

BIEN CONGRESS 2008

**Theme: Inequality and Development in a Globalised
Economy -**

The Basic Income Option

*Basic Income and Counter-
power in Cognitive Capitalism*

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Aims of the paper

- analyse the different proposal of basic income
- describe the main features of the accumulation paradigm named *Cognitive Capitalism* (Vercellone 2006, Fumagalli 2007, Moulier-Boutang, 2007)
- analyse why basic income hypothesis can be considered a tool of counter-power in *Cognitive Capitalism*



THEORETICAL APPROACHES 1

**1.1) BASIC INCOME AS MEANS TO GET INDEPENDENCE
⇒ ABSENCE OF AN *UNREASONED* DOMINATING CONTROL
(Pettit 2008)**

BUT

the absence of *unreasoned dominating control* does not mean real freedom

**1.2) BASIC INCOME AS AN INCOME NEGATIVE TAX
(Milton Friedman)**

- All those who are under the threshold of relative poverty should not pay taxes.
- The State should pay the difference necessary to reach the threshold of relative poverty. ⇒ Dismantling of the welfare system.

BUT

Real freedom requires the enjoyment of a certain set of material assets granting individuals socioeconomic independence from others

⇒ Embracing a policy of promoting socio-economic independence through ownership of certain resources (Cassasas 2008)

THEORETICAL APPROACHES 2

2) BASIC INCOME AS A MINIMUM INCOME

(Delors Commission, 1990, Supiot Report, 2003)

Distribution of an income only to poor people
independent

from any work undertaken, require different degree of
offset

on the part of those who receive it, last until the person
remain under the threshold of poverty.

A softer version is the guaranteed wage that is
provided for

a limited period of time to those who are unemployed

BUT

Minimum income does not mean *real freedom*

THEORETICAL APPROACHES 3.1

3.1) BASIC INCOME AS UNIVERSAL, UNCONDITIONAL, TEMPORALLY UNLIMITED PERSONAL INCOME

⇒ “Expanding the *realm of freedom* may mean that an increasing part of society’s wealth is produced outside the formal sector, in the form of self-production, mutual help, volunteer work, etc...” (van der Veen and Van Parijs 1986, 2006)

⇒ Capitalist Road to Communism

BUT

It needs the analysis of power/counter-power implications.



THEORETICAL APPROACHES 3.2

3.2) BASIC INCOME AS A CLAIM

able to challenge the power posed by the new paradigm of cognitive capitalism (Fumagalli, 2000, 2007, Gorz, 2003, Vercellone, 2005).

In this framework, basic income represents the remuneration of all the productive activities which are not considered in the certified (hence paid) work-time.

From this point of view, basic income is not a tool of a redistribution policy (given an income distribution framework), but it is directly a distributive variable.



Cognitive Capitalism (CC)

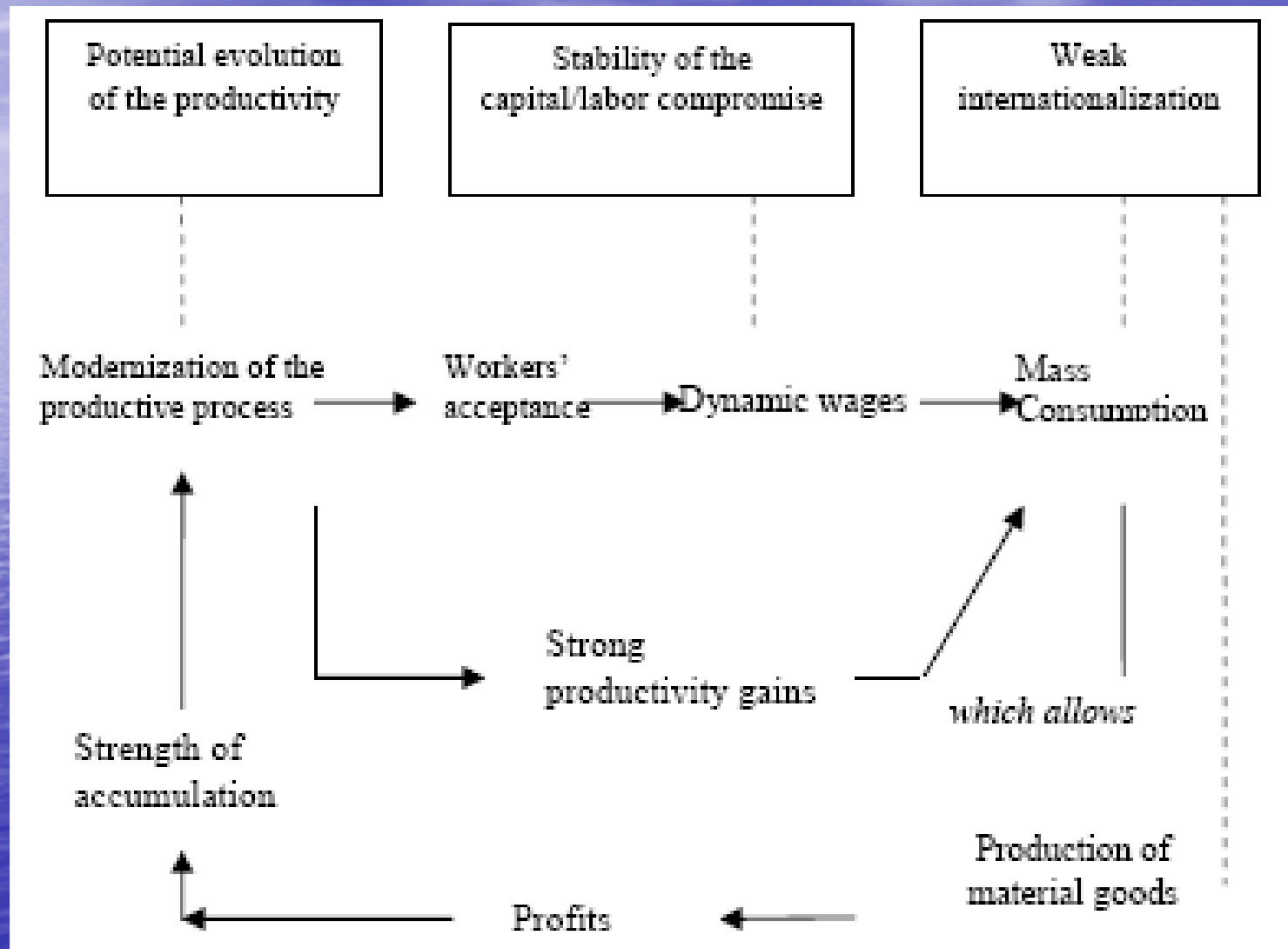
- CC is a forms of accumulation without a viable mode of regulation among entrepreneurs and workers about knowledge exploitation and capital gains allocation.
- CC is characterized by increasing returns thanks to knowledge-learning process (λ) and network economies (κ) (Nelson and Romer 1998, Arthur, 1994)

The virtuous circle of codified knowledge

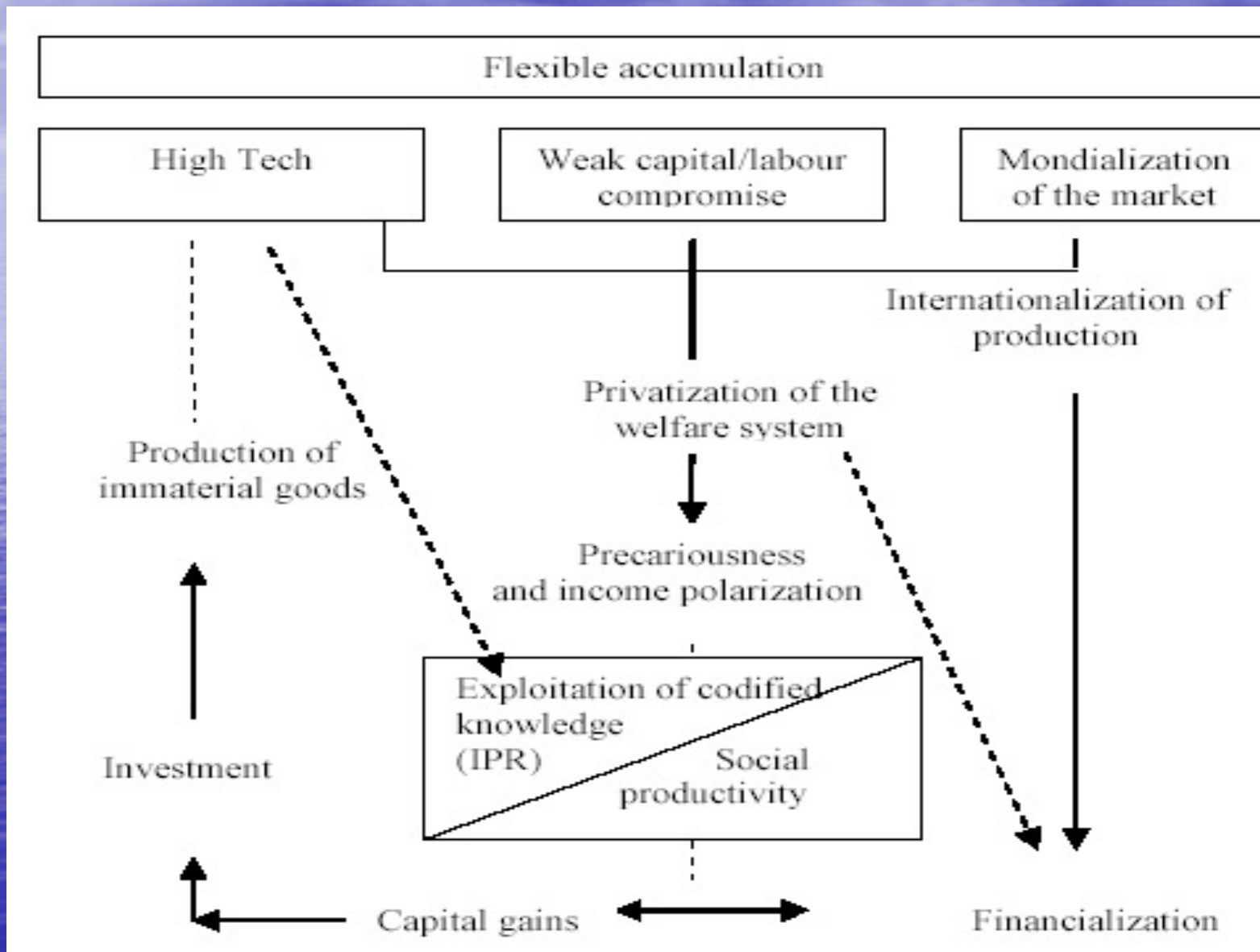
$$Y_{t+1} \rightarrow I_t \rightarrow \begin{matrix} \rightarrow k(Y^+, E^+) \\ \rightarrow \lambda(P^e+, IPR^-) \end{matrix} \rightarrow \Delta^+ \pi_t \rightarrow Y_t$$

- network economies (k) are positively correlated to the level of production as proxy of the value of spatial diffusion of economic activities (Y), and to externalities E , supposed to be exogenous;
- learning economies (λ) as a positive function of investment activity (through expected profits, P^e) and a negative function of exogenous intellectual property rights (IPR)

The virtuous circle of the Fordist growth (Boyer 2004a)



UNCERTAINTY AND INSTABILITY IN COGNITIVE CAPITALISM



POWER IN COGNITIVE CAPITALISM (I)

Post-Panopticon society: power as the structural capacity of a social actor to impose its will over other(s) actor(s) without the compulsory use of strength and discipline → society of control (Deleuze) .

Some trends (Castells, 2007) :

- **increasing role by media in interaction with politics and in the production of culture;**
- **diminishing role of the State (the main site of power in Fordism), challenged by globalization that limits its sovereign decision making and by market pressures towards deregulation that reduces its capacity to intervene;**
- **cultural industries and business media are characterised at the same time by business concentration and market segmentation.**

POWER IN COGNITIVE CAPITALISM (II)

WHAT DOES NOT EXIST IN THE MEDIA, DOES NOT EXIST IN THE PUBLIC MIND..... but.....

THE MEDIA ARE NOT THE HOLDERS OF POWER, BUT THEY CONSTITUTE BY AND LARGE THE SPACE WHERE POWER IS DECIDED.

POWER RELATIONS IN COGNITIVE CAPITALISM:

- a. self-control and self-discipline of the work between
 - a. consensus and b. blackmail induced by
 - a. social imaginaries (through media and cultural dominance) and
 - b. precarious life conditions (as result of the more and more prevalent individualisation of labour contracts)

- a. Business concentration and increasing control on R&D dynamics (technological flows) and on “finance” activity (financial markets).
 - Intellectual Property Rights (IPR)
 - Finance as source of innovation and of economic power

COUNTER-POWER IN COGNITIVE CAPITALISM (I)

A. THE CAPACITY OF A SOCIAL ACTOR TO RESIST AND CHALLENGE POWER RELATIONS THAT ARE INSTITUTIONALISED AND DOMINANT (CASTELLS, 2007)

B. THE PRODUCTION OF NEW FORMS OF LIVING, THAT ARE IRREDUCIBLE TO CAPITALISTIC INSTITUTIONS (NEGRI, 2007)

HENCE:

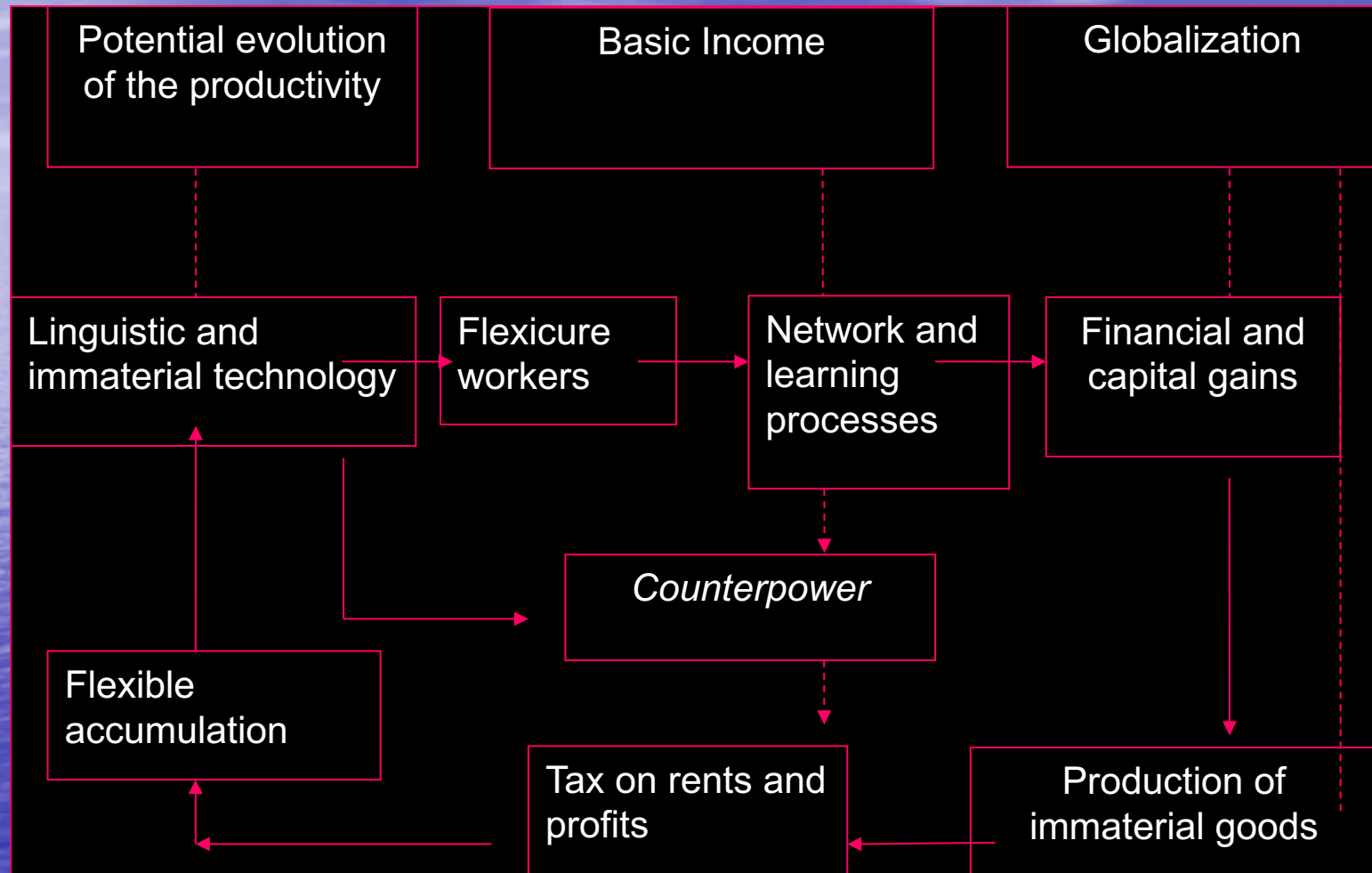
- **REDUCTION OF THE PRECARIETY BLACKMAIL → INCOME GUARANTEE**
- **REAPPROPRIATION OF PERSONAL CAPACITY TO CREATE KNOWLEDGE AS COMMON GOOD AND NO MORE AS PRIVATE GOOD → REDUCTION OF IPR**

CAN BASIC INCOME BE CONSIDERED A FORM OF COUNTER-POWER?

WE THINK IT IS A PRE-CONDITION TO IMPLEMENT IT

- 1. IT CAN BE A FORM OF MONETARY COUNTER-POWER
→ IT REDUCES THE INCOME BLACKMAIL**
- 2. IT CAN BE A FORM OF CULTURAL COUNTER-POWER → IT INCREASES THE RIGHT TO CHOOSE AND THE OPPORTUNITY TO EXPERIMENT “ALTERNATIVES” AND TO FREE MINDS FROM MEDIA-SOCIAL CONTROL**
- 3. IT CAN BE A FORM OF SOCIAL COUNTER-POWER → POTENTIAL TOOL OF CLASS RECOMPOSITION**

Figure 3: Basic Income and Counter-power in Cognitive Capitalism



**“Emancipate yourselves from mental slavery
no-one but ourselves can free our mind”**

(Bob Marley, Redemption Song)

THANK-YOU FOR YOUR ATTENTION