

Can Basic Income Combat Social Exclusion?

An Investigation into the Potential Effects of a Basic Income

Colm Flaherty

Supervisor: Bo Isenberg

WPMM 42

Spring 2015

Lund University, Department of Sociology

Abstract

In recent years, the welfare state has found itself unable to combat issues such as unemployment and poverty, forcing an ever-increasing share of the population to face an increasingly precarious existence. In light of this situation, a growing number of activists and academics have begun to embrace a new means for combating such issues, basic income. Basic income represents a radical departure from the current means of organizing welfare benefits, as an unconditional income granted to individuals without regard for means, age, or employment status. This thesis seeks to examine the potential effects of basic income with specific reference to the concept of social exclusion.

In order to investigate the potential effects of basic income upon social exclusion, traditional quantitative or qualitative methods are not appropriate; therefore this thesis performs a conceptual analysis in relation to the concepts of basic income and social exclusion. To perform a conceptual analysis, a thorough understanding of each concept is first required. Basic income's advocates justify the idea in many ways, ranging from arguments relating to its ability to provide true freedom to all to arguments viewing basic income as a means of challenging capitalism. Nonetheless, its critics remain, specifically in reference to its unconditional nature. Social exclusion, meanwhile, relates to the involuntary inability of an individual to participate in normal societal activities. Individuals become socially excluded through competition for resources and status within society, with the labor process playing the largest role in the creation of social exclusion.

The analysis of this thesis suggests that basic income has the ability to create a more inclusive society, in which fewer individuals suffer from social exclusion. Specifically, it appears to have considerable influence upon the labor process within society, and more broadly, the entire notion of work. Nevertheless, basic income does not seem to fundamentally alter the mechanisms that create social exclusion, leaving a small share of the population excluded even with a basic income. However, this thesis concludes by arguing that basic income appears to fulfill many of the goals of its advocates, and has the ability to combat social exclusion more effectively than current welfare policies.

Key Words: Basic Income, Social Exclusion, Welfare State, Welfare Policies

Acknowledgements

This thesis would not have been possible without the help of a number of individuals. First, I would like to thank my supervisor, Bo Isenberg, for invaluable help and guidance over the last few months. Second, I would like to thank all of my fellow students and friends, especially Emma, for their support and company during many long days at the library. Finally, I would like to thank my family, without whom I would not have had the opportunity to study in Sweden.

Contents

1. Introduction	1
2. Motivation	3
3. The Nature of This Investigation	4
3.1 Limitations.....	6
4. Basic Income	7
4.1 A Brief History	7
4.2 What is a Basic Income?	8
4.3 A Variation on a Theme: The Negative Income Tax	11
4.4 How is a basic income justified?.....	12
4.4.1 Freedom and Security.....	12
4.4.2 Rights.....	14
4.4.3 A Challenge to Capitalism.....	16
4.4.4 Conclusion.....	17
4.5 Objections.....	18
4.5.1 The Issue of Unconditionality.....	19
4.6 Economics	20
4.7 Experiments.....	21
4.7.1 The Negative Income Tax: United States	21
4.7.2 Namibia	22
4.7.3 India.....	23
4.8 Conclusion.....	24
5. Social Exclusion	24
5.1 What is Social Exclusion?	24
5.2 The Dimensions of Social Exclusion	27
5.2.1 Social Exclusion and Social Isolation	30
5.2.2 Other Important Characteristics of Social Exclusion	30
5.3 Why Does Social Exclusion Happen?	31
5.3.1 Theories of Social Exclusion	31
5.3.2 Drivers of Social Exclusion	35
6. The Potential Effects of Basic Income on Social Exclusion	36

6.1	<i>The Nature of Work</i>	37
6.2	<i>The Precariat</i>	39
6.3	<i>The Labor Market</i>	42
6.4	<i>Politics after Basic Income</i>	45
6.5	<i>The Social Dimension</i>	47
6.6	<i>Immigrants</i>	49
7.	Conclusion	50
8.	References	56

1. Introduction

The welfare state is at a crossroad. Under attack from all sides, in all countries, cutbacks, the rise of neo-liberalism, and the increased influence of new public management have all contributed to the decrease in the ability of the welfare state to successfully combat issues such as unemployment and poverty. In the UK, the ruling Conservative party has implemented a policy of austerity over the last five years, cutting welfare spending, while even in Sweden, the ruling party from 2006-2014, *Moderaterna* (the Moderates), pursued policies leading to increased privatization and welfare cuts. (Krugman 2015, Berglund 2014) These attacks are not a recent development, growing out of the recent financial crisis. Martin Seeleib-Kaiser (2008) argues that one way to understand the changes to the welfare state over the last 20 years is through the three-pronged idea of retrenchment, recommodification, and recalibration. All three ideas relate to a drawback in level of welfare provided by governments, so that populations become more vulnerable to market downturns, and the individualization of risk, in contrast to the systems of collective risk that previously characterized welfare states. Jacob Hacker (2008) demonstrates the consequences of this risk shift in the American context, creating a situation in which the majority of the population must deal with increased insecurity, particularly economically. At the same time, a 2015 European Union report notes that “labor market and social conditions remain extremely challenging”, with increased unemployment and poverty throughout the EU. (European Union 2015 11) Nonetheless, the prevailing political discourse throughout the advanced welfare states of the west continues to emphasize the need for more flexibility in employment and welfare, as well as greater reliance on the market, arguing, in the famous words of Margaret Thatcher, *there is no alternative*.

However, a turn away from the decommodifying character of welfare systems, and a greater reliance on the market, presents difficulties for societies. Gøsta Esping-Andersen (1990), in his seminal work *The Three Worlds of Welfare Capitalism*, argues that *decommodification* is required not only “for system survival” but also for “a tolerable level of individual welfare and security.” (Esping-Andersen 1990 37) Thus, not only do the recent changes in welfare states threaten individual quality of life, they threaten the entire social sustainability of society. In the face of these challenges to welfare and security, increasing unemployment and poverty, an old idea has begun to gain influence throughout Europe, *basic income*. Beginning in the late 1980’s,

groups of scholars and activists across the world initiated campaigns for the implementation of a basic income. Today, basic income enjoys arguably the most visibility it ever has in its long history, but nevertheless, remains on the fringes of the political debate in the majority of western countries. However, Switzerland will soon conduct a referendum on the implementation of a basic income, while 52.5% of MPs in Finland support the introduction of such a scheme. (Foulkes 2013, BIEN Finland 2015) Nonetheless, the question remains, *what is basic income?*

While this question is discussed at much greater length in Section 4, a simple definition of a basic income is *an income paid to each member of society with no conditions*. While I will leave the specifics of this definition for later, its revolutionary nature is immediately obvious. Every individual would receive an income, essentially, for being alive, without regard to age, means, or employment. Philippe Van Parijs (1996) argues that basic income can combat poverty and unemployment to a degree that traditional welfare policies cannot. However, basic income has never been implemented on a national scale, anywhere in the world, leaving its true effects unclear. This thesis seeks to explore the potential consequences of the implementation of basic income *in a western welfare state*. One concept that allows for an examination of basic income's effects with specific reference to both unemployment and poverty is *social exclusion*. Therefore, the major research question which guides this thesis becomes, *what are the potential effects of basic income upon social exclusion?*

Clearly, in order to answer this question, one must first understand what social exclusion is, and why it relates to basic income. Section 5 considers the question of, *what is social exclusion?* Social exclusion first rose to prominence as a concept in the policy debates of France in the 1960's and 70's, and began to become a focus of the European Union's policy discourse in the mid-to-late 1990's. (Shaaban 2011) Social exclusion, in this thesis, will refer to *the involuntary ability of an individual to participate fully or effectively within society*. As noted above, the recent shifts in the construction of the welfare state have exposed individuals to more risk than previously. One consequence of this shift is an increase in the proportion of the population at risk of social exclusion (cf. Standing 2011). For example, one target of the EU 2020 goals is to raise 20 million people out of poverty and social exclusion. Since 2008, however, the EU has actually seen an increase in the amount of people in poverty or socially excluded. (EU 2015) Thus, through a study of the effects of basic income upon social exclusion, the ability of basic income to increase or decrease welfare standards can be viewed in contrast to

current policies. Therefore, Section 6 addresses the main research question of this thesis, bringing together the concepts of basic income and social exclusion. Finally, Section 7 concludes with a critical discussion of these effects, and what they mean for basic income, both in terms of the justifications of basic income, and in a broader sense.

However, prior to proceeding to the discussions relating to the central concepts of this thesis, I first explain the motivation for this thesis in Section 2, both on a personal level, as well as a more academic level. Section 3, meanwhile, addresses the difficulties in studying basic income, and how this investigation into the potential effects of basic income will be conducted. Proceeding in this way, I hope to make some judgement about the relationship of basic income to social exclusion, and whether it truly has the ability to succeed where the welfare state has failed.

2. Motivation

Basic income, as an idea, appeals to me for a number of reasons. When I first heard about the idea several years ago, I was puzzled by the concept. The idea seemed extremely foreign to me, particularly considering the current political discourse. Nonetheless, as I read and studied more, the idea began to appeal more and more to me. Considering the setup of the current global capitalist system, and the consequences of it, including not only the recent financial crisis but also all of the social problems, which were and are present both before and after the crisis, the need for a new mode of organizing societies and economies appears obvious. However, listening to the political debate throughout the advanced welfare states of Europe and North America, the rhetoric seldom calls for new ideas, but instead reinforces the idea that we must move further along the track many welfare states are currently on, with less benefits, more flexibility, and increased risk for the individual. Basic income resonates with me precisely because it offers an alternative to the current track, and a renewed focus on quality of life issues. This thesis stems from the desire to investigate more scientifically the basis of basic income, as well as the effects it would have in practice. However theoretically justified an idea or policy proposal appears, arguably the most important component of such an idea is its effects after implementation. If an idea will immensely challenge the social sustainability of a society, it does not make sense to implement it. Thus, I wished to more critically examine the merits and drawbacks of a basic income.

Nonetheless, this does not suffice as a motivation or purpose for this thesis. Basic income, whatever the validity of its justifications, remains on the extreme fringes of the political debate, in most, if not all advanced welfare states. This raises the obvious question of why it is either necessary or important to study the effects of basic income, when it is by no means inevitable that it will be implemented in any state, at any point. Basic income, as an idea, remains to some degree utopian. However, this does not mean that it is not worthwhile or important to consider, discuss, and analyze the idea. Philippe Van Parijs (2013), perhaps the most well-known, influential, and prolific author within the basic income debate¹, makes the argument that utopian thinking can claim “to be a central dimension of every respectable sociologist’s job.” (Van Parijs 2013 172) Van Parijs argues that there are three central dimensions to utopian thinking, with the ultimate goal, following from Marx, to change the world. First, there is a need to create proposals for radical reforms, and then justify these proposals on the basis of “normative principles or judgments” as well as analysis of “the root causes of the problems which the proposals are meant to address.” (Van Parijs 2013 173) The third and final component consists of the necessity to subject all proposals to “unindulgent critical scrutiny” particularly in regards to the possible effects of the proposals. (Van Parijs 2013 174) If we accept Marx’s idea that the purpose is not only to interpret the world, but to change it, and Van Parijs’s assertion that one manner of this is utopian thinking, then the purpose of this thesis lies somewhere in the middle. I make no claim that this thesis intends to change the world, but rather that thinking about, considering, and analyzing proposals for doing so is both valuable and important. Therefore, the aim of this thesis is to contribute, in some small way, to the basic income debate. I do not aim to either formulate a proposal for radical change, nor justify it through a theory of justice, but rather to, in line with Van Parijs’s third component, analyze the effects of one such proposal within the area of social exclusion.

3. The Nature of This Investigation

In order to answer my research question, traditional quantitative or qualitative methods are clearly not appropriate. In the absence of any true basic income policies around the world, sufficient empirical data does not exist to answer this question through traditional methods such

¹ He is the co-author of the 1986 paper, *The Capitalist Road to Communism*, which has been referred to as “the seminal paper that launched the contemporary discussion of basic income.” (Wright 2006 1)

as interviews or statistical analysis. Therefore, this is not an empirical thesis. Rather, I will perform a *conceptual analysis* in order to investigate the research question presented earlier. (Merton 1945, Fredericks & Miller 1987) Within this thesis, there are two major concepts at hand, basic income and social exclusion. In order to analyze the potential effects of basic income upon social exclusion, a clear understanding of what these concepts entail is required. First, I investigate each concept separately, building a “stipulative” definition of each, where I define a “known term in a more technical way”, noting specifically what each term will refer to within this thesis. (Fredericks & Miller 1987 394) I further investigate the ideas inherent to each concept, exploring the nuances of each idea, in order to fully understand what is meant by basic income or social exclusion. For example, beyond a definition, understanding basic income requires a study of its justifications. Similarly, comprehending social exclusion necessitates an examination of how it occurs. To achieve this, I break down each concept into small pieces, before bringing these pieces together to build an understanding of what exactly is meant by basic income or social exclusion. The concepts can then be brought together in an exploratory manner, to investigate the potential effects of basic income upon social exclusion. As this thesis remains almost entirely conceptual, it presents only potential effects, understood through an analysis of the concepts meshed together.

In the absence of empirical data or material, the material which will be analyzed becomes academic texts and documents. Initially, these texts were found from a broad literature review. Yet, as a greater understanding of each concept was developed, the most relevant and detailed texts were selected. Texts were selected not only in relation to their content, but also in relation to the relevance other authors in the field assigned to them. Most of the material in this thesis was written by authors either building off other authors in this thesis, or replying specifically to each other. Therefore, in selecting these texts, each text has the ability to expand on previous articles and books, or offer counterpoints and point out failings in other works. With the material selected this way, a wide, detailed understanding of each concept can be acquired, in order to truly understand what is meant by basic income and social exclusion.

However, several articles step out of the theoretical realm and into the empirical, specifically in reference to the basic income or negative income tax (cf. 4.3) experiments. The conceptual analysis does not build off of the results of these experiments; rather, the experiments are used to illuminate the analysis, and provide hints about the validity of the conclusions drawn.

As the basic income experiments occurred in Namibia and India, countries dissimilar to western welfare states, their relation to the effects of basic income in the societies under investigation is unclear. Furthermore, in each case, only one or two academic articles have been published or are appropriate for use. The lack of data available further complicates the use of these experiments, as the texts may have been subject to manipulation or suffer from errors. For example, in the negative income tax experiments in the United States, this actually did occur in many of the articles published shortly after the conclusion of the experiments. (Levine et al. 2006) Therefore, the results of these experiments are not the focus of this thesis; they are merely used to further illuminate the analysis.

Thus, the general orientation of this thesis is theoretical, or conceptual. Rather than addressing the effects of a current policy, it aims to explore and examine the potential effects of basic income, on a conceptual level. In doing so, it can shed light on the ability of basic income to combat social exclusion, through a thorough understanding of the processes at work that cause individuals to suffer from social exclusion.

3.1 Limitations

Nonetheless, performing an analysis in this manner leads to clear limitations in the conclusions that can be drawn. As a theoretical study, it is entirely possible that there would be unforeseen issues and difficulties that would arise in the actual implementation of basic income. In this sense, no definitive conclusions can be drawn. Furthermore, this thesis also does not address, in great detail, two other issues with basic income. The first deals with how the actual implementation of a basic income would occur, for example, if the income would be paid in cash or to a bank account, etc., and also does not discuss how the implementation of a basic income would be achieved, e.g. in what type of political system. Each of these issues would influence the effects of basic income on social exclusion. I also have not chosen to study the effects of basic income in a specific country. Social exclusion, as a concept, should function similarly in each country, even if the face of social exclusion can vary by country, due to its relative nature (cf. 5.1). However, it is possible that there are unique features to each country that would influence how social exclusion occurred in that country, and would thus influence the effects of basic income. A similar problem could also occur in how basic income alters each country. Although western welfare states have broadly similar, capitalist economies, each country does have unique features that could affect how precisely basic income would change the structure of

that society. Nevertheless, despite these limitations, it is possible to answer this question on a conceptual level. Thus, I now begin with an explanation of the first concept, basic income.

4. Basic Income

The aim of this section is to introduce and elucidate the central policy idea this thesis is based around, basic income. First, I present the history of the concept, before proceeding to a definition. Next, I look at the justifications of the idea and the counter-arguments presented by its critics. Finally, I consider the economics behind the idea as well as introduce three experiments with variants of basic income that have occurred throughout the world. In considering basic income, it is necessary to remember that each author who writes about basic income has some vested interest in the idea. Every author who argues for the implementation of basic income has a desire to live in a society organized differently, and most are involved in various basic income movements around the globe. At the same time, these authors are not a homogenous group; basic income attracts advocates from both the left and the right of the political spectrum. Each author justifies or promotes basic income on the basis of a different theory of justice, or conception of a desirable society. As most authors base their justifications of basic income on their own theory of justice, an individual with a different conception of justice could reject the idea, no matter how eloquently the justifications were presented. However, in order to understand the potential effects, it is also important to understand what leads individuals to advocate for basic income, and consider the relationship between the two. Nonetheless, in deciding whether a justification adequately suffices, some sort of normative judgement must be made, which I leave to the reader.

4.1 A Brief History

The idea of basic income, or variants of the same idea, has existed for at least 500 years. Perhaps the first author to mention or endorse the idea is Thomas More, in his famous work *Utopia*. (Van Parijs 2013) The idea continued to surface throughout the next few centuries, endorsed by authors such as the Marquis de Condorcet and Thomas Paine (although Paine endorses a variation of basic income, in the form of stakeholder grants), but remained a radical, utopian idea on the far fringes of the political discourse. (Bronstein 2014, Gruioniu 2013) Nevertheless, as the 20th century progressed, basic income experienced brief periods of greater political importance and relevance, although it never was truly endorsed or implemented by any government

throughout the advanced welfare states of the West. Somewhat surprisingly, considering its history as a welfare state, the United States arguably came the closest to implementing a basic income, or one of its variants, during the 1960's and 70's. (Widerquist & Sheahen 2012) At this time, the United States government endorsed and conducted four experiments with a negative income tax in different locations throughout the country. (Widerquist & Sheahen 2012) The idea was so popular, even Milton Friedman supported the introduction of a negative income tax. (Friedman 1962, Friedman 1968) However, with the election of Ronald Reagan and the neo-liberal political turn of the 1980's, basic income fell off the broader American political agenda, where it remains today. Yet, there is still one place in America where a genuine basic income remains in place today. The Alaska Permanent Fund pays out a small sum to each Alaskan every year from the oil revenues collected by the state. (Van Parijs 2013) This program began over 30 years ago, and remains hugely popular today, to the point that it is known as "the third rail of Alaskan politics". (Widerquist & Sheahen 2012 12)

Within Europe, the idea has never quite gained the same traction as it did during this period in America. Despite this, one of the most influential and important networks of researchers and activists was formed in Europe in 1986 at a conference organized by Philippe Van Parijs, with the creation of the *Basic Income European Network*, which has since become the *Basic Income Earth Network (BIEN)*. (Widerquist et al. 2012a xx) In recent years, basic income's relevance within the political debate around the world has begun to increase, with several experiments conducted throughout the world, in countries such as Brazil, Namibia and India. (Suzuki 2011, Widerquist et al. 2012a, Pateman & Murray 2012) Within academia, the idea is also increasingly accepted, as evidenced by the creation of the first journal devoted to basic income in 2006, *Basic Income Studies*. (Pateman & Murray 2012) In the most glaring sign of its growing influence, Switzerland could soon become the first country to implement a nationwide basic income, as previously mentioned. (Foulkes 2013) Nevertheless, despite the increasing acceptance of basic income amongst political activists and academics, it remains fair to say that there is no inevitable implementation of basic income anywhere across the world.

4.2 *What is a Basic Income?*

Before proceeding further into a discussion of the arguments both for and against basic income, it is useful to define the concept, as well as address what definition I will be using throughout the rest of the paper. To put it simply, a basic income is "an income unconditionally granted to all on

an individual basis, without means test or work requirement.” (Basic Income Earth Network 2013) It is worth noting that nothing in this definition deals with the level of income an individual would receive under a basic income scheme. A basic income could be set below, at, or above some sort of subsistence level, but a basic income is a basic income, whether it is one euro, 1000 euros, or 20000 euros. Furthermore, the definition provides no guidance about how a basic income should be implemented. Nevertheless, as a starting point, it defines basic income in its simplest form.

Van Parijs, in his influential work *Real Freedom for All: What (if anything) Can Justify Capitalism?*, provides a more specific, longer definition. He defines basic income in the following way, “A basic income, in other words, is an income paid by the government to each full member of society (1) even if she is not willing to work, (2) irrespective of her being rich or poor, (3) whoever she lives with, and (4) no matter which part of the country she lives in.” (Van Parijs 1995 35) There are several things that are important to note within this definition. Again, this definition makes no reference to the level at which a basic income should be set. He does later argue that a basic income should be set at the highest sustainable level, but his definition makes no reference to this. (Van Parijs 1995 39) Furthermore, he suggests a basic income should be paid to each full member of society. This raises the obvious question of who he refers to when he discusses full members of society. For Van Parijs, societal membership is not based upon citizenship, but rather “a sufficient length of legal residence is generally regarded as the key criterion.” (Van Parijs 1995 34) It is not entirely clear why he regards residence as the key criterion, but this will be returned to later. Additionally, he states “full members are supposed to be adults”, and thus, children do not fall within the parameters of his definition. (Van Parijs 1995 34) Again, it is not entirely clear why this is, although it is perhaps a reflection of societal norms. Despite Van Parijs appearing to make certain arbitrary distinction, his definition helps to further the discussion.

Bill Jordan (1988) suggests a definition that contrasts greatly with the one provided by Van Parijs. He defines basic income as “a universal state-guaranteed sum for each individual citizen, enough to meet basic needs, which is not conditional on marital or employment status.” (Jordan 1988 115) In contrast to the two earlier definitions, he suggests that a basic income must provide enough to meet basic needs. Although he does not define basic needs, we can likely assume that he means a sum high enough that an individual can live at something above the

poverty level. Furthermore, in stark contrast to Van Parijs, he uses citizenship as the key criterion for qualification², rather than residence.

Claus Offe (2009) defines basic income differently from either Jordan or Van Parijs, in that he uses different aspects of each of the definitions provided by the pair. He operationalizes basic income as “a tax-financed and individualized form of monetary transfer that is not bound to any conditions (except permanent residency status), and which is disbursed on a regular basis or capitalized and then made available as start capital. This aid should correspond at least temporarily to a level that assures a secure subsistence that avoids poverty.” (Offe 2009 49) Similar to Van Parijs, he regards residency as the key criterion for qualification, yet, similar to Jordan, he states that the income should secure subsistence for individuals. Taken together, these three definitions shed light on the major questions regarding the actual implementation of a basic income. All of the authors are in agreement that basic income is a guaranteed sum, paid out by the government, in an unconditional manner. However, they differ on to whom a basic income should be paid (citizens or residents), as well as at what level it should be paid.

To begin with, let me first address the question of to whom a basic income should be paid. Van Parijs’s (and Offe’s) suggestion of residency as the main requirement for qualification is not without difficulties. Brian Barry (1996) notes that if on one hand, Van Parijs argues that a basic income is a right to which all citizens have an equal claim, it does not follow logically that they should have to live in the country to exercise this right. (Barry 1996 247) Furthermore, the requirement of residency faces further problems when considering pensioners or disabled citizens. If, as is currently the case, they have the right to a pension even when living in different parts of the world, it does not make sense to withdraw their basic income, just because they have moved. (Barry 1996 247) However, in discussing able-bodied adults, Barry suggests that it “is surely implausible...as a matter of justice” that taxpayers in one country should support citizens living in another country with access to the benefits of the social security system in that country. (Barry 1996 247) This leads into the difficulties of Jordan’s conception of citizenship as the requirement for receiving a basic income. It does not make sense that citizens living abroad should have a basic income that is financed, in part, by the contributions of immigrants who themselves have no right to that same income. Yet, at the same time, it seems both arbitrary and unfair to allow some citizens to live abroad, in the case of pensioners and disabled individuals

² It is on this basis that a basic income is sometimes referred to as a citizen’s or citizenship income.

(and also raises the question, how disabled must one be?), but not others. In many ways, the selection of who is eligible to receive a basic income is derived from pragmatic arguments surrounding administrative costs, or bureaucratic reasons rather than any major theoretical justification³. Furthermore, as this thesis aims to discuss basic income and social exclusion, the relevant feature of any definition will be who *within the country* is eligible to receive a basic income. Therefore, for pragmatic reasons, citizens and others who have achieved permanent residency (as Offe suggests) will be eligible to receive a basic income, for the purposes of this paper.⁴

To continue, the next difficulty in defining basic income deals with at what level a basic income should be paid. As noted above, the level at which a basic income is set does not necessarily feature in the definitions of several authors, but in evaluating the potential effects of basic income, it is certainly necessary to define at what level the income would be paid, as the effects of different levels upon society would certainly be different. Nevertheless, most authors, either for ideological reasons or as a means of fully realizing the benefits of basic income suggest that a basic income should eventually be paid at a level allowing subsistence, even if some argue for a gradual introduction of a full basic income. (de Beus 2012, Purdy 1994) Furthermore, as Caputo (2008) notes, the effects of a basic income paid at a level below subsistence could actually have negative consequences for many groups within society. (Caputo 2008 146) Additionally, returning to the utopian nature of the idea as well as this thesis, I feel it is best to study the effects upon society with the full realization of the idea of basic income. Therefore, I will be analyzing and discussing a basic income that provides for an individual to live at a level above subsistence. Thus, when discussing basic income I will be referring to *an income that is sufficient to allow citizens and permanent residents to meet their basic needs, without conditions, paid on an individual basis*.

4.3 A Variation on a Theme: The Negative Income Tax

Although basic income has perhaps gained the most momentum in recent years, both academically and politically, several variations on the idea have existed throughout its history, enjoying brief periods of popularity. The most well-known and important of these variants is the

³ For example, at no point over 318 pages does Van Parijs justify his residency requirement in *Real Freedom for All*.

⁴ This does not resolve the theoretical difficulties presented above, however as this paper does not aim to analyze how the implementation of a basic income shall proceed, nor the exact economics of it, I do not think this poses a serious problem.

negative income tax. A negative income tax functions in that the government pays citizens whose income is below a certain threshold so that their total income reaches that threshold. Only after the threshold does the government begin to tax income, in contrast to a traditional system of taxation⁵. (Moffitt 2003) Although this thesis will focus upon basic income, as defined above, I mention this alternative as several arguments relating to this idea can be helpful in discussing basic income. Furthermore, the negative income tax experiment in the United States can help to provide a more empirical perspective on certain issues within the basic income debate. However, although a negative income tax can inform the discussion surrounding basic income, it is not the main focus.

4.4 How is a basic income justified?

Any justification of basic income (or refutation of such justifications) rests upon some idea, conception, or theory about justice. The precise notion of justice differs depending on each individual author, but basic income justifications are all generally based on some set of normative principles. Standing (2005) perhaps puts it best, in saying “most people who think about such matters have a rudimentary theory of justice, and every worthwhile theory of justice postulates the equality of something, be it income, wealth, opportunity or something else.” (Standing 2005 91) While no authors are exactly the same, they can be separated into three broad, somewhat overlapping categories. First, several authors approach basic income from a freedom or security⁶ perspective, exemplified best by Van Parijs and Standing. Second, a number of authors argue for basic income due to their conception of citizenship, and the rights it confers. The third category encompasses the more overtly political justifications of basic income, perhaps best exemplified by Erik Olin Wright.

4.4.1 Freedom and Security

Philippe Van Parijs approaches the issue of social justice from a libertarian perspective. For Van Parijs, a just society is a free society. (Van Parijs 1995 27) A free society is one characterized by three specific conditions. First, there is a “well-enforced” structure of rights such that, as a result, each person “owns herself.” (Van Parijs 1995 25) However, the most important aspect of Van

⁵ See Friedman (1962) or Friedman (1968) for a longer discussion.

⁶ I have chosen to link together freedom and security as I see them as intrinsically linked. It is impossible to have freedom without some degree of security, while security in and of itself is not necessarily a goal; rather the goal is to be secure so that one can act freely.

Parijs's free society, at least in relation to his basic income arguments, is the third. His third condition states that "this structure [of rights] is such that each person has the greatest possible opportunity to do whatever she might want to do." (Van Parijs 1995 25) He refers to this as a "leximin formulation" of freedom, in contrast to an aggregative or egalitarian formula. (Van Parijs 1995 25) He uses the term leximin, or lexicographic maximin, here to mean that the person with the least opportunity within this free society has no less opportunity than they would in other societal arrangements, with this comparison continuing with the second worst off person in each society, and so on. However, in his conception of freedom⁷, an individual can only be free if they have not only the right, but also the means "to do whatever one might want to do." (Van Parijs 1995 33) It is on this basis that Van Parijs argues that his conceptions of a free society and of justice, not only encourage but actually demand the implementation of an unconditional basic income. Individuals must have the freedom to live as unconventionally as they wish, rejecting the labor market or "career dominated existence" if they desire, through the "genuine opportunity to make different choices." (Van Parijs 1995 33-34) Van Parijs further justifies his definition of basic income (cf. 4.2) on his conception of real freedom, noting that this idea of justice prefers a basic income in comparison to a negative income tax, while also arguing that his notion of freedom demands not that one consider what individuals actually want, in the case of living alone or together, in the country or the city, but instead consider what individuals might want. (Van Parijs 1995 36-38) Therefore, his advocacy for basic income grows out of a particular thought about freedom as justice, arguing that basic income allows individuals the most freedom to pursue opportunities that they might wish to pursue⁸.

Guy Standing (2002, 2005) advocates for basic income on a similar basis to that of Van Parijs. However, Standing emphasizes the need for security as a necessity for the realization of freedom. Van Parijs certainly recognizes the need for security prior to freedom, as security concerns form the first two conditions of his conception of a free society, however, whereas he views basic income as a means of freeing individuals, Standing views basic income as a way to provide security to individuals, so that they can act freely. Returning to the quote about theories

⁷ He distinguishes here between "formal freedom", or the right to do something, and "real freedom", having both the right and the opportunity to do something. (Van Parijs 1995 22)

⁸ Van Parijs also considers a number of factors relating to the distribution of assets, including jobs, within societies and how 'real freedom' demands that they be distributed. However, I believe this has more to do with the actual implementation of a basic income, rather than the justification. All of his ideas about distribution stem from his conception of freedom.

of justice from Standing above, he suggests that justice requires “equality of self-control and equality of basic security.” (Standing 2002 197) Basic security is conceptualized as enough to allow an individual “to make rational choices” in a meaningful sense, but not so great as to cause “indolence and loss of motivation to function.” (Standing 2005 92) Standing continues this argument, believing that a just society “requires policies and institutions” that work to further the security and self-control of each individual. (Standing 2002 199) On this basis, he therefore argues that such a conception of justice requires the introduction of a basic income, as part of a larger “distributive strategy.”⁹ (Standing 2002 205) In order to achieve basic income security, one aspect of Standing’s conception of basic security, an income must be nonpaternalistic, such that an individual has control over how to use it, and enable individuals to “make rational choices”, or in other words, a basic income is necessary for basic income security. (Standing 2005 92) Thus, Standing conceives of justice as the right to equal security, which encompasses a type of basic income security. Taken together, Van Parijs and Standing have clear similarities, each argues that a basic income allows greater freedom for individuals; however, Standing first argues that security is necessary for freedom. The arguments of these two authors reveal the first broad strand of basic income justifications, freedom and security.

4.4.2 *Rights*

Standing’s suggestion of basic security as a right bleeds into the next section, arguments dealing with basic income as an extension of citizenship or social rights. This perspective also encompasses several feminist arguments relating to basic income, as a means of democratizing citizenship or allowing women to become full citizens within society. However, I will begin with Simon Birnbaum’s (2012) idea of “radical liberalism.” (Birnbaum 2012 8) The type of radical liberalism espoused by Birnbaum holds “a substantial universal and unconditional tier of social rights to be one of the ideal requirements of liberal-egalitarian justice.” (Birnbaum 2012 8) Such an idea, therefore, demands an attempt to equalize opportunities, but also stresses the importance of allowing individuals to be free to pursue their own conception of a good life.¹⁰ Thus, Birnbaum suggests that basic income can allow for a more equal distribution of opportunities

⁹ Basic income is but one part of a broader strategy Standing advocates for to achieve basic security. (cf. Standing 2002)

¹⁰ It should be noted here that Birnbaum’s ideas about justice are developed through a close analysis of John Rawls. He terms his theory a “radical-liberal interpretation of Rawlsian ideas.” (Birnbaum 2012 9) He particularly discusses the importance of self-respect for individuals. (cf. Birnbaum 2012 48-51)

than is currently present, while also securing “important conditions for each person’s non-subservience.” (Birnbaum 2012 51) With the implementation of basic income, all citizens, especially those who are currently least advantaged, are able to realize their citizenship rights and become full members of society, as “free and equal citizens.” (Birnbaum 2012 54) Hence, Birnbaum builds a case for basic income upon an idea of justice, in which there are universal rights inherent with citizenship (or residence).

As stated above, several authors make a feminist case for basic income based on the idea of gender-neutral citizenship rights. McKay and VanEvery (2000) argue that basic income has the ability to promote a new conceptualization of social justice in a gender-neutral manner. (McKay & VanEvery 2000 268) Traditional welfare benefits have penalized women in the sense that benefits are paid according to labor market access and participation, ignoring the unpaid work performed by women in the household as well as their disadvantaged economic position. They suggest a new frame of analysis in which welfare states are “providers of care”, allowing a clearer view of role of the private sphere or the family. (McKay & VanEvery 2000 273) They continue by suggesting that in order to realize truly equal citizenship, one must first recognize the dependence of the “‘social contract’ on the ‘sexual contract’” and reimagine manners of organizing work that needs to be done. (McKay & VanEvery 2000 277) Therefore, they propose that rather than attempting to commodify all human activity, particularly in regards to care work, it is more logical to assume that all “citizens make a positive contribution to society”, and therefore deserve an income at a level above subsistence. (McKay & VanEvery 2000 280) In doing so, this income can provide a basis for the re-organization of society into a more just arrangement, in which truly equal citizenship is available to both women and men. (McKay and VanEvery 281)

Carol Pateman (2004) argues for basic income on similar grounds, viewing it as a potential means of “advancing women’s freedom”, but also arguing that basic income could help to create a “more democratic society in which individual freedom¹¹ and citizenship are of equal worth for everyone.” (Pateman 2004 90) Pateman, building off Marshall’s conception of citizenship rights, argues that similar to suffrage, basic income should be seen as a “democratic

¹¹ Pateman defines freedom in a similar manner to Van Parijs, defining individual freedom as “self-government or autonomy” in all spheres of life, both economic and in collective government, as well as in the individual opportunities available to an individual through the institutional structure of a society. (Pateman 2004 91)

right”¹² because a basic income allows for citizens to participate in society, to the fullest extent that they wish. (Pateman 2004 94) Basic income would help to democratize society as it would enable individuals to “refuse to enter or leave relationships” that violated an individual’s freedom while also allowing opportunities for citizens to develop their “political capacities and skills.” (Pateman 2004 96) Similar to McKay and VanEvery, she believes the implementation of a basic income to be particularly important to women. In providing economic security, and breaking the link between the labor market and benefits, a basic income would allow women to fully realize their rights as citizens. (Pateman 2004) Thus, Pateman concludes by arguing that if we wish to realize a truly democratic society, with equal rights for both women and men, “it is hard to see that there is a substitute for an unconditional basic income.” (Pateman 2004 103) While this is not an exhaustive review of the justifications of basic income relating to social rights and citizenship, it nevertheless provides an overview of this type of justification, with an emphasis on the feminist aspect of citizenship justifications.

4.4.3 *A Challenge to Capitalism*

Any discussion of the justifications of basic income would be remiss in ignoring the numerous authors who have suggested basic income as a means of challenging capitalism, or as a means of creating a socialist or communist society. The justifications of the authors above are built out of less explicit political viewpoints, in contrast to this strand of basic income justifications. This can be seen in the title of Erik Olin Wright’s ¹³ (2006) article advocating for basic income, “Basic Income as a Socialist Project.” Wright¹⁴ first identifies what he describes as the core socialist critiques of capitalism. For him, the six main claims socialism criticizes capitalism on are as follows. First, capitalism perpetuates both “eliminable forms of human suffering” and “eliminable deficits in individual freedom and autonomy.” (Wright 2006 3-4) Furthermore, capitalism not only prevents the creation of conditions for the flourishing of humans as the inequalities inherent within capitalism block “the realization of [human] potential”, but also, due to efficiency reasons, underproduces public goods. (Wright 2006 4-5) Next, capitalism violates “liberal egalitarian principles of social justice” as accumulation of wealth allows some

¹² Pateman uses democratic right in the sense of Henry Shue’s basic rights, which she defines as “rights are basic if enjoyment of them is essential to the enjoyment of all other rights.” (Pateman 2004 94)

¹³ I have chosen to use Wright as representative of this line of arguments, as these justifications differ slightly, but have much in common.

¹⁴ Of note, he identifies his standpoint as “radical egalitarian, democratic normative.” (Wright 2006 5)

individuals more opportunities, as well as advantages, particularly intergenerationally, and also through the problem of negative externalities, which are not sufficiently addressed within capitalist markets. (Wright 2006 4) Finally, he argues that capitalism limits and harms democracy due to the lack of collective control over capital as well as the concentration of wealth and economic power within the hands of a small segment of the population, allowing them undue influence over political decisions. (Wright 2006 5)

Wright then argues for basic income on the basis of three separate challenges to capitalism, first, strengthening the power of labor against capital, second, the decommodification of labor, and finally, enlarging the power of social society over economic activity. (Wright 2006 8-9) Basic income is likely to lead to the creation of tighter labor markets, in which the bargaining positions of both individual and collective labor will strengthen, while at the same time, basic income can act as an “inexhaustible strike fund.” (Wright 2006 8) Furthermore, labor is decommodified in obvious ways, as basic income breaks the link between the labor market and income. The final point of Wright’s analysis, on the strengthening of the social economy, is perhaps the least obvious and most controversial. He argues that basic income will provide a means for more “political activity, for community organizing, and for social movements” allowing the possibility for more reforms to grow out of society. (Wright 2006 10) While his first two points certainly follow logically, it is not altogether obvious why this would happen, although it certainly is a possibility. Nevertheless, Wright’s argument for basic income rests upon a socialist challenge to capitalism, and his belief that a basic income would fundamentally alter current capitalist societies to create more socialist states. Thus, his argument, and others like it, forms the third major strand of basic income justifications, basic income as a challenge to capitalism.

4.4.4 Conclusion

Although all these authors justify basic income differently, there is one overarching theme running through these justifications. Each author has some normative idea of what characterizes a desirable society, and arrives at basic income as a means to realize something approaching this type of society. Each justification arises out of a different conception of justice, but views basic income as creating a society in which more individuals have the capability to lead fulfilling lives. However, at the same time, none of the major justifications of basic income relate to its effects. The effects of realizing real freedom for all, extending citizenship rights, or challenging

capitalism are not the focus of any rationalization; rather, it is not inaccurate to say that the effects a basic income may have on unemployment or poverty can be viewed as positive externalities, rather than the main emphasis. Yet, it is inaccurate to suggest that all authors view basic income positively, and therefore, the next section discusses objections to basic income.

4.5 *Objections*

Objections to basic income can be sorted into two broad categories, what I will term here *macro-* and *micro-objections*. In this conception, macro-objections take issue with the premise and idea of basic income, rejecting the policy. Conversely, micro-objections hold no specific issue with basic income, but do disagree with the justifications of it. For example, Barry (1996) suggests that, contrary to Van Parijs's assertions, a goal of realizing real freedom does not automatically lead to an argument for basic income, as the freedom of some individuals within society will be much more restricted due to the new types of taxes, but also for those who value work over leisure.¹⁵ He does not suggest an alternative means of realizing freedom, but nonetheless argues that Van Parijs's argument for basic income fails in maximizing real freedom. Similarly, Orloff (2012) contends that a basic income could actually have negative effects on the fight for gender equality, contrary to the ideas presented above. She argues that basic income actually reinforces the lesser position of women in the labor market, as women may be “‘encouraged’ to ‘specialize’” in care work, rather than paid labor (cf. Robeyns 2007). (Orloff 2012 150) Nonetheless, these objections take issue more with the effects of basic income, rather than the idea. Thus, I will return to these objections later, after some discussion of the societal effects of basic income. However, the macro-objections reject the entire idea of basic income, and thus must be discussed now.

Offe (2009) argues that there “are three serious objections” to the idea of basic income: the issue of unconditionality, that many within society do not need a basic income, and that a basic income scheme has massive opportunity cost. (Offe 2009 62) The unconditional aspect of basic income is certainly the most controversial and arguably the most discussed issue inherent to basic income, and thus will be considered in the next section. Here, I will focus upon the latter two objections Offe identifies. First, let me address the objection that it does not make sense to provide a basic income to those who have sufficient income from the market economy. Block (2001) argues that it is absurd to provide an individual like Bill Gates a basic income, as he

¹⁵ This builds off a different argument that basic income prioritizes or rewards leisure over work.

clearly has no need for the relatively small income that a basic income provides. However, here it is important to remember that basic income is not based on need; it is a right of residency. The richest individual within society, as a resident, has the same right to a basic income as an unemployed, wealthless individual. While it may seem absurd, the justifications of a basic income, and its definition, require no less. Furthermore, this issue leads to clear administrative difficulties, as one must then decide how rich an individual should be before they cease receiving a basic income. Both in terms of the justifications of basic income, and administrative simplicity, all individuals, no matter their wealth, should receive a basic income.

Offe also suggests that basic income justifications must address the opportunity cost of such a scheme. In this, he means “as there are so many obvious and urgent things to be done in the world”, no individual should be permitted to be idle (and be paid for doing so). (Offe 2009 62) However, Offe notes that if “forced labor is to be excluded as an option on normative grounds”, western market economies clearly demonstrate that there is insufficient labor demand, as evidenced by the unemployment rates of these countries. (Offe 2009 66) Thus, whatever the need, the demand is insufficient. It is further complicated in that someone must identify what are the urgent and obvious things that must be done, which would vary by individual. Again, this objection has immense administrative difficulties. Nevertheless, any further discussion of this objection entails an examination of the right of individuals to be idle, or in the other words, the unconditional nature of a basic income. Therefore, I now turn towards the most controversial feature of a basic income, its unconditionality.

4.5.1 The Issue of Unconditionality

Jon Elster (1986), commenting on van der Veen and Van Parijs’s “A Capitalist Road to Communism”, argues that basic income “goes against a widely accepted notion of justice: it is unfair for able-bodied people to live off the labor of others” and that basic income leads to the “exploitation of the industrious by the lazy.” (Elster 1986 719) The unconditional nature of basic income seems to many, both academics and non-academics, to violate some notion of fairness or idea of justice. In fact, some advocates for a basic income now advocate for a participation income (cf. Atkinson 1996), an income paid on the condition of participation of some sort in socially valuable activities. Nonetheless, Van Parijs (1991) offers a robust defense of the unconditional nature of basic income. Van Parijs argues that those who take “an unfair share of society’s resources” are not those who pursue leisure, but rather those who have attractive jobs

and thus “appropriate a huge employment rent.” (Van Parijs 1991 130) Van Parijs means that in a society where jobs are scarce, “each member of society [has] a tradable entitlement to an equal share of those jobs.” (Van Parijs 1991 124) Thus, those in employment are monopolizing income and jobs to which all within society have an equal right. Therefore, each individual has the right to an income, regardless of what they do. However, Van Parijs’s argument here does rely upon the acceptance of his theory of justice, and the pursuit of real freedom for all, discussed above.

Offe, however, offers two different responses to the objection above. First, building on Paine and John Stuart Mill, he argues “the earth belongs to all its inhabitants” and thus, “people can claim a fair share of the collective endowment, irrespective of their income or job status.” (Offe 2009 64) Therefore, there is no issue with the unconditional aspect of basic income. His second argument is much more pragmatic, and less theoretical. Unconditionality “cuts administrative expenses” and also the idea of “*income without work*” is just the opposite of “the quite commonplace ‘scandal’ of *work without income* performed by those who supply undeniably useful (though not market-valued) activities such as care work and voluntary services of all sorts.” (Offe 2009 63) Basic income’s ability to offset the second issue makes up for the first, in Offe’s view. The arguments presented in section 4.2 and Standing’s argument also have relevance here. If one views basic income as a right, then the issue of what an individual does or does not do with a basic income has no significance. However, here, it is important to note that definitively rejecting or accepting this objection is impossible. The way an individual views unconditionality depends solely on each individual’s conception of justice. Arguably, the larger issue with unconditionality is how many individuals would chose not to work, as if enough individuals left the labor market, a basic income would become unsustainable. Yet, again, this depends on the effects of basic income, and is returned to later (cf 6.3). This thesis does not focus on justifying basic income, but rather the effects of its implementation, with a particular focus on social exclusion. In this sense, if the effects of basic income appear broadly positive, then the question of a right not to work loses its relevance to some degree. Thus, I will return to this issue at a latter point.

4.6 Economics

This section, until this point, has largely ignored the single greatest pragmatic consideration inherent within basic income, the economics of the proposal. Clearly, if basic income immediately bankrupted the society in which it was implemented, it would not make sense to

implement the idea, whatever the justification or theoretical effects. However, several authors have demonstrated its economic viability. Healy, Murphy, & Reynolds (2013) demonstrate how basic income could be financed in the case of Ireland. With the implementation of several new taxes, such as resource taxes, environmental taxes, or financial transaction taxes, and changes to the current welfare system, they show a basic income is easily funded. They conclude that a basic income is both “affordable [and] feasible.” (Healy et al. 2013 128) Arcarons, Raventos Pañella, & Torrens Mèlich (2014) also investigate the feasibility of a basic income, in reference to Catalonia, through the use of a micro-simulation model. Again, with the implementation of changes to the tax system and re-organization of current welfare spending, they find that “it is possible to finance” a basic income. (Arcarons et al. 2014 80) They further suggest that “the difficulties” with the implementation of basic income “do not lie... in the economic sphere.” (Arcarons et al. 2014 89) While these models suggest different taxes and means of financing basic income, each arrives at the conclusion that basic income is economically feasible. With a re-organization of the tax system and changes to welfare spending, basic income need not bankrupt or otherwise harm the economy of a country. Thus, while the specifics of financing basic income would be unique to each country, it can be said that economics alone are not enough to reject basic income.

4.7 Experiments

While basic income has never been implemented on a national scale or as a permanent policy, there have been, as noted above, several experiments with the idea or with close variants of the idea. First, during the period between 1968 and 1980, the United States government conducted several negative income tax experiments, which remain some of the very few programs related to basic income ever implemented within a developed welfare state. (Widerquist 2005) More recently, over the last ten years, several experiments with a pure basic income have been conducted in developing countries, such as Namibia and India. Within this section, I will briefly discuss the design of these experiments, and some preliminary findings that arose during these processes.

4.7.1 The Negative Income Tax: United States

In the United States, four different negative income tax experiments were conducted at different locations throughout the country. Each experiment contained a different sample group, with

different characteristics for individuals that made them eligible to participate in the experiments. (Widerquist 2005 52) The experiments were conducted in both urban and rural areas. (Widerquist 2005 52) These programs were in place for varying times, with the longest lasting a total of nine years, and the shortest occurring over only a two-year period. (Widerquist 2005 53) The level at which the minimum income level was set varied both between and within experiments, but all “defined the guarantee level relative to the poverty line”, with levels “between 50% and 150%” utilized. (Widerquist 2005 54) The findings of the experiments were controversial at the time, and the data was quite often distorted to fit the political viewpoint of the author. (Widerquist 2005, Levine et al. 2006) The experiments did show a slight reduction in labor supply, but not to the point that the program would have become unaffordable. (Widerquist 2005, Levine et al. 2006) Furthermore, the experiments were also associated with an increase in educational results, nutrition, “and other quality-of-life variables.” (Levine et al. 2006 100) Nonetheless, as the United States took a decidedly neo-liberal turn at the beginning of the 1980’s, after the conclusion of these experiments, no other experiments or programs of this type have been trialed in the United States.

4.7.2 *Namibia*

Unlike the experiments in the United States, the experiment in Namibia was done with a real basic income, although in the sense of the BIEN definition, rather than the definition utilized in this thesis. Namibia, at the time of the experiment in 2008, had an unemployment rate above 35%, and could be characterized as a “survival economy”, where individuals must prioritize survival today over future opportunities. (Suzuki 2011 55) Furthermore, individuals relied on an “informal social security system”, where lower income individuals “carry a disproportionately high burden of caring for other poor people.” (Suzuki 2011 56) Within this context, a coalition of actors within Namibia launched a privately funded basic income experiment in a town looked upon as “one of the least promising candidates for the project to succeed.” (Suzuki 2011 56) The experiment lasted from January 2008 until December 2009, during which all citizens¹⁶ under the age of 60¹⁷ were eligible to receive a “a monthly cash allowance of N\$ 100¹⁸”, an amount below the poverty line, making this what can be talked about as a ‘partial basic income’. (Suzuki 2011

¹⁶ Under these criteria, 930 individuals were eligible.

¹⁷ For individuals under 21, the basic income was paid to the primary care giver. (Suzuki 2011)

¹⁸ This was somewhere between 10 and 14 US dollars.

57) Over the course of the experiment, the poverty rate, controlled for migration, dropped dramatically, from 97% to 43%. (Suzuki 2011 59) Similar types of improvements were seen in many other social categories, including health, child malnutrition, and education, as individuals could now afford to visit doctors and buy food. (Suzuki 2011 60-64) Finally, during the experiment, unemployment rates dropped and real wages rose, with almost all of the increase concentrated in the poorest quintile of the population. (Suzuki 2011 64-68) This experiment was almost an unqualified success in the context of Namibia, both reducing poverty rates, but also, intriguingly, increasing employment rates. However, even after the success of this experiment, the Namibian government did not work to implement a nationwide basic income, preferring instead to return to traditional welfare policies. (Suzuki 2011)

4.7.3 *India*

A second major experiment took place in the region of Madhya Pradesh in India between 2011 and 2013. Within this experiment, two separate pilots were launched. The first paid a monthly basic income to individuals in eight villages, and then compared the experiences of those in these villages to 12 similar villages where a basic income was not introduced. (Davalá et al. 2015) The second pilot had a similar design, but involved paying a basic income only to residents of one tribal village, and comparing the results with another tribal village without a basic income. (Davalá et al. 2015) Again, similar to the Namibia experiment, a full basic income was not implemented; rather the project leaders utilized a partial basic income set at “about 30 percent of the income of lower-income families”, which was “Rs. 200 per adult and Rs.100 per child.”¹⁹ (Davalá et al. 2015 34) This amount was increased 50% after May 2012 due to inflation. The larger pilot project occurred from June 2011 until November 2012, while the tribal pilot took place between February 2012 and January 2013. (Davalá et al. 2015) In total, this experiment was much larger than the Namibian project, encompassing over 5,000 individuals in total. (Davalá et al. 2015) This experiment had almost entirely positive results, with increases in health, nutrition, and education levels while it was also “beneficial for economic growth and economic dynamism.” (Davalá et al. 2015 200) Nevertheless, again, when the experiment ended, the government did not implement a nation-wide or region-wide basic income policy.

¹⁹ This was between four and five US dollars for adults.

4.8 *Conclusion*

Basic income has a long history, with the idea existing for at least 500 years. While it can be defined in a multitude of ways, here I have defined it as a subsistence income paid to citizens and permanent residents, without conditions. Many different authors have attempted to justify its implementation, ranging from Van Parijs's ideas about freedom to Wright's challenge to capitalism, but its critics remain, specifically surrounding the unconditional aspect of its nature. At the same time, that has not prevented several experiments from occurring throughout the world, as its advocates attempt to demonstrate the feasibility and desirability of basic income. However, it is fair to say that the knowledge of its effects remains in the stage of infancy. As this thesis attempts to explore the relationship between basic income and social exclusion, I now turn my attention towards the second core concept in this thesis, social exclusion.

5. **Social Exclusion**

Social exclusion is a complex, multi-faceted concept that can mean different things in different usages. Therefore, it is important to build a clear definition of the concept, and discuss what that definition entails. Thus, I first address the question of what is social exclusion, and define how social exclusion is used in this paper. Next, I further clarify the manner in which social exclusion will be utilized, through investigating the different facets, or dimensions of social exclusion. Finally, this section studies why social exclusion happens, through the use of both theory and empirical data.

5.1 *What is Social Exclusion?*

Social exclusion, as a concept, term, or idea, can be difficult to define in a precise manner. Different researchers, organizations, and governments mean different things in their usage of the term. Although many governments across Europe, and the European Union as a whole, focus on combating social exclusion as a policy, Levitas (2006) points out that the term is "rarely clearly defined." (Levitas 2006 125) In general, there are two different conceptions of social exclusion. First, Peace (2001) notes that one interpretation of social exclusion consists of a narrow definition of the concept, defined as a "synonym for income poverty" referring specifically to those "not attached to the paid labor market... or in low-wage work." (Peace 2001 26) This type of thinking about social exclusion can be seen in Eurostat's attempt to measure social exclusion.

When attempting to measure social exclusion, Eurostat uses the indicator individuals at risk of poverty and social exclusion. This indicator consists of three different measurements, two of which directly relate to income or material poverty (individuals below the poverty threshold, and material deprivation indicators) while the third deals with labor market exclusion. (Eurostat 2015) Thus, this mode of thinking about social exclusion relates only to poverty and labor market attachment. Furthermore, the labor market dimension has relevance only as it relates to poverty, rather than as a broader measure of societal integration.

However, this manner of thinking about social exclusion does not appear particularly relevant to a discussion about basic income and social exclusion. If a large component of social exclusion consists of an absolute, rather than relative, measure of poverty, then the implementation of a basic income would directly and immediately address this problem. Furthermore, in breaking the link between the labor market and poverty, the second feature of this thinking loses much of its relevance. Participation in the labor market would no longer have the same type of influence that it currently has, as individuals would be able to live at a level above poverty without participating on the labor market. It seems likely that exclusion from the labor market would still exist, but under this definition of social exclusion, its effects would be, for the most part, somewhat irrelevant. However, the second manner of thinking about social exclusion interprets the concept more broadly, and has more relevance to this thesis.

Somerville (1998) suggests that the second interpretation of social exclusion refers to “the denial of social citizenship status to certain groups.” (Somerville 1998 762) This type of thinking can be seen in two definitions, provided by Barry (1998) and Duffy (1995). Barry, utilizing a definition from the *Center for Analysis of Social Exclusion*, defines the term as “a (British) individual is socially excluded if (a) he/she is geographically resident in the United Kingdom but (b) for reasons beyond his or her control, he/she cannot participate in the normal activities of United Kingdom citizens, and (c) he/she would like to so participate.” (Barry 1998 4) This definition raises several questions, characterized as it is by vague and imprecise language. The first, and most important, question relates to what constitutes the ‘normal activities’ of citizens, while the second relates to the question of agency, as to what he means by reasons beyond an individual’s control. Nonetheless, as a starting point, it defines social exclusion in a much broader way than that of the first mode of thinking.

Duffy provides a similar definition. She suggests that social exclusion entails an “inability to participate effectively in economic, social, political and cultural life, alienation and distance from the mainstream society.” (Duffy 1995 in Levitas 2006 126) Again, Duffy’s definition suffers from a lack of precise language. What exactly is meant by effective participation is unclear, as well as how precisely alienation and distance are operationalized. Despite this, in considering these two definitions together, they have clear similarities. Each has *participation in societal activities* as the most relevant feature. Barry further notes that an inability to participate is due to reasons outside the control of an individual, which can also be seen in Duffy. Furthermore, these definitions do not limit the concept of social exclusion to poverty or the labor market, but rather encompass all spheres of societal life. Therefore, leaving aside for the moment the precise operationalization of these definitions, I will be referring to this type of social exclusion, *characterized by the inability of an individual to fully or effectively participate in society, due to reasons outside of their control*, within this thesis. In doing so, I aim to use the concept as a means of “emphasizing the different dimensions or realms of everyday life where inequalities arise.” (Shaaban 2011 120)

Ottmann (2010) further argues that social exclusion can be understood as either internal or external. Internal exclusion refers to “social exclusion within post-industrial societies” while external exclusion deals with “keeping other people out of a particular nation or block space.” (Ottmann 2010 25) Here, I will be discussing internal social exclusion in keeping with the nature of this analysis. Furthermore, in defining social exclusion thusly, it must be a relative concept, rather than have, as a feature, an absolute delineation. Bossert, Conchita, & Vito (2007) note that “an individual can be socially excluded only in comparison with other members of a society” while Todman (2004) also states that exclusion occurs “when certain individuals and groups are disadvantaged relative or compared to the other (e.g., the majority of the) individuals and groups that comprise the society in which they reside.” (Bossert et al. 2007 778, Todman 2004 6) Somerville (1998) therefore posits, “social exclusion is socially constructed.” (Somerville 1998 762) Social exclusion can only be understood within a particular society, at a particular place in time. The *normal activities* of an individual can only be understood in relation to the normal activities of citizens within that society, suggesting that cross-country comparisons can present major difficulties. This is not to say that the same measures, dimensions, or theories of social

exclusion cannot be used, but rather that each individual must be understood within their own society, rather than through the use of an absolute cut-off point.

Prior to proceeding to an investigation into what these measures, dimensions, or theories entail, I must clarify the difference between the terms poverty and social exclusion. Poverty, here, and throughout this thesis, relates to income or material poverty, and has an absolute delineation. It does not encompass a type of multi-dimensional poverty, as the type conceived by Townsend (1993) as relative deprivation. He states “poverty can be best understood as applying... to those whose resources do not allow them to fulfil the elaborate social demands and customs... placed upon citizens of society.” (Townsend 1993 36) This conception of poverty bears clear similarities to social exclusion, as it is defined above, to the point that it is almost the same. Therefore, for the sake of clarity, poverty has been defined narrowly, while social exclusion encompasses the type of poverty talked about by Townsend and others.

5.2 *The Dimensions of Social Exclusion*

The definition presented above lays out the framework of what will be meant by social exclusion throughout the rest of this thesis, but nonetheless, certain components of the definition must be explained and clarified further. Most importantly, it must be explained what is meant by *normal societal activities* but also what one is excluded from. Social exclusion, by its very definition, is a multi-faceted concept, which encompasses all spheres of societal life. Burchardt et al. (2002), in defining normal activities, suggest four categories of activities, which constitute the normal activities of an individual: consumption, production, political engagement, and social interaction. They define consumption as the ability to purchase goods and services, production as the ability to participate in economically valuable activities “or socially valuable activities”, political engagement as involvement in political decision making, whether local or national, and social interaction as integration within the community as well as with family and friends. (Burchardt et al. 2002 31) It is important to note that *socially valuable activities* were operationalized as “in education or training, or looking after family” when Burchardt et al. attempted to measure this dimension in the UK. (Burchardt et al. 2002 34)

Arthurson and Jacobs (2003) meanwhile, argue that social exclusion consists of four different dimensions: social, economic, legal/political, and cultural/moral. The social dimension entails a lack of citizenship rights, preventing access to common services throughout society such as education, while the economic dimension consists of exclusion from the labor market as

well as consumption and savings activities. The legal/political dimension relates to a lack of participation in societal decision-making processes, such as voting, while the cultural/moral dimension can be defined as exclusion from common cultural events within society. (Arthurson & Jacobs 2003 7) Levitas (2006) in discussing the approach of the poverty and social exclusion survey in the UK provides four different, but similar dimensions: impoverishment, labor market exclusion, service exclusion, and exclusion from social relations. The impoverishment category entails exclusion from “adequate resources or income”, while the labor market exclusion dimension encompasses precisely what it states. (Levitas 2006 136) Service exclusion deals with exclusion from both public and private services, such as transport, or utilities. (Levitas 2006 137) Finally, exclusion from social relations consists of non-participation in common activities, the extent and quality of social networks, the support available to individuals, disengagement from political and civic activity, and confinement. (Levitas 2006 138)

Clearly, these three authors have similar conceptions of what social exclusion entails, although the precise way they categorize activities or areas differs slightly. For example, each has a category which encompasses a type of material exclusion. Additionally, Burchardt et al. and Arthurson and Jacobs’s dimensions of social exclusion contain an explicit political category, regarding exclusion from societal decision making processes, while Levitas includes this dimension in her fourth category, exclusion from social relations. Interestingly, Levitas as well as Arthurson and Jacobs make no reference to exclusion from socially valuable activities, focusing instead solely on labor market exclusion, while Burchardt et al. explicitly include this in their definition of production activities. However, with valuable activities operationalized as they were, we can see these activities in Arthurson and Jacob’s social dimension, or Levitas’s service exclusion. Therefore, clearly, all the authors have a broadly similar view of what constitutes social exclusion. In fact, the only major difference between the three is Arthurson and Jacob’s inclusion of a cultural/moral category, which the other authors do not take up or mention in their view of social exclusion.

To delve deeper into Arthurson and Jacob’s cultural/moral dimension, it consists of two major parts, one regarding housing or socially excluded areas, while the other consists of “common cultural practices within society, traditionally, associated with religion, language, or nationality.” (Arthurson & Jacobs 2003 7) The role that location or housing plays within social exclusion is a somewhat controversial one within the social exclusion literature, to the point that

Shaaban (2011) notes “there appears to be some confusion as to whether it is people or areas that suffer social exclusion.” (Shaaban 2011 118) Social exclusion, as defined in this thesis, deals solely with individuals, not areas. The definition here also focuses on participation. Thus, while the area an individual lives in could be a cause of a lack of participation, it would not be an indicator of social exclusion. Therefore, the first aspect of Arthurson and Jacob’s cultural/moral category would not be of relevance as a dimension of social exclusion.

The second aspect of this category, relating to common cultural activities, is somewhat problematic, mostly because they do not define or provide examples of what common cultural activities are. However, Levitas’s exclusion from social relations category also includes participation in common activities, of which she provides several examples, such as holidays, nights out, eating in restaurants, or hobbies²⁰. (Levitas 2006 139) Yet, it is difficult to draw a direct link between these activities and language, religion, or nationality, as Arthurson and Jacob’s category suggests. Nevertheless, this is not a problem under the conception of social exclusion presented in this thesis. Again, language, nationality, or religion, similar to location, are “causes or risk factors...rather than outcomes”, suggesting that they are not dimensions of social exclusion. (Burchardt et al. 2002 31) An individual who differs from the majority on all three of these qualities is not socially excluded; it is the participation in common activities that matters. Therefore, Arthurson and Jacob’s cultural/moral category need not feature in the dimensions of social exclusion that this thesis will deal with.

Thus, let me now address which dimensions do feature in the definition of social exclusion, as I will use it. First, an individual can be socially excluded *politically*. The political dimension refers here to a lack of participation in the political process, whether through voting, participation in political organizations such as unions or parties, or other similar activities. Second, an individual can be excluded *economically*. This is characterized by exclusion from sufficient resources, income, or common consumption activities (material poverty), as well as exclusion from the labor market or other socially valuable activities. Finally, an individual can be excluded *socially*. This is the broadest of the three dimensions, referring to exclusion from citizenship rights, common activities, social networks, common social services (e.g. education, healthcare, etc.), and other similar areas. Clearly, these three categories have some overlap, but

²⁰ She refers specifically to the UK, but, obviously, common cultural activities would differ depending on the society in question. As a proxy or a concrete example, however, these help to show what the category entails.

they should be distinct enough to separate social exclusion into three separate spheres. Social exclusion thus occurs when an individual is excluded along *any* of these three dimensions, a “lack of participation in any one dimension is sufficient for social exclusion.” (Burchardt et al. 2002 31) Therefore, social exclusion means, in this thesis, *the involuntary inability of an individual to fully or effectively participate economically, socially, or politically in society.*

5.2.1 *Social Exclusion and Social Isolation*

The definition above contains, as a key feature, the word *involuntary* in defining social exclusion. Therefore, there is a need here to discuss precisely what is meant by involuntary, and briefly point out the difference between social exclusion and social isolation. Barry (1998) suggests that social exclusion is merely the involuntary form of social isolation, so that “social isolation encompasses social exclusion but is not confined to it.” (Barry 1998 4) Thus, again, the key aspect here is choice. To be socially isolated but not socially excluded, an individual must freely chose to withdraw from society. However, in determining whether the choice was freely made, Barry emphasizes the need to consider the context, utilizing the example of an individual who resigns before they were fired. (Barry 1998 2) Although it may appear at first glance to be a choice, in considering the context, it was not a voluntary action. Therefore, while an individual can be socially isolated without being socially excluded, they can only do so through voluntary decisions made without any outside influence.

5.2.2 *Other Important Characteristics of Social Exclusion*

Although these do not feature in the definition of social exclusion presented above, it is important to consider two further linked characteristics of social exclusion, time and the dynamic nature of the process. First, social exclusion “requires the inclusion of time as an important variable.” (Bossert et al. 2007 778) Thus, “poverty can be defined as a static state” while social exclusion can only be seen as a “process.” (Raileanu Szeles & Tache 2008 371) In this sense, social exclusion can be viewed as “chronic deprivation”, such that the longer an individual is socially excluded, the worse social exclusion becomes, to the point that individuals have few prospects for the future. (Bossert et al. 2007 778) This is not necessarily true of poverty. This leads into the dynamic nature of social exclusion. The dimensions of social exclusion are linked such that disadvantages or exclusion in one dimension can lead to disadvantages or exclusion in the other dimensions. (Todman 2004 6) Todman notes “its dynamism is evident in relationships

that exist between the past, present and future experiences, circumstances, and conditions of the disadvantaged.” (Todman 2004 6) Thus, when considering social exclusion, it is important to remember that it is both a process that occurs over time and one in which all the dimensions are related.

5.3 *Why Does Social Exclusion Happen?*

In considering the question of *why social exclusion happens*, there are, broadly, two different approaches to the issue. First, one can consider *theoretical* or *structural* analyses, which seek to identify the structural mechanisms that lead to social exclusion. However, one can also consider the issue *concretely* and *empirically*, attempting to identify specific traits or conditions that lead an individual into social exclusion. Within the context of this thesis, both manners of thinking have relevance. As the implementation of a basic income likely implies some sort of structural or societal change, understanding the current structures creating exclusion allows for an analysis of how basic income could change these structures. At the same time, identifying the conditions that lead individuals to social exclusion, on a more micro level, allows for a more concrete, rather than conceptual analysis, in the analysis of the effects of the implementation of a basic income upon these specific groups or individuals. Thus, in the first part of this section, I consider several theories of social exclusion, prior to proceeding to a presentation of the main factors that cause social exclusion.

5.3.1 *Theories of Social Exclusion*

Somerville (1998) provides one of the most detailed and well-formed conceptual theories of social exclusion. He suggests that theories of social exclusion have tended to be framed “mainly in relation to” what he terms an “underclass or outsider group.” (Somerville 1998 765) This group comprises the individuals who are socially excluded within a given society, in contrast to those who enjoy the benefits of inclusion. In reviewing prior theories around social exclusion, he argues that they can be divided into two major groups, structural and cultural. Structural theories view “the source of social exclusion as lying in the structured inequality which disadvantages particular groups in society” while cultural theories assert that the responsibility for social exclusion lies in the “attitudes and behaviors” of the socially excluded. (Somerville 1998 766) Nonetheless, Somerville regards both of these approaches as “theoretically inadequate”, as cultural theories are inherently ideological, while structural theories neglect and fail to account

for the role of agency. (Somerville 1998 767) Therefore, he attempts to develop a theory that can solve the dilemma apparent in the failure of previous theories.

He identifies the labor process as the necessary starting point in the development of any such theory, suggesting this process is “fundamentally responsible for social polarization, and hence for social exclusion.” (Somerville 1998 767) Somerville identifies two different types of labor, commodified labor, and domestic labor, which is not commodified. In the first, labor is “exploited by being paid less than the value of the goods or services which it produces”, while in the second labor is “exploited by not being paid at all.” (Somerville 1998 767) He suggests that while the nature of the exploitation is completely different in each case, as commodified labor reproduces and expands capital, while domestic labor reproduces and expands labor itself, their relationship “is the key to understanding the causation of social exclusion.” (Somerville 1998 767)

In essence, he argues that domestic labor produces the labor necessary for commodification, but at the same time, the commodified labor process “produce[s] and reproduce[s] the capital which is required to pay labor what it needs to maintain its domestic economy.” (Somerville 1998 768) Women, under this conception of labor, are then often doubly exploited, due to the labor they perform in the home as well as in the market. At the same time, the ability of parents to “provide ‘added value’ to children” will relate to their role within the capitalist labor processes, which will in turn relate to the opportunities those children are able to take advantage of within the capitalist process. (Somerville 1998 768) Thus, the nature of the labor process not only creates social exclusion, but reproduces it over time. However, this is merely the first level at which social exclusion happens, in Somerville’s theory.

He considers two further levels of social exclusion. First, the level at which “social division and exclusion”, originating at the first level, are “conserved and reproduced through social institutions outside of the labor process”, or a social reproduction level. (Somerville 1998 771) This occurs as different groups, classes or organizations vie for power in areas such as “law, politics, education and welfare” creating both “modified forms of old exclusions” (which occur at the first level) such as the exclusion of unskilled workers or women, while also creating “new exclusions” based on traits such as nationality or race, “generated primarily at the level of politics or culture.” (Somerville 1998 771) Thus, as groups created through their status in the labor process vie for power, different types of exclusion are created, while existing exclusions

can be worsened. Finally, Somerville suggests that exclusion can also be created at a “moral or ideological level.” (Somerville 1998 771) At this level, prevailing ideas or assumptions about appropriate behaviors or actions, generated by the higher two levels, can lead to the exclusion of those who do not conform to such norms. These ideological assumptions, however, generally reinforce the processes of the first two levels. In this sense, Somerville notes that these three levels are “in reality overlapping and enmeshed together” and can only be distinguished between for “the purpose of conceptual analysis.” (Somerville 1998 771) Nevertheless, he provides one theory of social exclusion that allows for the understanding social exclusion through the study of a societal structure.

In contrast to Somerville, Silver (1994) does not attempt to create a theory of social exclusion, but argues that social exclusion can be understood with the use of three different theoretical paradigms, linked to the discourse surrounding the concept. She begins through tracing the rise in popularity of the term, specifically in France, where it was very much linked to “distinctive French” republican thought. (Silver 1994 539) However as the usage of social exclusion became more widespread, it became used in such way that it can only be understood “within other paradigms of social disadvantage.” (Silver 1994 539) She therefore suggests three paradigms: solidarity, specialization, and monopoly. Each paradigm attributes “exclusion to a different cause and is grounded in a different political philosophy”, such that solidarity conflates with republicanism, specialization with liberalism, and monopoly with social democracy. (Silver 1994 539) The solidarity paradigm is defined by a focus on social solidarity, growing out of Rousseau and Durkheim, such that “exclusion occurs when the social bond between the individual and society... breaks down.” (Silver 1994 541) Individuals are tied to society through “vertically interrelated mediating institutions”, with a large emphasis on “the ways in which cultural or moral boundaries between groups socially construct dualistic categories.” (Silver 1994 541-542) In contrast, the specialization paradigm identifies social exclusion as a consequence of “social differentiation, the economic division of labor, and the separation of spheres.” (Silver 1994 542) Within this paradigm the economy, politics, and the social order are conceived as “networks of voluntary exchanges between autonomous individuals.” (Silver 1994 542) Therefore, social exclusion occurs due to “an inadequate separation of social spheres, the application of rules inappropriate to a given sphere, or from barriers to free movement and exchange between spheres.” (Silver 1994 542-543)

Table 1: Silver's Three Paradigms of Social Exclusion

Paradigm	<i>Solidarity</i>	<i>Specialization</i>	<i>Monopoly</i>
Conception of Integration	Group Solidarity/ cultural boundaries	Specialization/ separate spheres/ interdependence	Monopoly/ Social Closure
Source of Integration	Moral Integration	Exchange	Citizenship Rights
Ideology	Republicanism	Liberalism	Social Democracy
Discourse	Exclusion	Discrimination, underclass	New poverty, inequality, underclass
Seminal Thinkers	Rousseau, Durkheim	Locke, Madison, utilitarians	Marx, Weber, Marshall
Exemplars	De Foucauld, Xiberras, Schnapper	Lenoir, Chicago School	Room, Townsend, Balibar, Silverman

Adapted from: Silver 1994, p. 540

However, within the context of this thesis, neither of these two theoretical paradigms is appropriate. Within the specialization paradigm, there is a “contractual exchange between rights and obligations” in terms of citizenship. (Silver 1994 570) However, a basic income is seen as an unconditional right of citizenship or residence, with no obligation required. Therefore, this type of conception relating to citizenship and exclusion would thus be inappropriate. A similar argument applies to the solidarity paradigm. With its emphasis on social solidarity and social insertion into the dominant culture, the individualistic idea behind a basic income that recognizes many non-normative activities and lifestyles as legitimate presents a contradiction. As it is designed, a basic income, in contrast to a participation income, does not fit well into the solidarity paradigm. However, the conception of social exclusion within the monopoly paradigm holds more promise. Silver's monopoly paradigm differs greatly from her two previous paradigms, viewing exclusion as “a consequence of the formation of group monopoly”, influenced greatly by the work of Weber and Marx. (Silver 1994 543) Thus, exclusion “arises from the interplay of class, status, and political power”, serving the interests of the included. (Silver 1994 543) Within this paradigm, “exclusion is combated through citizenship, and the extension of equal membership and full participation in the community to outsiders.” (Silver 1994 543) To return briefly to the definition of social exclusion stated above, exclusion here is clearly seen as involuntary, and also involves a large participation dimension. Therefore, this paradigm pairs best with the conception of social exclusion used throughout this thesis.

Thus, a deeper investigation into the monopoly paradigm is required. Exclusion and unemployment serve as “symptoms of group monopolies which generate inequality and severe

economic exploitation.” (Silver 1994 561) This functions such that “powerful status groups with distinctive cultural identities and institutions” can control the access of outsiders to scarce, valuable resources. (Silver 1994 562) Thus, “labor market institutions and institutional demand-side variables” create group monopolies, and thus social exclusion. (Silver 1994 563) She focuses on labor market segmentation as a means of demonstrating this perspective in action, noting that insiders have more access to higher wages and better jobs, in contrast to outsiders who are often excluded from such benefits. However, this does not only occur within the economic sphere, but “cultural and geographic boundaries” can also create groups of insiders and outsiders. (Silver 1994 565) Hence, within the monopoly paradigm, exclusion can be combated only through “inclusive citizenship or social rights”, such that individuals are able to fully participate within society. (Silver 1994 567) Thus, in the context of this thesis, Silver’s monopoly paradigm provides the most relevant description of how social exclusion happens.

To return briefly to Somerville, his theory meshes well with the monopoly paradigm Silver identifies. Although Silver does not explicitly identify the labor process as the starting point for social exclusion, in contrast to Somerville, the role of labor plays a large role in Silver’s monopoly paradigm. Furthermore, Somerville’s theory also suggests that groups are created within the labor process, which leads to the exclusion of outsiders at different societal levels. Each author, therefore, argues that group formation plays the most important role in creating social exclusion, creating a society with outsiders and insiders. This process occurs within all facets of society, encompassing the three dimensions of social exclusion defined above. *Thus, social exclusion occurs as groups are created in competition for resources and status within society, causing a process through which certain individuals and groups are excluded from both resources and status. While this process occurs simultaneously throughout all societal levels, the labor process plays the largest role in determining inclusion and exclusion.*

5.3.2 Drivers of Social Exclusion

Nonetheless, not all groups or individuals are at equal risk of becoming a member of the excluded ‘outsiders’, rather certain traits are associated with a larger risk of exclusion. Bradshaw et al. (2004) identify what they term “drivers” of social exclusion, or “factors that cause or generate social exclusion”, through the use of an existing literature review. (Bradshaw et al. 2004 6) They suggest that there are three major macro factors that drive social exclusion: demographic trends, the labor market, and social policy. The demographic area includes issues such as an

aging population and an increase in lone parents, both of which place individuals at a greater risk of social exclusion, as well as societal changes in household formation and migration. (Bradshaw et al. 2004 11-12) Regarding the labor market context, Bradshaw et al. note that “the state of labor... drives social exclusion more than any other factor.” (Bradshaw et al. 2004 12) However, they do not only discuss the unemployed, who clearly have an extremely high risk for social exclusion, but also individuals involved in part-time work, increases in low-pay and unstable employment, and the dangers associated with self-employment. (Bradshaw et al. 204 112) Finally, they discuss the role of social policy, specifically in relation to the UK as a liberal welfare state, noting that “policy either failed to protect against the impact of other social exclusionary drivers or actually exacerbated it.” (Bradshaw et al. 204 13) While policy is not unique to a single individual, it sets the context that creates the situation in which the groups above become more or less at risk of social exclusion, depending on the society. Thus, it plays an important role in determining the risk of social exclusion for individuals. Therefore, utilizing this review, it is accurate to say that while labor market status plays the most important role in determining the risk of social exclusion, demographic factors such as age or nationality also place individuals at risk of social exclusion.

6. The Potential Effects of Basic Income on Social Exclusion

Thus, having defined and investigated the two central concepts that concern this thesis, basic income and social exclusion, I now return to main research question of this thesis, *what are the potential effects of basic income upon social exclusion?* Basic income, as a radical departure from the current system of welfare and means of fighting social exclusion today would certainly have effects across all dimensions of society. As noted in the previous section, both Somerville and Silver identify the labor market and the functioning of labor as playing a key role in the creation of social exclusion. Therefore, any analysis must start here. First, I shall discuss the manner in which basic income affects the labor market, and more broadly, the entire concept of work. Nonetheless, the labor process is not solely responsible for social exclusion; individuals can be excluded through other processes as well. Consequently, next I will investigate the effects of basic income upon the political aspect of social exclusion. Thereafter, I will contemplate the final dimension of social exclusion, the social dimension, and basic income. However, there is

one group in society who would not receive a basic income, as it has been defined previously, immigrants. Thus, I will also briefly consider immigrants and social exclusion.

Nevertheless, in analyzing basic income and social exclusion in this way, I do not address other specific groups who are more likely to suffer from social exclusion, such as minorities or women. In the first three areas of this analysis, I instead focus upon the greater macro effects, rather than investigating the specific effects upon different groups. As immigrants are unique in that they would not receive a basic income, it is worthwhile to study their situation in greater depth. However, prior to this, I begin with the labor situation in a society with basic income.

6.1 The Nature of Work

The most immediate and apparent transformational change involved in the implementation of basic income is the complete decommodification of labor. Individuals are no longer subject to the pressures of the market, instead they, in theory, could lead lives without ever attempting to venture onto the labor market, and still subsist. This appears to have two major consequences for the composition of the labor market; it necessitates a re-imagining of work, and also changes the bargaining position of workers relative to capital. Standing and Van Parijs (cf. 4.4.1) both argue for the implementation of basic income on the basis of freeing individuals to pursue lifestyles that they find valuable or desirable. In practice, basic income frees individuals “to engage in noncommodified forms of socially productive activity, that is, productive activity that is not oriented toward the market.” (Wright 2004 83) Standing (2002) makes much the same distinction in his discussion of labor, work, and occupation. He argues that a basic income would free individuals to pursue an occupation, or a lifelong, satisfying career, “giving the ability to everyone to bundle competencies in ways that suit their individual preferences and capabilities.” (Standing 2002 258) In this sense, not all jobs are occupations, noting that “a job is what one does, an occupation is what one is.” (Standing 2002 255) In relation to social exclusion, this gains importance because Standing believes “occupations cannot exist outside society”, therefore, “by having an occupation, one belongs to society.” (Standing 2002 255) Standing’s occupations, thus, encompass not only commodified labor, but also what Wright terms ‘noncommodified socially productive activities’. Although individuals become decommodified, basic income, in a sense, actually commodifies forms of work that do not fall within the capitalist labor market, as individuals would now have an income that enabled them to pursue various

other socially valuable activities. Basic income thus addresses Somerville's second type of economic exploitation, where noncommodified labor is exploited through *not being paid at all*.

However, the most important point here is not how many individuals would leave the labor market to pursue occupations or other forms of work, but rather that non-involvement in work, rather than labor, would drive social exclusion. At the same time, this is also not to say that involvement in the labor market would play no role in social exclusion. Yet, the introduction of a basic income would likely lead to a shift in the type and character of jobs in the labor market. The major impacts of basic income exist on the supply side of the labor market, or workers. Offe (2009) suggests that basic income grants citizens control over their own destiny, in that it grants individuals "the quintessence of all freedoms- the freedom to say no." (Offe 2009 60) Importantly, individuals who wished to "earn an income above the subsistence level" would still have the desire to work, but they would have the ability to "reject jobs with poor wages and degrading conditions." (Offe 2009 60-61) Wright (2004) makes a similar point in arguing that basic income "directly transforms the character of power within the class relations of capitalist society." (Wright 2004 83) Similarly to Offe, Wright notes the importance of the ability to say no in creating increased "bargaining power with employers", particularly for low-wage and low-skilled workers. (Wright 2004 83) However, he goes beyond the transformation of the individual situation, arguing that "the collective strength of workers" increases dramatically, such that "new forms of collective cooperation" would emerge. (Wright 2004 84) Rather than employers holding almost sole control "over the design and regulation of work, production, and innovation", these decisions would be made with workers and capital holding almost equal influence. (Wright 2004 84) Thus, with these two momentous changes to the labor market, a reimagining of work and a major shift in bargaining power, an almost entirely new situation could emerge, in which working conditions and wages would improve, with individuals free to pursue fulfilling 'occupations' rather than forced to take demeaning jobs.

The consequences of this radical re-altering of work can be best elucidated in reference to Standing's (2011) thoughts about the classes apparent in today's society, and particularly his concept of *the precariat*. Standing suggests that in today's industrialized, globalized societies, the population can be divided into seven groups or classes: the elite, the 'salariat', proficians, manual workers (or the old working class), the 'precariat', the unemployed, and what he terms "a detached group of socially ill misfits." (Standing 2011 7-8) Individuals with stable employment,

access to both material resources and status, and ‘occupations’ comprise the four former classes. In terms of Silver’s monopoly paradigm, these classes would constitute the ‘insiders’ in the labor process, or in reference to Somerville, those who are not necessarily exploited. Therefore, each of these theories would identify the other three classes (the precariat, the unemployed, and the misfits) as those who would suffer from social exclusion, or have a high risk of social exclusion. To leave the unemployed and the misfits aside for the moment, a focus on the precariat demonstrates the potential of a basic income. However, first, it is necessary to understand what Standing means by the precariat, and who falls within this group.

6.2 *The Precariat*

The term precariat emerges as a combination of the words ‘precarious’ and ‘proletariat’. (Standing 2011 7) Individuals fall into this new class when they lack at least one of “the seven forms of labor related security”: labor market security, employment security, job security, work security, skill reproduction security, income security, and representation security. (Standing 2011 10) What constitutes security in each of these dimensions is described table 2, but what characterizes this group is the precariousness of their existence, characterized by unstable employment. An individual in the precariat, therefore, becomes a *denizen*, rather than a citizen or someone who “has a more limited range of rights than citizens do.” (Standing 2011 14) For example, Standing suggests that denizens may not enjoy access to rights in the civil, cultural, social, economic, and political arenas. (Standing 2011 14) To place these in the context of the three dimensions of social exclusion identified earlier, the economic and political categories match up, while the social dimension would include Standing’s civil, cultural, and social categories. Standing further emphasizes that denizens are not necessarily excluded from all of these dimensions, but rather usually lack access to one or two, at least in the beginning. As noted previously in this paper, however, social exclusion in one dimension often leads to worsening exclusion, and exclusion in other areas. Therefore, the *precariat* contains individuals who are at risk of lengthy and broad social exclusion as time passes.

However, Standing realizes that a precise measurement of such a group is almost impossible, as “labor and economic statistics are not presented in a way that could allow us to estimate the total number of people in the precariat.” (Standing 2011 14) Nonetheless, he does believe that “at least a quarter of the adult population is in the precariat”, within the developed world. (Standing 2011 24) Standing arrives at this number through an analysis of the groups

Table 2: Standing's Forms of Labor Related Security

<i>Labor market security</i>	Adequate income-earning opportunities; at the macro-level, this is epitomized by a government commitment to 'full employment'.
<i>Employment security</i>	Protection against arbitrary dismissal, regulations on hiring and firing, imposition of costs on employers for failing to adhere to rules and so on.
<i>Job security</i>	Ability and opportunity to retain a niche in employment, plus barriers to skill dilution, and opportunities for 'upward' mobility in terms of status and income.
<i>Work security</i>	Protection against accidents and illness at work, through, for example, safety and health regulations, limits on working time, unsociable hours, night work for women, as well as compensation for mishaps.
<i>Skill reproduction security</i>	Opportunity to gain skills, through apprenticeships, employment training and so on, as well as opportunity to make use of competencies.
<i>Income security</i>	Assurance of an adequate stable income, protected through, for example, minimum wage machinery, wage indexation, comprehensive social security, progressive taxation to reduce inequality and to supplement low incomes.
<i>Representation security</i>	Possessing a collective voice in the labor market, through, for example, independent trade unions, with a right to strike.

Source: Standing 2011, p. 10

most likely to compromise the precariat, arguing that large amounts of both women and youth increasingly have part-time or temporary work, while the numbers of the disabled and the criminalized continue to increase throughout developed societies. (Standing 2011 89)

Nonetheless, while exact numbers are impossible to locate, it is indisputable that a large and ever-increasing share of the population lack labor security, to the point that "falling into the precariat could happen to most of us." (Standing 2011 59)

The consequences of the implementation of basic income for this huge share of the population appear numerous and vast. Basic income appears to address all seven dimensions of labor related security Standing identifies. For example, the effects of the increased bargaining power of both individuals, and workers as a collective whole, would force employers to provide jobs that did provide labor security. Furthermore, income security, in Standing's terms, would no longer be reliant upon employment; rather individuals would have income security as a fact of life. A similar analysis can be performed for each of Standing's dimensions, such that, with a basic income, the precariat would seem to cease to exist as a class with individuals granted security throughout a lifetime.

Thus, the almost 25% of the population who comprise the precariat would appear to no longer exist at constant risk of social exclusion, both due to the decommodifying potential of basic income and the transformation of work and power relations. However, this claim and the analysis above require further investigation. Data surrounding social exclusion and welfare regimes, as well as the basic income experiments can help to support or refute these claims. Muffels and Fouarge (2002) conduct a study analyzing social exclusion within different welfare regimes, utilizing Esping-Andersen's well-known typology with few deviations.²¹ In terms of basic income and social exclusion, evidence from social-democratic²² welfare states provides the most insight, as social-democratic states are characterized by a much higher degree of decommodification. (Esping-Andersen 1990) Therefore, we would expect, in line with the analysis above, social-democratic welfare states to have a lower degree of social exclusion than other, less decommodified states. Muffels and Fouarge find this to be true. They attempt to measure social exclusion, or deprivation, through an analysis of income and resource deprivation, and find that only 31.3% of individuals in social-democratic countries are persistently deprived²³ in contrast to a European average of 36.9%. (Muffels and Fouarge 2002 212) Acknowledging that even social-democratic welfare states have never approached full decommodification, it therefore seems reasonable to accept that a completely decommodified population would have far lower levels of social exclusion.

However, in analyzing the claims surrounding the transformation of work, it is difficult to utilize evidence from any existing welfare policies, as none allow for the power to truly say no, a vital aspect of basic income. Therefore, I will focus on the results from the basic income and negative income tax experiments, as well as theoretical claims. Yet, first, I will briefly investigate some of the more theoretical micro-effects upon the labor market. There are two major issues apparent, first, what is the effect of a basic income on labor demand, and secondly, on labor supply. Until now, I have focused on the effects of basic income on the nature and character of work, ignoring the issue of quantity. Quantity is important for two reasons. First, if the implementation of basic income leads to a large drop in labor demand, than individuals in the precariat who wish to enter the labor market would be unable to. Therefore, they would still have

²¹ However, they do form a new category for the 'Southern Welfare States': Spain, Portugal, and Greece. (Muffels and Fouarge 2002 205-206)

²² Esping-Andersen defines a social-democratic regime as one in which "the principles of universalism and decommodification of social rights were extended also to the new middle classes." (Esping-Andersen 1990 27)

²³ Defined as below the mean. (Muffels and Fourarge 2002 212)

a high risk of social exclusion. Additionally, a large decrease in labor supply, beyond the severe economic consequences, creates difficulties as involvement in work would still drive social inclusion. Even if individuals voluntarily chose not to work, they could still be excluded politically and socially. Thus, they would not be socially isolated, they would be socially excluded. Accordingly, it is necessary to consider both quantity and quality, in discussing basic income and the labor market.

6.3 *The Labor Market*

Theoretically, Marx and Peeters (2008) note that “both regarding labor demand and labor supply strong disagreements exist on the consequences” of basic income. (Marx and Peeters 2008 1637) In terms of labor demand, they suggest two reasons demand would increase. First, basic income encourages entrepreneurial activity which “might lead to economic growth which results in more jobs.” (Marx and Peeters 2008 1637) Second, basic income reforms labor market institutions, such as the minimum wage, such that there may be “a re-emergence of jobs which are momentarily priced out of the market.” (Marx and Peeters 2008 1637) Offe makes a similar argument, noting that “the wage and non-wage costs of labor are reduced by the amount of the basic income that any worker would be entitled to.” (Offe 2009 73) These two factors suggest that labor demand after basic income would increase, after the market adjusted. Nevertheless, others argue that basic income would “encourage the growth of low-skill, unattractive jobs”, which creates “negative social results.” (Marx and Peeters 2008 1637) Clearly, there is a large disagreement on this issue between authors within the basic income debate.

A similarly polarized debate exists in regards to the effects of basic income on labor supply. First, Van Parijs (2004) argues that under a basic income, the phenomenon known as the *unemployment trap* disappears, as “unlike standard means-tested” benefits, “the regular, reliable payment of the benefit is not interrupted when accepting a job.” (Van Parijs 2004 13) In accordance with this, more individuals would accept a job, as a basic income makes work pay immediately, in that through working, “you are bound to be better off.” (Van Parijs 2004 14) Offe suggests that individuals would be both more likely and more willing to enter into employment relations due to the “the availability of an economically acceptable exit option.” (Offe 2009 73) Nonetheless, other authors, such as Galston (2001) argue that a basic income would have “labor-supply effects that even its advocates would deem perverse.” (Galston 2001 29) This line of argument believes that the willingness of individuals to work would be reduced

dramatically as individuals would no longer need employment for income. Furthermore, for individuals who already work, basic income could “tempt them to reduce the number of hours they work”, although much depends here on whether leisure time is viewed as a normal or inferior good²⁴. (Gamel et al. 2006 480) Nevertheless, again, disagreements exist throughout the literature on this issue.

Therefore, in the absence of theoretical agreement, the negative income tax and basic income experiments can help to shed light on the composition of the labor market after basic income. Widerquist (2005), in discussing the negative income tax experiments, states that the experiments “were incapable of measuring the demand response”; however, they were capable of measuring the supply response. (Widerquist 2005 55) In terms of supply, there was “*no evidence* that a negative income tax would cause some segment of the population to withdraw from the labor force”, as well as “*no evidence* that the supply response” would cause the program to become unaffordable. (Widerquist 2005 68) However, the experiments did find that primary earners in two-parent families reduced their work hours by 5-7%, while other earners had “reductions of up to 27%.” (Widerquist 2005 69) In the absence of a measurement of labor demand, it is difficult to draw conclusions about what these results mean. For example, if labor demand was somewhat inelastic, a reduction in work by some would lead to a greater availability of jobs to all and higher wages, whereas, conversely, if labor demand was elastic, a reduction in work hours would have no effect upon work availability. (cf. Widerquist 2005 58-61) Nonetheless, Widerquist suggests that the most likely interpretation of the demand curve provides evidence for both higher wage rates, and also a smaller “reduction in labor hours.” (Widerquist 2005 60) Thus, these experiments suggest that a negative income tax (or a basic income) grants “low-wage workers...more power in the market.” (Widerquist 2005 69)

The experiment in Namibia showed similar results. Over the course of one year, unemployment rates actually dropped 15%, from 60% to 45%. (Suzuki 2011 65) Furthermore, the rate of labor participation actually increased 8%, while even the “number of unemployed not looking for a job [declined] from 12.3% to 4.5%.” (Suzuki 2011 65) Thus, within this experiment the labor supply increased substantially, as individuals became more likely to search for work as well as have employment. Furthermore, after implementation, earned income rose considerably, with not only a 19% increase in mean wage rates, but also sizeable growth in

²⁴ A normal good is defined as something “that it is desirable to have more of.” (Gamels et al. 2006 481)

entrepreneurial activity and self-employment, to the extent of 301% increase in mean income from self-employment. (Suzuki 2011 66) In contrast to the negative income tax experiments, this experiment appears to suggest basic income has only positive effects on the labor market. Labor demand increased, as evidenced through a decrease in the unemployment rate, while labor supply also increased. Additionally, the bargaining position of labor also seems to have been strengthened as wages rose as well. Yet, at the same time, generalizing from the Namibian 'survival economy' to "the affluent North" could present certain problems. (Suzuki 2011 73) However, Suzuki argues that if poverty lies "more or less" in the failure of "cooperation between social classes", across the world, than the Namibian experiment has relevance for the welfare states of the West. (Suzuki 2011 73) Social exclusion has been presented in this thesis in similar way, as an active process through which elites and insiders exclude outsiders. The Namibian experiment then shows a higher level of cooperation between classes, leading to a lower level of poverty, or social exclusion. (Suzuki 2011 73-76) In this sense, these results become relevant, even when studying western welfare states and basic income.

The impact of basic income in India was similarly positive in regards to economic activity. For example, Davala et al. (2015) argue that the introduction of basic income "seemed to result in a significant increase in local income-earning activity." (Davala et al. 2015 139) Intriguingly, however, in contrast to the Namibian experiment, "there was a net decline in wage labor", although it was a smaller decline than that which occurred in the control villages, but "an increase in own-account work", or self-employment. (Davala et al. 2015 145) Nonetheless, the shift from wage labor to own-account work was so dramatic that many households involved within the experiment saw an increase in income, rather than a decrease, despite removing themselves from the wage labor market. (Davala et al. 2015) Furthermore, the shift to own-account work allowed individuals "to bargain for better wages if they wished to enter the wage labor market", or, in other words, increased the power of labor relative to capital. (Davala et al. 2015 155) Again, however, it is difficult to draw direct conclusions about the impact of a basic income within industrial or post-industrial societies, as the main economic activity within the Indian villages remains agricultural. Yet, while the economic activities may be different, the power relations, as noted in the Namibian experiment, can be said to be broadly similar. Thus, the results from this experiment suggest that the position of labor dramatically improves, while

basic income has an emancipatory effect upon individuals, allowing them to pursue the type of work they wish, whether it be self-employment or wage labor.

Although all three of these experiments occurred in different locations, at different times, and within different economies, the results from each are similar. This suggests that the effects of a basic income would be broadly similar across all societies, including developed welfare states. First, there appears to be no major effect upon labor supply after the introduction of a basic income. Within the American experiments with a negative income tax, which are the closest to approximating a full basic income, no substantial flight from the labor market occurred, while in each Namibia and India, involvement in work, either in wage labor or self-employment, actually rose. Furthermore, labor demand rose in Namibia, as evidenced by the drop in unemployment, and Widerquist's suggestion of the most likely demand curve interpretation in North America argues that labor demand would, at worst, remain the same. If this is true, then the reduction of hours by individuals in response to a basic income would create more labor market opportunities, rather than fewer. Additionally, in each Namibia and India self-employment and entrepreneurial activity increased, which also suggests that work opportunities would increase. Thus, these experiments show few negative effects in terms of both labor supply and demand. Finally, in Namibia and India, the experiments resulted in a clear increase in the power of labor, while Widerquist again argues that the negative income tax experiments show some evidence of this. Therefore, these experiments appear to confirm the arguments of Offe, Standing, Wright, and others, demonstrating an increased ability for individuals to pursue work which they wish to perform, a higher quality of jobs, and increased power for workers, both individually and collectively. Hence, the precariat's position would likely improve with the introduction of a basic income, as it would help to substantially alleviate the risk of social exclusion for this large share of the population.

6.4 Politics after Basic Income

Until this point, I have focused solely upon the role of the labor market, ignoring the other processes that can lead to social exclusion. However, each Somerville and Silver posit that while the labor process plays the most important role in social exclusion, exclusion that begins within the labor market can be strengthened and worsened as that exclusion is reproduced throughout the different dimensions of society. Yet, this first requires a basic understanding of which different groups or classes would now exist within society, particularly if, as suggested above,

Standing's precariat disappears. While basic income seems to have positive effects upon both labor supply and demand, it does not appear likely create a society in which no one is unemployed or excluded economically. Raes (2012) argues that the implementation of basic income leads to four different classes within society: the unemployed, the labor force, the elite, and state bureaucrats and executives. (Raes 2012 48) In the absence of the precariat, this is similar to Standing's presentation of the seven groups apparent in today's society, although the labor force and the unemployed are not sub-divided. Raes, however, goes beyond the economic dimension of social exclusion, to focus on the political dimension. He argues that, under a basic income, the unemployed "lack the capacity to struggle" for their collective interests, such that "the possibilities for self-organization are scarce and purely accidental." (Raes 2012 49) Their lack of a capacity to struggle politically originates within the labor process, in line with Somerville's theory. Raes's analysis here showcases how exclusion that originates within the labor process is reproduced in other dimensions, such as the political dimension. However, his analysis also shares similarities with Silver's monopoly paradigm. Raes posits that the most likely political situation within a basic income society consists of the elite and the bureaucrats aligning, or the labor force and the bureaucrats working together. (Raes 2012) Under either situation, it is in their interests to exclude the unemployed from society, as the interests of the bureaucrats "do not inspire any economic or political reason for associating with [the unemployed]." (Raes 2012 49) Therefore, a situation arises politically in which the unemployed have no power, and are likely to be excluded, or become *denizens*.

Studying the political situation after basic income helps to illuminate both the limitations and the potential of basic income. For reasons discussed above, the power of the labor force actually increases, resulting in less social exclusion. However, for the unemployed, basic income eliminates any political influence they possess, and actually could worsen their exclusion. While basic income radically changes the nature of labor, it does not necessitate a structural change in the sense of changing capitalism to socialism or communism. It further does not alter the structural processes that lead to social exclusion. It does, nevertheless, alter the composition and nature of classes and groups in society, allowing a greater share of the population access economically and politically. Yet, even with the introduction of a basic income, a portion of the population, though smaller, remains socially excluded, economically and politically.

6.5 *The Social Dimension*

Three dimensions of social exclusion were identified in Section 5, of which only the economic and political dimensions have been discussed previously in this section. Therefore, I will now briefly discuss the third, the social dimension. As mentioned throughout this section as well as previously in this thesis, exclusion within the economic dimension plays the most important role in driving exclusion within the other dimensions. Therefore, similarly to the political dimension, increased economic inclusion would be expected to be associated with increased social inclusion. The experiments in Namibia and India appear to confirm this hypothesis. In each location, access to common services relating to areas such as health and education increased substantially. In India, “there seems to have been a generally positive effect on health”, as it enabled a “more rational of considered response to illness”, mainly through access to “more regular medication.” (Davalá et al. 2015 113) Furthermore, individuals were more likely to visit a doctor to seek treatment, as well as more likely to visit private healthcare facilities, which are often seen as superior to government facilities. (Davalá et al. 2015) A similar story emerges in Namibia. Prior to the introduction of basic income, “poverty presented many residents from seeking treatment”, while afterwards, the local clinic experienced a “fivefold income increase”, signifying a substantial increase in individuals seeking medical help. (Suzuki 2011 63) In terms of education, both experiments were associated with increased school attendance, and in Namibia, higher results. (Suzuki 2011, Davalá et al. 2015) Although it is difficult to draw a direct link from these societies to affluent welfare states, basic income was certainly associated with increased access to social services and institutions. There is no reason to think this would not also occur within western welfare states, rather, that it would merely take on a different form.

While neither experiment (nor the negative income tax experiment) had the capacity to measure individuals’ social networks or participation in common cultural activities, stronger social networks and increased participation in activities are strongly associated with economic inclusion. (Bradshaw 2004, Levitas et al. 2007, Standing 2002, 2005, 2011) Therefore, with more individuals having access to stable work and economic opportunities, basic income would be expected to encourage growth in these areas as well. Nonetheless, individuals who remain economically excluded are likely to continue to suffer within these zones as well. However, with the evidence presented in this section, as well as the previous arguments, basic income appears likely to again help to alleviate social exclusion within the social dimension.

Yet, socially, there is one final aspect to consider. To this point, social exclusion has been conceived of as something that happens to a minority, in that the majority excludes them from society, and affects mainly individuals on the bottom rungs of society. However, Barry (1998) argues that there is no “good reason for limiting its scope in this way”, suggesting that there is an upper threshold as well, where elite groups “detach themselves from mainstream institutions”, in the process excluding all other classes from their lifestyle. (Barry 1998 7-9) This allows the elite to restrict access to others from their social networks, institutions, and activities as a means to “perpetuate inequality.” (Silver 1994 543) Levitas (2004) argues this can be best understood through Bourdieu’s concept of embodied cultural capital, which “refers to non-accredited and possibly tacit knowledge, tastes, and dispositions acquired through participation in an upper-class habitus.” (Levitas 2004 51) This type of knowledge is necessary “to capitalize on... success” in other areas of cultural capital, yet can only be truly gained through access to elite lifestyles. (Levitas 2004 53) In this way, elites reproduce advantages, and exclude others from access, creating this upper threshold of exclusion.

In itself, basic income does not in any way alter this process. Nonetheless, Barry argues that this type of exclusion only truly occurs in societies with a “market economy and liberal democratic institutions.” (Barry 1998 9) Basic income certainly alters the economic structure and does not fit well into liberal values, suggesting that this type of exclusion would not occur in a society with basic income. Yet, at the same time, Silver argues that “ ‘status groups’ ... use social closure to restrict the access of outsiders to valued resources.” (Silver 1994 562) Accepting this, it is unclear why basic income would have any effect on this process, and could in fact exacerbate it. In a society in which economic or material resources have lost scarcity to some degree, with every individual having access to a basic income and increased labor opportunity, the scarcity of non-monetary resources such as status or social networks could take on more importance. Within Silver’s monopoly paradigm, elite groups would thus work harder to restrict access to these types of resources and embodied cultural capital, in order to maintain their elite status. In this sense, therefore, basic income’s implementation could worsen minority-majority social exclusion, reinforcing group identities, and allowing a clearer delineation of elites.

Thus, basic income appears at first to have similar effects on the social dimension of social exclusion as it did upon the economic and political dimensions, allowing for greater inclusion to more individuals. However, it is important to remember that unlike poverty, social

exclusion is a relative measure (cf. 5.1). Hence, while the situations of individuals seem likely to improve within the social dimension, the nature or the character of the exclusion has the potential to change. Basic income alters the situations of individuals and the balance of power within society, but it is not a policy that fundamentally alters the processes that lead to exclusion. Therefore, even in a society with basic income, social exclusion would still exist; while basic income changes the character and nature of that exclusion, it does not necessarily affect the mechanisms that generate social exclusion.

6.6 *Immigrants*

However, as noted in the introduction to this section, there is a unique group without a basic income, immigrants. Under the definition of basic income used throughout this thesis, a basic income is only paid to permanent residents and citizens of a country, which clearly means that immigrants who have not yet achieved permanent residency would not receive or qualify for a basic income. Yet, in an increasingly globalized world, they cannot be ignored in a discussion about the composition of society after basic income. Nevertheless, immigrants cannot be considered as a homogenous group. Dörr and Faist (1997) note that while labor market migrants often are not socially excluded, individuals who migrate for other reasons, such as asylum seekers, often lack access to the labor market and have an immensely high risk of social exclusion. Bradshaw (2004) makes a similar distinction between skilled and unskilled immigrants. Therefore, immigrants can be considered in two different groups, a group of labor market or highly skilled migrants, and a group consisting of low-skilled migrants as well as those who immigrated for reasons unrelated to the labor market. The former group, as individuals who are likely to be socially included already, would benefit from a basic income, even one that they did not receive. Although they do not have access to the power to say ‘no’ that a basic income provides, as insiders, or members of the labor force, they would benefit from the increased class power brought about by basic income with access to improved working conditions and more stable employment.

Conversely, for the latter group of low-skilled or non-labor market immigrants, basic income does nothing to facilitate inclusion, and may, in fact, worsen it. First, basic income does not affect barriers to integration of the type Bradshaw identifies such as language or discrimination. (Bradshaw 2004) Additionally, Howard (2004) identifies the potential negative effects a basic income could have on the labor market for immigrants. A basic income allows

recipients to accept some jobs at lower wages, or allows “some part-time jobs [to become] economically viable for people who otherwise would be unable to piece together a living income.” (Howard 2004 8) However, for immigrants, who do not have access to a basic income, they would now receive less income than under the current system. Howard argues that the effects “can only result in substantially poorer labor market for those deprived of” a basic income. (Howard 2004 8) Thus, basic income in no way helps to enable the inclusion of this group of immigrants, and actually seems likely to worsen it, as immigrants become further exploited within the labor process, and the economic dimension of social exclusion.

7. Conclusion

The intention of this thesis was to investigate the potential effects of the introduction and implementation of basic income within the society of an advanced welfare state, with specific reference to social exclusion. Basic income represents a radical departure from the current mode of organizing welfare policies and states, based as they are on systems of means testing and employment status. Basic income is a simple idea. It is an income paid to every citizen and permanent resident, without conditions, at a level high enough to allow individuals to meet their basic needs. Yet, the consequences of such a simple policy are numerous and vast. Its proponents view basic income as a means of emancipating individuals and achieving a society of equal rights, or contend that it can fundamentally alter the capitalist system, which dominates the economies of advanced welfare states. Nevertheless, its critics suggest basic income does not have the ability to achieve its goals of freedom or equality, and more broadly, object to its unconditional nature, which can appear to violate some notions of justice. Would basic income lead to a labor market exodus and cause the collapse of society? This thesis attempted to investigate both the claims made by the advocates of basic income and the rebuttals offered by its opponents, through the use of the concept of social exclusion.

National governments as well as the EU began to identify social exclusion, discussed as “a new social disease”, as an issue that policies needed to be designed to combat in the 1990s. (Shaaban 2011 117) However, the EU, and national governments have failed. Under the EU’s own definition, more people suffer from social exclusion today, than they did 10 years ago. (EU 2015) An individual who is socially excluded is one who is involuntarily unable to participate in society, across all spheres of societal life, economically, politically, and socially. Social

exclusion occurs, in line with Somerville and Silver, as groups and individuals compete for scarce resources and status. In doing so, an insider-outsider phenomenon occurs, where those with access to resources and status attempt to prevent outsiders from achieving the same position. Thus, the main research question of this thesis emerges, *what are the potential effects of basic income upon social exclusion?*

Yet, in order to evaluate this question, it is first necessary to understand how basic income alters existing societal arrangements, and influences the group or class structure of a society. As Somerville and Silver both identify the labor process as the single largest factor in creating social exclusion, any discussion must start there. Basic income appears to fundamentally modify the existing labor market. First, basic income implies a re-structuring of the notion of work. Although individuals become completely decommodified in a system with basic income, basic income actually commodifies certain types of non-wage labor, such as care work and other socially valuable activities. It thus seems likely involvement in work, rather than labor, would assume the most important role in the determination of inclusion and exclusion. However, basic income also appears to alter the balance of power in the labor market, mainly in favor of workers, rather than employers. Employees are granted the ultimate power within the labor market, or the power to say ‘no’. Workers now have the ability to reject jobs, which do not provide sufficient security, wages, or conditions, as they can fall back upon their basic income. This could change not only the balance of power in bargaining for an individual, but also for workers as a whole. In essence, basic income appears to necessitate a major shift in the power relations between employees and employers.

In terms of social exclusion, the consequences of this restructuring can be best elucidated in reference to Standing’s *precariat*. The precariat contains a large percentage of the population who lack stable or satisfying employment, which places them at risk of social exclusion. With the implementation of basic income, and its associated effects upon labor, the precariat as a class almost entirely disappears. Basic income allows individuals to gain far greater security in employment, as well as allows them to pursue satisfying occupations in contrast to demeaning jobs. Nonetheless, it is also important to consider the twin issues of labor supply and demand, when considering the precariat and social exclusion. If, for example, labor demand decreased dramatically, the security of those still in employment may improve, but a large share of the precariat would now be unemployed, and likely at far greater risk for social exclusion. However,

labor demand appears to remain at least somewhat similar, and may even increase. At the very least, it is evident, both theoretically and utilizing the basic income experiments, that basic income does not necessitate a precipitous drop in labor demand. Therefore, almost the entire precariat would have the ability to benefit from the labor market changes. In this manner, basic income seems to combat social exclusion, creating a new situation of stable employment and occupational security.

However, it is also important to consider labor supply, in reference to the fortunes of the precariat. To begin with, basic income does not appear to cause a substantial withdrawal of individuals from the labor market. While, again, there is some theoretical disagreement on this matter, the basic income experiments suggest that at worst, some individuals sacrifice some working time to pursue more leisure. Even theoretically, basic income appears to have the ability to increase labor supply, as it eliminates the unemployment trap and individuals may be more willing to enter into jobs and work with better conditions. In fact, a slight reduction in working hours from some individuals could have a positive effect on social inclusion, as working hours could be more evenly distributed throughout the population. Basic income appears to enlarge the labor supply. In doing so, it provides more individuals the opportunity to be socially included. Therefore, in regards to the labor market and the *economic* dimension of social exclusion, basic income appears to have a positive effect, creating more stable employment, more jobs, and the opportunity for fewer individuals to suffer from social exclusion.

At the same time, even in a society with basic income, there is likely to be some segment of the population that still suffers from social exclusion. In considering the other two dimensions of social exclusion, the *political* and the *social*, this can be illuminated. Raes's analysis of the political situation after basic income reflects Somerville's theory, which suggests that exclusion that occurs during the labor process is then reflected and hardened within the other spheres of society. The unemployed, or those who are excluded economically, lose any potential allies in the political dimension after the implementation of a basic income. The precariat, and other workers who may have had much in common or at least shared similar goals with the unemployed prior to basic income, no longer appear to share goals after basic income. To use Silver's language, they have become true insiders. Prior to a basic income, they were what could be termed quasi-insiders, but still shared traits and common situations with the true outsiders, the unemployed. After basic income, this is not the case. Rather, with their new status of insiders,

they would also work to prevent outsiders from gaining access to the resources and status associated with inclusion. In this manner, the unemployed lose any allies within the political process, severely hampering their ability to be politically included. Thus, exclusion within the political process for the outsiders actually seems to worsen. At the same time, it is important to remember what was suggested above, that more individuals would be included. Thus, after a basic income, more individuals appear to be included politically, but for those who still suffer from social exclusion, the social exclusion may actually become worse.

A similar picture emerges of the social dimension. Both theoretically, and utilizing the basic income experiments, more individuals appear to become socially included after a basic income, with greater access both to common services and also increased ability to strengthen social networks and participate in common cultural activities. However, again, for the segment of the population that remains socially excluded, the exclusion may worsen, for the same reasons it may in the political dimension. There is also another phenomenon to consider socially, that of minority-majority exclusion. In a society in which status seems likely to take on greater meaning, as access to resources becomes somewhat less scarce, the access to knowledge of upper-class tastes and lifestyles may take on greater importance. Elites may feel the need to further differentiate themselves, which could lead to more exclusion at the top. However, whether this occurs or not would likely depend on which society implemented basic income, and how equal the distribution of income was within that society. Thus, while basic income has the ability to generate less social exclusion, it may change the character of exclusion within the social dimension.

Finally, in an increasingly globalized world, it would be remiss to ignore the one group of individuals who lack access to a basic income, immigrants. Nevertheless, for skilled immigrants, basic income appears to grant them a fuller inclusion, as they benefit from the increased group power of the included. Yet, for low-skilled migrants, basic income appears to harm their chances at inclusion, as it does not address any of the current barriers to inclusion, and seems likely to contribute to a greater degree of economic exploitation, and thus increased exclusion economically.

This analysis of both the social dimension and of immigrants in a society with basic income helps to highlight the overall effect of basic income upon social exclusion. Basic income, although a radical policy, does not appear to fundamentally alter the processes that lead to social

exclusion. Within both Somerville and Silver's theories, the mechanisms that cause individuals to be socially excluded are not affected. Groups still compete for access to resources and status, and the labor process still generates exclusion. However, what basic income does appear to do is alter the composition of the groups within society. In eliminating *the precariat*, basic income seems to allow more individuals access to social inclusion. As the precariat is a substantial share of the population, basic income would certainly appear to combat social exclusion to a much larger degree than the current policies within the EU do. Furthermore, basic income not only appears to combat social exclusion more effectively, it likely grants full inclusion to a much larger share of society, compared to those who enjoy it currently. At the same time, it also makes a much sharper delineation between those who are included and excluded. Those who are excluded appear to lose almost all access to inclusion. However, here, it is important to consider that with a basic income, even the excluded have an income on which to live and the ability to comfortably subsist. As social exclusion is a relative concept (cf. 5.1), it is likely no policy can ever truly achieve the complete elimination of social exclusion. Even for the excluded, basic income softens social exclusion compared to the current situation. Thus, while basic income does not, in itself, address the mechanisms that generate social exclusion, it could have the ability to not only include more individuals within society, but also soften the nature of social exclusion to the excluded.

It is also important to consider these potential effects in light of the justifications of basic income, to further illuminate the findings of this analysis. To begin with, it appears as though basic income does allow individuals greater freedom within society, in reference to Van Parijs. An individual who is socially excluded is involuntarily unable to take part in normal societal activities, thus, as basic income can allow more individuals inclusion, the freedom of these individuals would increase. While it is impossible to say whether this is the most free of all societal configurations, particularly as a share of the population seems to remain excluded, it can be said that basic income appears to create a freer society than currently exists. Furthermore, socially excluded individuals can also be said to not have full access to rights within society. Again, in granting more individuals access to inclusion, a larger portion of the population would likely have the ability to exercise citizenship rights. However, as noted above, basic income does not appear to affect the mechanisms that create social exclusion. For specific disadvantaged groups in society, such as women or minorities, basic income therefore does not necessarily

address existing barriers to inclusion, similar to the analysis relating to immigrants performed above. Lastly, basic income does seem to have the ability to create a new mode of capitalism, with increased worker power, although perhaps not to create a communist or socialist society.

Thus, the conceptual analysis performed in this thesis lays the groundwork for many potential research projects, both theoretical and empirical. Theoretically, it would be interesting to investigate other policies, in addition to basic income, which could address the share of the population that remains socially excluded, as well as policies that could work in concert with basic income to specifically help disadvantaged groups. Conversely, empirically, a deeper investigation into the experiments in Namibia or India with specific reference to social exclusion could be performed. Of course, the most interesting empirical study would relate to an experiment in a western welfare state, but this must wait for a country to enact a basic income policy. Nevertheless, even in the absence of such an experiment or policy, this thesis provides the basis for many future research projects.

Therefore, let me now return to the motivation of this thesis. Under critical examination, basic income appears to not only stand up, but seems to be both viable and sensible, fulfilling the goals of many of its advocates. It seems to help create a society in which fewer individuals suffer from social exclusion, while even the excluded face exclusion with an income that allows for subsistence. In an era in which the welfare state faces perhaps its greatest challenges, basic income appears a viable alternative, which can help in the creation of a more inclusive society. Thus, this thesis concludes in suggesting that basic income can help to combat social exclusion, and is a policy that its advocates can confidently stand behind, both feasible and desirable.

8. References

- Arcarons, J., Raventos Pañella, D., & Torrens Mèlich, L. (2014). Feasibility of Financing a Basic Income. *Basic Income Studies*, 9(1/2), 79-93.
- Arthurson, K. & Jacobs, K. (2003) Social Exclusion and Housing: Final Report. Melbourne: Australian Housing and Urban Research Institute.
- Atkinson, A. B. (1996). The Case for a Participation Income. *The Political Quarterly*, 67, 67–70.
- Bak, C., & Larsen, J. (2015). Social exclusion or poverty individualisation? An empirical test of two recent and competing poverty theories. *European Journal Of Social Work*, 18(1), 17-35.
- Barry, B. (1996). Survey Article: Real Freedom and Basic Income. *Journal Of Political Philosophy*, 4(3), 242-276.
- Barry, B. (1998). *Social exclusion, social isolation and the distribution of income*. Centre for Analysis of Social Exclusion, London School of Economics.
- Basic Income Earth Network (2013). About Basic Income. Retrieved from <http://www.basicincome.org/bien/aboutbasicincome.html>
- Berglund, T. (2014, 15 September). A Swedish Era of Labor Market Insecurity. Retrieved from http://www.policy-network.net/pno_detail.aspx?ID=4733&title=A-Swedish-era-of-labour-market-insecurity
- BIEN Finland (2015, 25 April). Finland: More than half of the new MPs support basic income. Retrieved from <http://www.basicincome.org/news/2015/04/half-finish-parliament-support-basic-income/>
- Birnbaum, S. (2012). *Basic income reconsidered: social justice, liberalism, and the demands of equality*. New York: Palgrave Macmillan.
- Bossert, W., Conchita, D., & Vito, P. (2007). Deprivation and Social Exclusion. *Economica*, (296). 777-803.
- Bradshaw, J., Kemp, P., Baldwin, S., & Rowe, A. (2004). The drivers of social exclusion. London: Social Exclusion Unit.
- Bronstein, J. (2014). A History of the BIG Idea: Winstanley, Paine, Skidmore and Bellamy. *Journal Of Evolution & Technology*, 24(1), 62-69.
- Burchardt, T., Le Grand, J., & Pichaud, D. (2002) Degrees of Exclusion: Developing a Dynamic, Multidimensional Measure. In D. Pichaud, J. Le Grand, & J. Hills (eds.), *Understanding Social Exclusion* (30-43). New York: Oxford University Press.

- Caputo, R. K. (2008). Standing Polanyi on His Head: The Basic Income Guarantee as a Response to the Commodification of Labor. *Race, Gender & Class*, 15(3/4), 143-161.
- Davala, S., Jhabvala, R., Standing, G. & Mehta, S.K. (2015). *Basic income: a transformative policy for India*. London: Bloomsbury Academic.
- De Beus, J. (2012). The Stability of Basic Income. In K. Widerquist, Y. Vanderborght, J. Noguera, & J. De Wispelaere (eds.), *Basic income: an anthology of contemporary research* (331-338). Chichester, West Sussex: John Wiley & Sons Inc.
- De Wispelaere, J., & Stirton, L. (2004). The Many Faces of Universal Basic Income. *Political Quarterly*, 75(3), 266-274.
- Dörr, S., & Faist, T. (1997). Institutional conditions for the integration of immigrants in welfare states: a comparison of the literature on Germany, France, Great Britain, and the Netherlands. *European Journal of Political Research*, 31(4), 401-426.
- Duffy, K. (1995). *Social Exclusion and Human Dignity in Europe: Background Report for the Proposed Initiative by the Council of Europe*.
- Elster, J. (1986). Comment on Van der Veen and Van Parijs. *Theory and Society*, (5). 709-721.
- Esping-Andersen, G. (1990). *The three worlds of welfare capitalism*. Princeton, N.J : Princeton University Press.
- European Union, Social Protection Committee (2015). *Social Europe: Aiming for Inclusive Growth*. Retrieved from <http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=7744>
- Eurostat (2015). People at risk of poverty or social exclusion. Retrieved from http://ec.europa.eu/eurostat/statistics-explained/index.php/People_at_risk_of_poverty_or_social_exclusion
- Foulkes, I. (2013, December 18). Swiss to vote on incomes for all - working or not. *BBC News*. Retrieved from <http://www.bbc.com/news/business-25415501>
- Fredericks, M., & Miller, S. I. (1987). The Use of Conceptual Analysis for Teaching Sociology Courses. *Teaching Sociology*, 392-398.
- Friedman, M. (1962). Negative Income Tax: The Original Idea. In K. Widerquist, Y. Vanderborght, J. Noguera, & J. De Wispelaere (eds.), *Basic income: an anthology of contemporary research* (398-401). Chichester, West Sussex: John Wiley & Sons Inc.
- Friedman, M. (1968). The Case for a Negative Income Tax: A View from the Right. In K. Widerquist, Y. Vanderborght, J. Noguera, & J. De Wispelaere (eds.), *Basic income: an anthology of contemporary research* (11-16). Chichester, West Sussex: John Wiley & Sons Inc.

- Galston, W.A. (2001). What about reciprocity? In: P. Van Parijs, J. Cohen, J. Rogers (eds.), *What's Wrong With a Free Lunch?* (29-33). Boston, Mass.: Beacon Press.
- Gamel, C., Balsan, D., & Vero, J. (2006). The impact of basic income on the propensity to work: Theoretical issues and micro-econometric results. *The Journal of Socio-Economics*, 35(3), 476-497.
- Gruioniu, O. (2013). The Universal Basic Income and a New Welfare State. *Revista De Stiinte Politice*, (37/38), 132-140
- Hacker, J. S. (2008). *The great risk shift: the new economic insecurity and the decline of the American dream*. New York: Oxford: Oxford University Press.
- Healy, S., Murphy, M., & Reynolds, B. (2013). Basic income: an instrument for transformation in the twenty-first century. *Irish Journal Of Sociology*, 21(2), 116-130.
- Howard, M. W. (2004) *Basic income and migration policy: a moral dilemma?*. Paper presented at the 10th Congress of the Basic Income European Network, Barcelona, Spain.
- Jordan, B. (1988). The Prospects for Basic Income. *Social Policy & Administration*, 22(2), 115-123.
- Krugman, P. (2015, 29 April). The Austerity Delusion. Retrieved from <http://www.theguardian.com/business/ng-interactive/2015/apr/29/the-austerity-delusion>
- Levitas, R. (2004). Let's hear it for Humpty: social exclusion, the third way and cultural capital. *Cultural Trends*, 13(2), 41-56.
- Levitas, R. (2006). The concept and measurement of social exclusion. *Poverty and social exclusion in Britain*, 123-162.
- Levitas, R., Pantazis, C., Fahmy, E., Gordon, D., Lloyd, E., & Patsios, D. (2007). The multi-dimensional analysis of social exclusion. Project Report. University of Bristol, Bristol.
- Levine, R., Watts, H., Hollister, R., Williams, W., O'Connor, A. & Widerquist, K. (2006). A Retrospective on the Negative Income Tax Experiments: Looking Back at the Most Innovative Field Studies in Social Policy. In: K. Widerquist, M.A. Lewis, & S. Pressman (eds.), *The Ethics and Economics of the Basic Income Guarantee* (95-106). Aldershot : Ashgate.
- Marx, A., & Peeters, H. (2008). An unconditional basic income and labor supply: Results from a pilot study of lottery winners. *The Journal of Socio-Economics*, 37(4), 1636-1659.
- Mckay, A., & VanEvery, J. (2000). Gender, family, and income maintenance: A feminist case for citizens basic income. *Social Politics*, 7(2), 266-284.
- Merton, R. K. (1945). Sociological theory. *American Journal of Sociology*, 462-473.

- Moffitt, R. A. (2003). The Negative Income Tax and the Evolution of U.S. Welfare Policy. *Journal Of Economic Perspectives*, 17(3), 119-140.
- Muffels, R., & Fouarge, D. (2002). Do European Welfare Regimes Matter in Explaining Social Exclusion?. In: R. Muffels, P. Tsakloglow, & D. Mayes (eds.), *Social Exclusion in European Welfare States* (202-234). Northampton, Mass: Edward Elgar Pub.
- Offe, C. (2009). Basic Income and the Labor Contract. *Analyse & Kritik*, 31(1), 49-79.
- Orloff, A. (2012). Why Basic Income does not Promote Gender Equality. In K. Widerquist, Y. Vanderborght, J. Noguera, & J. De Wispelaere (eds.), *Basic income: an anthology of contemporary research* (331-338). Chichester, West Sussex: John Wiley & Sons Inc.
- Ottmann, J. (2010). Social Exclusion in the Welfare State: The Implications of Welfare Reforms for Social Solidarity and Social Citizenship. *Distinktion: Scandinavian Journal Of Social Theory*, 11(1), 23-37.
- Pateman, C. (2004). Democratizing citizenship: Some advantages of a basic income. *Politics & Society*, 32(1), 89-105.
- Pateman, C. & Murray, M.C. (2012) Introduction. In C. Pateman & M.C. Murray (eds.), *Basic Income Worldwide: Horizons of Reform* (1-8). Palgrave Macmillan Ltd.
- Peace, R. (2001). Social exclusion: A concept in need of definition?. *Social Policy Journal of New Zealand*, 17-36.
- Piachaud, D., Le Grand, J. & Hills, J. (Eds.) (2002). *Understanding social exclusion*. New York: Oxford University Press.
- Purdy, D. (1994). Citizenship, basic income and the state. *New Left Review*, (208), 30-48.
- Raes, K. (2012). Basic Income and Social Power. *Ethiek & Maatschappij*, 14(1/2), 39-51.
- Raileanu Szeles, M., & Tache, I. (2008). The Forms and Determinants of Social Exclusion in the European Union: The Case of Luxemburg. *International Advances In Economic Research*, 14(4), 369-380.
- Robeyns, I. (2007). Will a basic income do justice to women?. *Die Zukunft Sozialer Sicherheit*, 102-114.
- Seeleib-Kaiser, M. (2008). Welfare State Transformations in Comparative Perspective: Shifting Boundaries of 'Public' and 'Private' Social Policy?. In M. Seeleib-Kaiser (Ed.), *Welfare State Transformations: Comparative Perspectives* (pp 1-16). Basingstoke, Hampshire: Palgrave Macmillian.

- Shaaban, S. (2011). A Conceptual Framework Review of Social Exclusion, and its Relation with Social Cohesion and Poverty in Europe. *International Journal Of Diversity In Organisations, Communities & Nations*, 11(1), 117-131.
- Silver, H. (1994). Social exclusion and social solidarity: Three paradigms. *International Labour Review*, 133(5/6), 531-578.
- Somerville, P. (1998). Explanations of Social Exclusion: Where Does Housing Fit in?. *Housing Studies*, 13(6), 761-780.
- Standing, G. (2002). *Beyond the new paternalism: basic security as equality*. London; New York: Verso.
- Standing, G. (2005). Why Basic Income Is Needed for a Right to Work. *Rutgers Journal Of Law And Urban Policy*, (1), 91-102.
- Standing, G. (2011). *The precariat: the new dangerous class*. London: Bloomsbury Academic.
- Suzuki, M. (2011). "Would They be Lazier or Work Harder Given Free Money?": The Namibia BIG Pilot Project and the Possibility of Basic Income as a Strategy of Social Cooperation. *Journal Of Political Science & Sociology*, (14), 53-80.
- Todman, L. C. (2004). Reflections on social exclusion: What is it? How is it different from US conceptualizations of disadvantage? And, why Americans might consider integrating it into US social policy discourse. *bkz. http://www.uic.edu/cuppa/cityfutures/papers/webpapers/cityfuturespapers/session2_3/2_3reflections.pdf*.
- Townsend, P. (1993). *The international analysis of poverty*. New York : Harvester Wheatsheaf, 1993.
- van der Veen, R. J., & Van Parijs, P. (1986). A Capitalist Road to Communism. *Theory and Society*, 15(5), 635-655.
- Van Parijs, P. (1991). Why surfers should be fed: the liberal case for an unconditional basic income. *Philosophy & Public Affairs*, 101-131.
- Van Parijs, P. (1995). *Real freedom for all: what (if anything) can justify capitalism?*. Oxford: Clarendon Press.
- Van Parijs, P. (1996). Basic income and the two dilemmas of the welfare state. *The Political Quarterly*, 67(1), 63-66.
- Van Parijs, P., Cohen, J., & Rogers, J. (Eds.). (2001). *What's Wrong with a Free Lunch?*. Boston, MA: Beacon Press.

Van Parijs, P. (2004). Basic income: a simple and powerful idea for the twenty-first century. *Politics & Society*, 32(1), 7-39.

Van Parijs, P. (2013). The universal basic income: Why utopian thinking matters, and how sociologists can contribute to it. *Politics And Society*, 41(2), 171-182

Widerquist, K. (2005). A Failure to Communicate: What (if Anything) Can We Learn from the Negative Income Tax Experiments?. *Journal Of Socio-Economics*, 34(1), 49-81

Widerquist, K. & Sheahan A. (2012) The United States: The Basic Income Guarantee – Past Experience, Current Proposals. In C. Pateman & M.C. Murray (eds.), *Basic Income Worldwide: Horizons of Reform* (11-32). Palgrave Macmillan Ltd.

Widerquist, K., Vanderborght, Y., Noguera, J., & De Wispelaere, J. (2012a) Introduction. In K. Widerquist, Y. Vanderborght, J. Noguera, & J. De Wispelaere (eds.), *Basic income: an anthology of contemporary research* (xiii-xxvi). Chichester, West Sussex: John Wiley & Sons Inc.

Wright, E. O. (2004). Basic income, stakeholder grants, and class analysis. *Politics & Society*, 32(1), 79-87.

Wright, E. O. (2006). Basic Income as a Socialist Project. *Basic Income Studies*, 1(1), 1-11.