

Universal Basic Income and Global Inequalities: a progressive perspective

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Universal Basic Income: the original vision

- Universal basic income as a regular unconditional life-long payment that covers all the basic needs of a person, i.e. decent living.
- It was not conceived just a measure against extreme poverty, nor as an efficiency tool to restructure welfare states.
- Originally conceived in Philippe Van Parijs' work as a way to liberate individual energies and counter the negative effects of a welfare system based around work – i.e. emphasis on freedom from compulsion to sell labour for a living.

From niche debates to mainstream attention: challenges of UBI in current global context

- The multiple realities of existing welfare states and context-specific debates around welfare reform.
- Definition has often been diluted to cover a whole range of measures that are distant from the original vision and goals: inadequate payments, compromises on conditionalities (requirement to work), some measure of means-testing etc.
- One precariat (Guy Standing) or multiple precariats?

The precariat: one or many?

- Guy Standing, *The Precariat*: a unitary vision of a global precariat, but fundamentally a Eurocentric perspective projected onto the global South.
- The original universal definition of basic income – in itself reflection of a philosophical Eurocentric perspective – clashes with the reality of uneven proletarianisation: multiple segments of formally employed, informally employed, underemployed, and unemployed both within and across national boundaries.
- Separations and divisions of people's position in the economy along race, ethnicity, gender, class, age, disability, sexual orientation, religion and other lines.
- We can see these multiple fragmentations both within European boundaries (i.e. southern Europe vs northern Europe) and outside. Also the presence of a large non-European migrant workforce with their own experience of harsh discrimination through border controls and anti-migrant measures further complicates these divisions.

The precariat: one or many?

- Boston Review article by the Undercommons collective
<https://bostonreview.net/class-inequality-race/undercommons-no-racial-justice-without-basic-income>
 - Antagonistic security vs cooperative security: various segments played against each other through specific welfare measures (i.e. white workers vs workers of colour in America), or cooperative security (win-win situation)
 - UBI+: UBI as a complement to existing welfare measures, to strengthen reach and positive compounded effect of welfare state
- vs
- UBI-: a sweeping measure to replace existing welfare and push for further labour deregulation and wage dumping

Three main dangers to avoid

- 1) Neoliberal use of basic income to replace existing welfare
- 2) Exclusionary use of basic income to favour citizens against migrants
- 3) Perpetuating North-South inequalities by adopting double standards of mainstream development approaches

Danger 1: neoliberal use of UBI

- UBI is gaining traction in policy circles around the debate of “welfare reform”; in many cases the attraction is reducing costs of welfare.
- Some positive elements can be retained: efficiency of unconditional element vs means-testing and benefit trap; but too much emphasis in current experiments (i.e. Finland) on the conditionality aspect (see also Ontario and Netherlands).
- Levels set are often too low, distorting the idea and goals of basic income; calling it a “partial basic income” might not help, as it gives legitimacy to such moves.
- Argument: “Let’s start, then we can increase it”. Does it work? Not necessarily, it’s not business as usual and we are living in an era of dwindling profit margins and increasingly scarce resources.

Danger 1: neoliberal use of UBI

- The monetisation of life (i.e. Karl Polanyi, advance of free market ideology in all aspects of social and economic life). Excessive emphasis put on the monetary aspect of UBI, implying that money by itself is empowering and frees individuals. It's a reflection of neoliberal ideology, which hides the fact that in a system where the monetisation of life is the primary social drive, inequality grows and most people are left behind.
- We need to conceive of UBI as a way to counter precarity, building on the strengths of European welfare states: provision of high quality health and education for free as basic human rights, and grants for specific needs (i.e. child grants, disability, old age pensions). UBI becomes the monetary complement to surpass the problems of work-based welfare, and guarantee a healthy and prosperous life together with essential public services and targeted grants.
- Giving in to monetisation and efficiency logic of neoliberal austerity will make UBI move away from intended goals. Real risk that UBI is used as a popular measure to push for austerity, rather than countering its negative effects.

Danger 2: basic income against migrants

- Danger of agenda being hijacked by rise of exclusionary forms of populism.
- Avoid a citizens-only (or citizens and permanent residents only) basic income: in the current moment, this would result in a measure that reinforces inequalities and excludes migrants, further reinforcing dualism between migrants and citizens in the labour market.
- The debate is usually eluded by many advocates of basic income, that is a serious problem. We need to move beyond the idea of letting door open to pandering to exclusionary nationalism.
- Basic income is a way to reform work welfare: we can't have wide discrepancies with current work rights. Migrants in most EU states usually acquire most or all work welfare rights within a year or two. A basic income regime should be inspired by the same principles.
- Migrants are productive members of society, they contribute labour and taxes, which also finance basic income.

Danger 3: UBI and double standards in the global South

- Africa examples: Namibia and GiveDirectly (Kenya).
- Levels are set too low: Namibia experiment (2008), 9 euros per month; GiveDirectly: US\$0.75 per day. Giving in to “extreme poverty” logic of World Bank and IMF: \$1.90 a day poverty line is far below the OECD definition for global North (below half of median income). Nobody can have a decent life with \$2 dollars a day. Such standards would be rejected by European and American citizens.
- World Bank/IMF excited about cash transfers as a way to avoid the elephant in the room: African states’ coffers are empty, most resources extracted leave little benefit to local communities and state taxation system. UBI needs to be set at comparable levels as in the North, and in a logic where quality health and education, clean water and electricity are provided for free to everybody.
- Namibia: UBI has been taken up by government, from community experiments; GiveDirectly: an NGO model where donors’ cash is delivered to local communities without mediation of the state. This is highly problematic and perpetuates dependency model, loss of sovereignty over basic welfare functions, and bypassing of the state in service delivery.

THANK YOU!

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