

Basic Income and Social Value

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In recent years, arguments for basic income have generally gone with the grain of the two strongest social forces in today's world, globalisation and individualisation.

Philippe Van Parijs's Real Freedom for All (1995) provided not only a guarded justification of capitalism, but also an endorsement of global economic integration as the most plausible road to the dynamic efficiency required to sustain maximum feasible basic incomes for every human being, and an exemplar of a methodologically individualistic analysis of justice between such beings.

By implication, this approach accepts that competitive markets and individualistic social relations will gradually (or precipitately) subvert all those collective institutions by which societies sought to protect members' vulnerabilities, in a continuation of Karl Polanyi's Great Transformation (1944).

This applies as much to the regulated labour markets of Scandinavia – which should become 'flexible' (Van Parijs, 1995, pp 222-3) - as to the traditional kinship networks, crafts and communes of developing countries. Since the argument for basic income is that it allows each individual to live as he or she might like to live (to do whatever he or she might want to do), and since individuals are by assumption diverse, markets and flexibility generate the best outcomes towards this goal. It rejects any 'particular substantive conception of the good life' (p. 28), such as might be used to justify specific social relations of kinship, crafts or community, as 'perfectionist', in favour of equality of opportunity and respect and efficiency.

In all this, Van Parijs echoes the orthodox economic model of development, which has been spread (sometimes by military means) from the affluent Anglophone countries, and through the policies of international financial organisations, throughout the world. This includes the principles of individual sovereignty (that each person makes and develops themselves through their choices), of easy access to and exit from all collective units, free mobility of the factors of production, and so on.

What I want to argue in this paper is that arguments for basic income should take better account of evidence of a growing divergence between individual incomes (as a proxy for the kind of welfare that is maximised by the provision of the highest feasible cash payment of a basic income) and people's well-being (as measured by their own overall and specific assessments of their satisfaction with their lives) in the affluent countries. Decades of data on Subjective Well-being (SWB) have now been analysed (Van Praag and Ferrer-i-Carbonell, 2004, Kahneman *et al.*, 1999), leading economists themselves to criticise many of the assumptions behind their model of development (Layard 2005, 2006; Frey and Stutzer, 2002; Bruni and Porta, 2005). Since the paradox of 'stalled well-being' in countries with high and rising per capita incomes was first noticed (Easterlin, 1974), the components of well-being have also been identified; health, employment satisfaction, close personal relationships, religious faith and active community participation are the most significant influences on levels of SWB (Helliwell, 2003).

Furthermore, populations in several developing economies have much higher levels of SWB than their GNP would predict - Ghana, Mexico and Vanuata, for example. All

this suggests that social relations are directly significant for well-being in ways which are not well captured in abstract analyses of justice between individuals, or in economic models of contract, insurance and public goods.

The question is therefore whether there can be any place for the quality of social relations in the advocacy of unconditional basic incomes for all. This is relevant for the topic of this conference, since a negative answer to this question implies that the model for global economic development should take no account of the collective lives of those at present only partly absorbed into global markets. Is there any analysis of the connections between well-being and basic income which might address these factors?

In this paper, I shall examine two aspects of the basic income debate which bear on issues of social relations, collective life and well-being. The first of these consists of claims that the introduction of a basic income would transform social relations, so as to end features of current capitalism and its accompanying politics, such as exploitation and domination (Barry, 1997; Wright, 2004; Pateman, 2004).

This transformation could be seen to resolve the Easterlin paradox of increased income without gains in well-being, by showing how a 'basic income society' would allow the flourishing of chosen activities and relationships which were more satisfying for individuals than is possible under current arrangements.

The second is the concession by Van Parijs (1995, pp 228-31) that a world-wide redistributive scheme to give real freedom to all through the maximum sustainable

global basic income would not be feasible without the underpinning of certain attitudes and institutions fostering equal respect and equal concern for all humanity. These he calls ‘strategies’ of ‘democratic scale-lifting’ over redistribution, and ‘solidaristic patriotism’ over social justice within polities, and he mentions the ‘emotional basis’ for these ‘dispositions’ arising from interactions between people ‘from all categories of the same society’ (pp 230-1). Acknowledging that these ideas, presented as afterthoughts at the end of his book, might sound more communitarian than real-libertarian, he admitted that such relationships, fostered by institutions (if necessary with compulsory powers) might be needed to achieve ‘a sufficient level of social cohesion’ to sustain global transfer mechanisms (pp 231-2).

This concession that there may have to be trade-offs between justice and freedom on the one hand, and bonds of concern and solidarity on the other, and that basic income requires an underpinning to mobilise the means to real-libertarianism (Birnbaum, 2008), opens up a debate about the social relations required to enable and stabilise a basic income society, especially on a global scale.

I shall argue that this takes the debates out of the confines of the economic model, and of the strict methodological individualism adopted by Van Parijs and others. It demands an analysis of social relations in terms of the production and distribution of social value (Jordan, 2008) rather than utility, and of culture rather than contract.

Basic Income as Transformative of Social Relations

Advocates of basic income have often argued that, in addition to achieving justice for and between individuals, its introduction would change relationships between society's members in radical ways, analogous to those sought by socialists and feminists. For instance, Brian Barry (1997, pp161, 165) wrote:

‘[B]asic income is not just another idea for rejigging the existing system. Rather, it would be seen as offering a genuinely new deal – a different way of relating individual and society I do not think it too fanciful to claim that those who learned their socialism from William Morris and R. H. Tawney may recognise the introduction of a subsistence-level basic income as a practical way of achieving some of their central aims. Indeed, if we can manage to strip away the appalling legacy of “really existing socialism” and go back to Marx’s utopian vision, it is not absurd to suggest that a subsistence-level basic income is a far more plausible institutional embodiment of it than anything Marx himself ever came up with.’

Such claims are derived from the argument that the terms on which modern individuals were defined and government justified by the political theorists of the Enlightenment lacked one or more dimensions of the freedom they needed to realise their ends as social beings. In Barry’s version of this argument, labour markets allowed the exploitation of those without sufficient property for survival, and this would be rectified. ‘Provided that the basic income is genuinely adequate, we can say that nobody is exploited, however low the pay. For the job is freely chosen in preference to an acceptable alternative of not having a job (Barry, 1997, p. 167). This

in turn would allow the reorganisation of socially desirable work, such as transport systems maintenance, health and social care, urban environmental conservation, education and training.

In similar vein, Erik Oklin Wright has claimed that the introduction of basic income would alter the balance of power between the classes, reducing workers' dependence on capitalists for their subsistence.

'[B]asic income increases the possibility of engaging in decommodified non-market activity, thus expanding the sphere of economic practices outside capitalism: basic income increase the capacity of collective struggle by providing a guaranteed strike fund for workers' (Wright, 2004, p. 79).

The 'economic practices' which Wright regarded as 'socially productive' (p. 83) included caregiving, the arts and politics. But – as with Barry's examples of socially desirable low-paid work – it is not obvious why people would be more motivated and undertake such tasks in a basic income society than they are under present arrangements. With the exception of (some of) the arts, none of the work listed by either author is seen as attractive within the individualistic and self-developmental culture of the affluent Anglophone countries; it is done either from the sense of obligation or commitment by a minority (as in caregiving and politics), or because of the lack of alternatives, or pressure from benefit authorities (as in parking, railway station maintenance, urban cleaning, etc.), or even as a punishment for criminals.

The point here is that nothing in the proposals of Van Parijs, Barry or Wright would alter the basis of economic and social relations in rational utility-maximisation - an approach fostered by markets, choice, competition and contract which, under neo-liberal and Third Way reforms of the public sector, has come to characterise all the interactions between citizens, especially in affluent Anglophone states. Why would the basic income not be perceived simply as an individual right, enabling each self-developing person to realise his or her 'project of self' (Rose, 1996) more fully (and more selfishly?) Would it not consolidate the right to choice, and the centrality of contract in relationships, rather than shift people to a greater awareness of collective possibilities and social needs?

These questions are more directly addressed by Carole Pateman, who has been a longstanding critic of contractual relations and the interpersonal power they enable (Pateman, 1988). Her support for basic income rests on it providing the missing element in the freedom conferred on the individuals created by modernity (p. 16), by enabling democratic self-government by members who are truly autonomous. This should extend, she argues, to the workplace and the household;

'A basic income is a crucial part of any strategy for democratic social change because ... it could help break the link between income and employment and end the mutual reinforcement of the institutions of marriage, employment and citizenship

Individual self-government depends not only on the opportunities available but also on the form of authority structure within which individuals interact with one another in their daily lives. Self-government requires that individuals both go about their lives within democratic authority structures that enhance their autonomy and that they have

the standing, and are able (have the opportunities and means) to enjoy and safeguard their freedom. A basic income – set at the appropriate levels - ... helps create the circumstances for democracy and individual self-government (Pateman, 2004, pp 90-1).

She does not suggest that basic income would, of its own accord, secure the transformation she recommends, nor does she say how these opportunities are likely to change social relations, other than that they should ensure ‘democratisation is at the forefront of discussion (among members of workplaces and households) and that feminist arguments are taken seriously’ (p.97), and that social reproduction should be one focus of reforms, addressing ‘social relations and institutions, rather than atomistic individuals’ (p. 101).

What all these authors hint at, but only Pateman directly mentions, is the idea that basic income might enable a reassessment of society’s’ priorities and goals, including a revaluation of certain tasks and activities given little recognition or reward under current conditions. Pateman implies that democratic negotiation and collective action might lead to a higher value being placed on the kinds of things women have done on an unpaid basis, and that this in turn might make social reproduction a clearer focus for public policies and voluntary activity.

Economic Value and Social Value

However, an even deeper underlying question here concerns the nature of the human development which is enabled by economic development. Does the creation of an integrated world economy, in which transfers from rich societies enable the maximum sustainable basic income to be paid to populations in poor countries, rely on processes of ‘creative destruction’ (Van Parijs, 1995, pp 214-19) through which contractual relationships between utility-maximising individuals will erode or replace traditional bonds of affection, kinship, ethnicity, faith and so on? Are the criteria which will determine decisions about development ones derived from this economic model – such as cost-benefit analysis (Adler and Posner, 2006) – and can such standards place any value on emotional and social elements in human well-being? Does the political acceptability of basic income depend on processes of individualisation consistent with the methodological individualism of its main justifications, and the expansion of the spheres of markets, flexibility, mobility, ready access to and exit from groups and associations, etc?

We should remember that the Anglophone and post-Washington Consensus economic model of human development is the direct descendant of the Enlightenment political project for installing individual liberty, property rights and contractual exchange between self-governing individuals as the central social institutions. It was a deliberate attempt to overthrow paternal authority, the divine right of kings, the religious construction of power, and the standards set by such passions as honour, loyalty, dynasty, sexual jealousy, the zealousness and bigotry of faith, and all the other bases for the religious, civil and imperial wars of the sixteenth and seventeenth

centuries (Hirschman, 1977). Writers like Locke (1690), Hume (1739) and Adam Smith (1759) wanted to substitute the milder vices like greed and envy for these destructive passions, through the creation of individual rights of commercial societies and contractual relations. They sought to break down obligations of blood, soil and faith, in favour of ‘a mercenary exchange of good offices according to agreed valuation’, which relied on ‘a sense of utility, without any love or affection ... or gratitude’ (Smith, 1759, part II, sec ii, ch. 3).

It was not that those emotions were to be totally discounted or suppressed, but rather that they were to be confined to the private sphere of piety, domesticity and association, and not allowed to become the ruling principles of public life and politics. Adam Smith’s Theory of Moral Sentiments (1759) sought to show that emotions such as sympathy and admiration for ‘vast and operose contrivances’ allowed society to be constructed around family and markets; they were designed by ‘the wisdom of the Deity ... in finding out the means for bringing about those ends which goodness suggested’ (p. 35), and hence the progress of human development. Love, respect and loyalty underpinned commerce and good government.

But this installed individual utility as the criterion for public policy, and led to its adoption as the centrepiece of political economy, despite the denunciations of writers such as Carlyle, Ruskin and Marx. It meant that, in all the big decisions about human development, welfare gains to individuals (subject to the provisos of principles such as those of Pareto or Rawls) got priority over the goods associated with mutuality, community or loyalty. This economic version of value became the universal measuring rod (Pigou, 1920, p. 11).

The question raised by the well-being data is whether analyses in terms of individual utility fully capture the sources of human flourishing, and whether what they discount or obscure is actually more important for quality of life. In particular, the question arises whether relational and cultural factors in human interactions provide both qualitatively important aspects of experience, and essential restraints on the excesses of individualistic self-indulgence (Offer, 2006). If market individualism leads to forms of insecurity, anxiety and alienation (Lane, 1991, 2000; Pusey, 2003), and to the breakdown of traditional standards over eating, drinking, sex, public order and civility, then policies for increasing individual welfare may be counterproductive in terms of well-being (Jordan, 2008).

Any such claim would involve reversing the imperialistic advance of economic analysis into all spheres of human interaction, symbolised by the work of Gary Becker (1976, 1981, 1996). The latest conquest in this campaign involves the concept of ‘social capital’, so central to both Third Way and post-Washington Consensus versions of liberal capitalism (Fine, 2001). Although superficially concerned with acknowledging social and communal factors for development programme (Stiglitz, 2002), Becker’s work reveals that social capital is easily absorbed into the economic model. His ‘extended utility function’

‘... retains the assumption that individuals behave so as to maximise utility while extending the definitions of individual preferences to include personal habits and addictions, peer pressure, parental influences on the tastes of children, advertising, love and sympathy, and other neglected behaviour. The extension of the utility-maximizing approach to include endogenous preferences is remarkably successful in

unifying a wide class of behaviour, including habitual, social, and political behaviour ... Social capital ... incorporates the influence of past actions by peers and others in an individual's social network and control system' (Becker, 1996, p. 4).

In my view, the only way to counter this kind of economic imperialism in the analysis of human development issues is to substitute an approach which subsumes economic utility (welfare) into a wider system of social value. This recognises that all forms of value are ultimately aspects of the processes through which people create and sustain meanings for their experiences – ideas and images for making sense of the world, communicating and acting together in it. It also acknowledges that contract is just one of the ways in which interpersonal behaviour is regulated – a part of a cultural system, which relies on the production and distribution of social value.

Instead of privileging an individualistic culture of utility-maximisation, this approach allows social relations in countries at all stages of economic development to be analysed within the same framework. By drawing on anthropological and social theory, we can recognise that economic exchanges can only be properly understood as features of social relationships, whether we are dealing with hunter-gatherer tribes or financial traders in Wall Street.

'A material transaction is usually a momentary episode in continuous social relations. The social relation asserts governance: the flow of goods is constrained by, is part of, a status etiquette' (Sahlins, 1974, p186).

It is the social categories and standards which enable members of cultural communities to interpret each other's actions; material transactions are often the means by which communications are achieved. As Mary Douglas puts it,

'Whenever consumption goods change hands, someone is communicating with someone else. Commodities define social categories ... we define inclusive and exclusive categories by rules about degrees of sharing and giving of commodities. No amount of welfare grants calculated on basic needs will cancel meanings which the language of commodities declares. Poverty is not lack of goods but exclusion from esteem and power. This will never change that meaning' (Douglas, 1973, p 181).

In other words, welfare is always constructed by the relationships through which it is produced and distributed, and social value ultimately determines both economic value and well-being, because the latter requires emotional support, respect and the sense of belonging, communicated through interpersonal transactions, for its foundations (Jordan, 2008).

In today's affluent Anglophone countries, all this is well disguised in everyday life, which now follows many of the precepts of economic theory. The dominant culture is one of permeable social boundaries, where groups are provisional and temporary, and status negotiable. Individuals in this culture are supposed to construct and reconstruct themselves, through their choices in markets and public services.

‘This ethic of the free autonomous self seems to trace out something quite fundamental in the ways in which modern men and women have come to understand, experience and evaluate themselves, their actions, and their lives’ (Rose, 1996, p. 1).

In the work of Durkheim (1898, 1912), ‘sacred’ social value attaches to social categories and classifications, such as gender, age, group and tribe; but individualism is itself a culture, in which only the individual (and his or her chosen actions) is sacred (Jordan, 2004).

‘Each commodity is imbued with “personal” meaning, a glow cast back upon those who purchase it, illuminating the kind of person they are, or want to come to be’ (Rose, 1996, p. 162).

This implies that choice, mobility and property-ownerships, which give the sacred self the autonomy for personal self-development, are also given the highest value within this culture. As Douglas puts it,

‘... one abstract principle is sacred still, that is the holiness of contract itself’ (Douglas, 1978, p. 192).

The evidence of ‘stalled well-being’ in the affluent Anglophone countries casts doubt on whether the road to basic income should lie through these forms of individualism, contract and markets. Research by Lane (1991, 2000), Pusey (2003), Kelsey (1995) and Offer (2006) suggests that it both generates stresses, insecurities and anxieties, and fails to supply restraints and standards, thus subverting quality of life experience.

Societies such as China and India, which in their different ways have preserved aspects of their cultures, and the value of tradition, craft, commune and collective, to be sustained, may have much to recommend them. How can this be squared with the justifications for and political feasibility of basic income?

Contract or Culture?

It seems to me no coincidence that the least convincing part of Van Parijs's justification of basic income capitalism is the final section, where he tries to suggest ways in which an integrated world economy might not result in a 'race to the bottom', in which welfare states were dismantled and poverty relief made meaner and more conditional, under pressure of competition for capital and skilled labour. Here he argues that the media and international NGOs should provide 'emotional cohesion' (Van Parijs, 1995, p.228), while nations design new global redistributive institutions. Within those countries with welfare state traditions, net contributors to such schemes might be motivated by 'solidaristic patriotism' – pride in the collective project of strong protection against levelling down through competition between nation states.

'One can hardly expect to required dispositions to flourish as a spontaneous expression of universal human nature. They will have to be nurtured, preserved, encouraged, engineered into existence by specific social conditions, specific ways of organising social life. But these conditions may not be that different from the conditions that are required anyway for the lasting feasibility of high levels of solidarity' (p. 231).

Here Van Parijs writes of an impossible (to Anglophone readers) ‘empathy-enabling role of the media’ to provide the ‘emotional basis for solidarity’; and here also that he recommends that ‘people of all social groups would have no option but to grow up (if not at home) in the same crèches and the same schools or to be born and die (if not at home) in the same hospitals. Perhaps one should even introduce compulsory public service whose explicit purpose may be, say, to look after the environment’ (p. 231).

In this Van Parijs goes beyond what would be feasible, even in Sweden or Denmark. He acknowledges that the engineering of ‘a sufficient level of social cohesion’ would be anti-individualistic and more communitarian than left-libertarian. My concern here is not so much that in this section he violates all the principles and methodological standards stipulated at the start of his book, but that he does so in such an implausible way.

The point surely is that the political basis for institutional innovation and design can only be in a very limited sense derived from rational argument and analysis, as Pareto (1916, pp 244-5) among others acknowledged. The ‘emotional basis for solidarity’ is just that – a set of images, feelings and interpretations of social rights and obligations, derived from the culture which shapes and regulates the collective life of a society. It reflects the system of social value which prevails within those social relations. The irony is that Van Parijs’s economistic individualism is far more in tune with the dominant culture of affluent countries (especially the Anglophone ones) than with his ‘solidaristic patriotism’.

The main innovations of the post-Washington Consensus which allows a greater role for government intervention, regulation, public services and social capital than its predecessor neo-liberal ideology, are not in fact concerns with solidarity and equality. They rely on an extension of the economics of information and contract into every corner of societies. The World Bank's modified model for human development relies on the financial capital of the affluent world to drive through global integration, and hence increased welfare in the developing countries.

'[F]inancial institutions ... are critical in determining the behaviour of the economy, and ... the central features of banks and bank behaviour can be understood in terms of (or derived from) an analysis of information imperfections' (Stiglitz and Greenwald, 2003, pp 3-4).

Thus the role of governments and central banks is to act as insurers for the whole economy, writing contracts to try to regulate the behaviour, first of banks, and through them of all other agents, in line with the theory of contract (Bolton and Dewatripont, 2005). '[T]he regulator (the principal) tries to control or affect the behaviour of the bank (the agent) to make the bank act more in accord with social objectives' (Stiglitz and Greenwald, 2003, p. 204), and this omnipotent role spreads out to the whole economy.

'Households are often not perfectly rational. Households and firms ... certainly don't have perfect information ... Models based on more realistic assumptions ... provide an additional rationale for government to intervene in the economy and

additional tools for government and central banks to stabilise the economy' (Stiglitz et al., 2006, p. 47).

Pause for hollow laughter. The 'credit crunch' has revealed the impotence of such master manipulators of financial markets as Gordon Brown (transformed, at a stroke, 'from Stalin to Mr Bean'), the Bank of England and the Federal Reserve. If contract has been the basis for the stability of the global economy, it is time to look for other ways of regulating human development.

I have argued that culture offers a feasible long-term alternative, but it requires painstaking construction (just as it can be almost instantly destroyed). In the field of income maintenance, an example of these twin aspects of cultural regulation concerns Russian war and work veterans, whose pensions were called 'privileges' under Soviet rule, and consisted mainly in benefits in kind. When the recent reforms proposed replacing them with cash assistance, the veterans fought a formidable campaign of resistance, insisting that their status demanded a respectful and inclusive form of recognition, not a stigmatised kind of poverty relief (Russell, 2007). Once this opposition had been defeated, the veterans mobilised to maximise their claims, and were first in the queue for the new benefits (Danilova, 2007).

Culture, as a way of coordinating regulating behaviour, involves interpersonal interactions, in which claims of recognition and respect, using the ideas and images of members' repertoire of sense-making resources, are negotiated. Goffman (1967) called these claims and their acknowledgment 'face'.

‘The term “face” may be defined as the positive social value a person effectively claims for himself by the line others assume he has taken during a particular contract’ (Goffman, 1967, p. 5).

The ‘face-work’ done in such interactions is largely cooperative – a collaborative production of social value, which is then distributed between the participants.

‘The combined effect of the rule of self-respect and the rule of considerateness is that the person tends to conduct himself in a encounter so as to maintain both his own face and the face of the other participants ... The mutual acceptance of lines has an important conservative effect on encounters’ (Goffman, 1967, pp11-12).

So certain ‘habitual and standardised practices’ with a ‘logically coherent framework’ (p. 13) are built up through interactions, and this makes the value constructed by individuals, and negotiated between them, part of the culture of a community, sustained within its institutions. Like Douglas, Goffman sees this type of value, even in affluent societies, as ‘sacred’, because it concerns ‘judgements of social worth’ in ‘ritual relationships’.

‘I use the term ritual because I am dealing with acts through whose symbolic component the actor shows how worthy he is of respect on how he feels others are of it ... One’s face, then, is a sacred thing, and the expressive order required to sustain it is therefore a ritual one’ (Goffman, 1967, p 19).

The logic and dynamic of cultural regulation involving social value could scarcely be more different from the contractual regulation favoured by Third Way governments and the World Bank. If basic income's feasibility ultimately rests on solidarity and social cohesion, it is to analyses of this kind that its advocates must turn. Even if the starting point of social relations is an individualistic one, it is cultures alone that can provide the respect and concern which are necessary for its redistributive principles. This implies that the logic of economic development cannot afford to ignore the cultural resources by which these relations are sustained. As with the Russian veterans, the social value communicated by redistributive institutions is a fundamental aspect of public policies.

Conclusions

My argument has been that the case for basic income, and especially the case for a world-wide redistributive scheme to include the populations of developing countries in massive redistributive transfers, is weakened by the implication (or direct claim) that this can best be achieved through economic integration and individualisation. The subversion of social relations for producing and distributing social value which these processes of commercialisation and contracting would entail would be damaging for well-being, and might undermine the solidarities on which basic income schemes would depend. The basic income proposal must be made consistent with the protection of social value in the development process.

This implies that, in all public policy decisions, the maximisation of welfare according to the Pareto on leximin principles must be accountable to the standard of

the maximisation of well-being, seen as the product of cultural processes, sustained by social and political institutions. So, for example, the goal should not be to make all labour markets as flexible as possible, by exposing individuals to global competitive forces, but to find institutions which allow people to develop themselves in work over time, as in the regulated labour markets of the Scandinavian countries (Haagh, 2008).

Conversely, of course, social arrangements must be accountable to economic standards of efficiency and welfare maximisation. But politics should be about balancing these principles, not managing the ‘creative destruction’ of globalising forces. The long-term prospects for basic income will be better served if social value is nurtured in the development process – especially through those institutions which encourage sharing and concern within collective units of many kinds.

What the debate about ‘stalled well-being’ in the affluent countries can reveal is that the individualisation of social relations, and the substitution of contract for other forms of regulation, have had many unintended consequences. Not least of these is the increased authoritarianism and surveillance of governments in the Anglophone countries; the idea that individual citizens will ‘make themselves’ through their projects of self-realisation and self-improvement (Rose, 1996) has ironically led to more and more interventions to try to shape them into beings suitable for these tasks.

In the UK, the ‘New Contract for Welfare’, which spells out duties of self-responsibility in markets (DSS, 1998, p. 80) is now underpinned by a whole series of new contracts and penalties (parenting contracts, acceptable behaviour contracts, job-search contracts, etc.) for those who fail to attain these standards. In addition, the

evidence of debt, obesity, drug and alcohol abuse, disorder and family breakdown bears witness to the failures of markets and contractual relations to achieve self-regulation and self-fulfilment (Offer, 2006).

As a result, the most potent arguments for basic income in these countries are now derived from the unintended consequences of contract and individualisation – the burgeoning of complex and costly schemes for targeting socially undesirable behaviour by poor people, and setting more detailed conditions and benefits, none of which reduce the problems endemic in deprived communities. The integration of tax-benefit systems and the simplicity of a basic income scheme would overcome many of the perversities of these systems.

It is also increasingly being recognised that contractual regulation, through the manipulation of incentives, and the monitoring of performance under sanction, cannot achieve the socially desirable outcomes of government programmes. In the UK, a series of scandals and failures in public agencies have led to calls for ‘culture shifts’ – reforms which address the standards and practices of organisations, rather than new targets and surveillance within managerialist principles. What is not yet well understood is what these culture shifts would entail, in terms of new styles of interaction and relationship. Here the private sector is probably well ahead of the game, with much more emphasis on developing cultures of excellence, respecting the nurturing of craft and quality (Sennett, 2008).

For basic income advocates to embrace the notions of social value and cultural regulation would involve abandoning some of the elegant abstractions of its

philosophical justifications, or modifying them in line with the claims of messy social realities.

But increasing concern about well-being, manifested both in levels of stress and anxiety among mainstream populations, and of disorder and deviance among poor ones, is demanding a reassessment of the whole approach to welfare policies (Jordan, 2008). Basic income analysis cannot isolate itself from these debates; nor can affluent countries impose upon developing states new versions of the mistakes we in the rich world have made.

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