



November 2020

Response to Comments

Contribution to GTI Forum Universal Basic Income: Has the Time Come?

Guy Standing

In this brief response, it is impossible to do justice to the full breadth of comments. However, with thanks to all, I will respond to themes that seem most relevant to the Great Transition, with one exception—the proposal for a *global* basic income by commenters such as [Andreas Bummel](#), [Adam Parsons](#), and others. That is a dream for the day after tomorrow!

Universalism, Individualism, and Means-Testing

Basic income is “universalistic” because it would be paid to all as a right, without conditions. That it would be paid “individually” does not make it “individualistic,” as [Mary Mellor](#) fears. As [Tim Hollo](#), [Michael Howard](#), and [Azfar Khan](#) point out, universality encourages a sense of commonality, mutuality, and community through a shared experience.

Pilots in India and Namibia showed that basic income fostered solidaristic relations within families and collaborative endeavors among the community. That everybody had the basic income made people feel they were “citizens” of the community. In one Indian village, the basic income pilot led to the establishment of a fishing cooperative. In another, it led a group of families to pool some of their basic incomes to improve their neighborhood’s sanitation. In another, it led to the establishment of a social committee to advise neighbors on how best to use the money for their families.

Key aspects of a basic income are that it is not means-tested (i.e., no income thresholds), unconditional (i.e., no work requirements), and “non-withdrawable” (i.e., guaranteed as a right)—a combination that [Michael Howard](#) notes makes a policy more politically sustainable.

One reason for the erosion of benefits for the “poor” in welfare states has been a shift to reliance on means-testing and behavioral conditionality, fostering a discourse of “shirkers versus strivers” and undermining social solidarity. A basic income, unlike conditional means-tested schemes, also provides for *future* security because it would be a non-withdrawable right to a continuing and predictable income.

Along with [Francine Mestrum](#), [Anna Coote](#) favors a “minimum income guarantee.” She says it is not means-tested at the point of access and is thus non-intrusive. However, it would operate an ex post means test, requiring repayment from those who go on to “earn” over the minimum. One reason that this is “cheaper” than a basic income is that anybody wanting it would have to apply. Besides being complex and costly to administer, it would lead to a new poverty trap, high exclusion errors, and stigmatization.

[Janine Berg](#) and [Lourdes Benería](#)—among others—assert that a basic income alone is not sufficient. I never claimed that it was. No sensible advocate of basic income believes it is a panacea, that it could eradicate poverty, end neoliberal politics, and solve the environmental crisis. All we say is that it would enhance income security and freedom, help reduce inequality and poverty, and ease the transition to an ecological society.

Basic Income and the Environment

The links between basic income and the environmental challenges are fundamental and are “the decisive justification for a basic income system.”¹ So, it is strange for [Ian Gough](#) to say that “green supporters of BI rarely advance a specifically green or environmental case. Guy Standing devotes only two paragraphs of his 2017 book to these questions.” The book, in fact, includes a long section entitled “The Ecological Imperative” and sets out five principles by which basic income should be compared with alternatives, one being “The Ecological Constraint Principle.”²

My book *Plunder of the Commons: A Manifesto for Sharing Public Wealth* argues that a Commons Capital Fund and Common Dividends (basic income) would enhance prospects of an environmentally sustainable society. This aligns with [Ulrich Schachtschneider](#)’s proposal for an ecological basic income.

Of course, recycled eco-taxes, though desirable, will not of themselves produce a just transition to what [Jeremy Lent](#) calls an “ecological civilization.” As he, [Tim Hollo](#), [Michael Howard](#), and [Caroline Whyte](#) all note, sound ecological policies are needed in addition. This would be true of any social policy.

[Halina Brown](#) argues that, by increasing private spending on consumer goods, a basic income would increase environmental damage. This comes perilously close to saying that the poor should stay poor. But it misses the point. Those on low incomes benefit most from a basic income; they spend mainly on *local* goods and services with a smaller carbon footprint. Reducing the spending power of the wealthy reduces spending on expensive items, with a greater footprint.

Work, Labor, and Commodification

[Tim Hollo](#), [Karen Foster](#), [Sarath Davala](#), [Simon Mair](#), and [Caroline Whyte](#) support another crucial claim, that a basic income would enable more people to gain greater control of their time and allow them to devote more time to forms of work other than resource-depleting labor in jobs.

[Francine Mestrum](#) and [Halina Brown](#) argue that basic income commodifies basic human needs by focusing on income rather than services. In the twentieth century, in line with this thinking, social democrats and state socialists shifted more and more of the social wage from money to cradle-to-grave quasi-universal basic services. This reached its extreme in the Soviet Union and in China’s *danwei* (iron ricebowl) system. But basic security continued to be tied to current or past participation in the labor market. As [Tim Hollo](#) points out, a basic income, unlike services, would be truly transformative in helping to decommodify *people*, providing more opportunities for genuine self-direction.

Old-school social democrats refer to “an obligation” to labor, as [Ian Gough](#) does. This inevitably leads to workfare, pushing people into unwanted jobs, often with poor working conditions, in order to qualify for basic state benefits. By contrast, a basic income would help liberate people from dependence on the labor market and recognize the value of other forms of work. [Jeremy Lent](#) rightly says that “people have a fundamental need to engage in a livelihood that is meaningful...

Work is not something people try to avoid; on the contrary, purposive work is an integral part of human flourishing.”

In that context, [Francine Mestrum](#) claims that, by enabling people to reduce hours in paid jobs to care for children or elderly relatives, basic income “is a nice formula for saying that women should not get wages anymore.” This is an odd way to describe the effect of giving people more choice in deciding how to balance paid work with care work. We know from basic income pilots that many recipients, men as well as women, have used the extra income to reduce hours in jobs and spend more time with their children, with benefits all round, while in both the Indian and Namibian pilots the basic income led to more women having independent economic activity.

Contrary to [Mestrum’s](#) claim that “[a]ll [basic income] trials have been abandoned,” all the pilots with which I have been involved began and ended as scheduled, as have others; many more are ongoing, as pointed out by [Almaz Zelleke](#). Despite different designs and locations, all the experiments tell a consistent story: improvements in health, nutrition, and well-being—promising reduced spending on health care—while enabling people to devote more time to economic and social activities of their choice.

UBS vs. UBI

[Halina Brown](#), [Anna Coote](#), [Ian Gough](#), [Anke Hassel](#), and others claim that “universal basic services” to satisfy “basic needs” would meet transition goals at lower cost than a basic income, which would divert attention and resources from public services. I, like most basic income advocates, favor universal public services. But what UBS proponents offer is not universal in any sense nor can it provide a substitute for cash.³

Consider, for example, the initial proposal from the UCL Institute for Global Prosperity. “Universal basic food” only entailed the state’s provision of “one-third of the meals for the 2.2 million households deemed to experience food insecurity each year.”⁴ That is not universal. The proposals that were universal were hardly revolutionary. Universal basic transport turns out to be just free bus travel. The other basic services listed are free TV licenses, broadband, and child and elder care.

While these should be universally accessible, they scarcely cover the gamut of people's needs, many for which they require cash. As [Tim Hollo](#) notes, a basic income supports diversity and complexity. Current US experiments show that, apart from food and rent, basic income recipients use the money for such things as tuition fees, travel to visit aged parents, a child's birthday present, or a prom dress, all of which would have been foregone without it.

Moreover, the basic needs emphasized by UBS omit clothing. When the *bolsa familia*—Lula da Silva's path-breaking anti-poverty scheme—was introduced in Brazil, and equivalent provisions in our Indian and African pilots, among the first things recipients bought were decent clothes and shoes, enabling more girls and boys to go to school and more women to go out to jobs.

Cash gives people choices, even when free public services are available. Three-quarters of those eligible for free elder care under the much-admired German social care service opt for cash instead, even though it is worth less than the help available, because it gives them the flexibility to be looked after at home by family members or informal caregivers. Why do UBS proponents think they know best what people's needs are?

Why Do Social Democrats Fear Basic Income?

Let me conclude on a question that has long puzzled me: Why are some on the left so viscerally hostile to basic income? After all, we are talking about something the left should welcome—giving everybody basic security with enough money on which to survive in extremis. Part of the answer is that they see the state as benign, to be trusted as a “provider” of services. Part reflects the hold of “laborism” over their imagination. UBS and job guarantees would prop up a labor-based economy, not help to transform it.

The objection made by several commentators that if people had a basic income, libertarians and the right would whittle away at its level reminds me of Albert Hirschmann's book *The Rhetoric of Reaction*, and his argument that every progressive idea is attacked on grounds of *perversity*, that it would endanger other goals. Once introduced, that objection fades. It was an argument used by defenders of slavery: if slaves were freed, their material living standards would decline because their masters would not feed them.

In response to fears raised by [Leah Hamilton](#) and [Anke Hassel](#), among others, I agree with [Michael Howard](#) that if we are politically strong enough to usher in a basic income, we should be strong enough to defend other progressive policies. The case for a basic income does not depend on hypotheticals. It rests on the ethics of transition towards a commons-based society.

Endnotes

1. Guy Standing, *Battling Eight Giants: Basic Income Now* (London: Bloomsbury, 2020), 37.
2. Guy Standing, *Basic Income: And How We Can Make It Happen* (London: Penguin, 2017).
3. Guy Standing, "Why 'Universal Basic Services' Is No Alternative to Basic Income," *Open Democracy*, June 6, 2019. This is elaborated as Appendix C in *Battling Eight Giants*.
4. UCL Institute for Global Prosperity, "IGP's Social Prosperity Network publishes the UK's first report on Universal Basic Services," press release, October 11, 2017.

About the Author



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