every human is a human being...<<. The conclusion from this approach is to give a favourable opinion to the unconditional basic income.

Katja Kipping

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<sup>1</sup>Title of a German song

<sup>2</sup>To the question whether children get basic income in the same amount there are different opinions. While some assume that this right is human inherent and independent from age others plan to pay off only a part to the children and use the remaining money for better embodiment of public infrastructure like kindergarten, playgrounds and schools. But as definitely interesting that question is so it's a question of detail and shouldn't be deepened here but put off later to the symposium where we prepare the tabling of the accordant bill.

<sup>3</sup> As long as the welfare systems are national organised the implementation has to be eked out within every single state. Yet the basic income is to be discussed only in the European and on the long run in the international context. The idea of European Marches for example aims to adopt a basic income in every European country whereas the amount adapts to the country-specific average income per head. For years the Basic Income European Network exists where Europe wide proponents of the basic income exchange experiences and support one another.

<sup>4</sup> This consortium is a since 1991 existing nationwide association of exemplary involved in peoples' initiatives who partly depended on social benefits, too and they see their own situation not only as fate of a single person but want to tackle the problem as a social in common with affected people.

<sup>5</sup> The Junge Union is the youth organisation of the German party CDU which is rather conservative and Christian orientated.

<sup>6</sup> cp. Grottian, Peter / Narr, Wolf-Dieter / Roth, Roland: *Giving yourself a job. Alternatives to >>Repressenda 2010<<: Redistribution and appreciation of the local authorities*, Quelle: <http://www.berliner-arbeitslosenzentrum.de/download/grottian-narr-roth.pdf> letzter Zugriff: 30.01.2007, 12:00

<sup>7</sup> cp. Blaschke, Ronald: nation-wide association of unemployed persons' initiatives

<sup>8</sup> cp. Vobruba, Georg: *Alternatives to full employment. Transformation of labour and income*, Suhrkamp, Frankfurt/Main 2000

<sup>9</sup> cp. Ptak, Ralf: *To the development of the German welfare system. In: Welfare state and neoliberal hegemony: From economic location nationalism to decomposition of democracy*, Espresso Verlag, Berlin 1998

<sup>10</sup> ALG II is the poverty level based German basic social care benefit for employable indigent persons

<sup>11</sup> cp. Michael Opielka: *solidarity between generations – between disclaiming abandonment and new paradigms* (published in "Universitas", 11-2003: German magazine for science and culture)

<sup>12</sup> cp. Deutschmann, Christoph: *The Keynesian backdoor return. The underlying reason of the current crisis is not in high social benefits, but in financial investors'*

*unrealistic claims concerning rate of return.* Frankfurter Rundschau (German daily newspaper), 02.12.2003