

BASIC INCOME CONFERENCE ABSTRACT

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BASIC INCOME - Greater Freedom of Choice Through Greater
Economic Security of the Person

ABSTRACT

Ever since the Industrial Era the populations of the world's developed countries have become increasingly co-dependent upon employers through the exchange of their labour for employment and, thereby, some sense of economic security of the person. Unfortunately, full employment of a population has never been possible, resulting in far too many people being left vulnerable to economic destitution. In recent years, globalization has allowed businesses and industries the freedom to seek out opportunities where cheaper labour and greater profits are possible, while the communities they leave behind are often economically devastated as a result. A Basic Income offers a nation's citizenry a hedge against this sort of economic insecurity and co-dependence regardless of one's employment status. Greater economic security of the person also means greater freedom of choice in how to occupy one's time, not just in employment, but in a host of personal and community enriching endeavours such as volunteerism, the Arts, child

rearing and home schooling. Therefore, just as globalization has provided businesses and industries with greater freedom of choice [in where to locate] and greater economic security [by increasing their profits] so too does a Basic Income provide a nation's citizens with greater economic security and stability [without the terror of being unemployed] and far greater freedom of choice in how to occupy their limited time on this planet than simply exchanging their labour for wages.

I came here today to speak to an idea I believe represents a significant leap forward in both human thought and human existence... namely the concept of a livable, and annually guaranteed by the state, basic income. As a person who went from a lucrative job in the computer industry for 25 years to the Canadian welfare roles for another 5 years and now enjoys a windfall investment income as a retiree, I can personally attest to both the societal degradation imposed upon welfare recipients and the personal freedom and security a liveable income can provide.

Throughout this presentation I will be combining the terms Guaranteed, Liveable and Basic Income simply because they all refer to and involve very similar, state sponsored, income supports. Supports which I contend go a long ways to providing a much needed bridge between the often conflicting needs and interests of businesses..., industries... and communities. But this paper is not about maintaining some sort of mere subsistence income level such as we see with welfare rates around the world, but an income level that is a **liveable income**, one that is both ensured and funded by the state as well as being universal in its application. An income level with which it is possible to have a modest but comfortable level of existence that is actually deemed 'livable' and not just sustaining one's existence at an impoverished level. One that pays the rent, ensures the larder is not empty and no one has to compromise their health and/or safety just to survive.

Guaranteed and Basic Income concepts have been around for some time but, in this 21st century of globalized markets, they represent income support systems which I believe offer

the best mechanism for modern day communities to cope with the impacts of that globalization! Even more importantly, a Basic, Guaranteed and annually funded Income which is actually liveable also heralds the potential to finally free us all from the wage-slave relationship that has dogged capitalism from its inception. Today we are witness to communities everywhere struggling to cope with massive layoffs, plant closures and the economic aftermath of businesses and industries arbitrarily shifting their operations around the planet while attempting to maximize their own survivability in the globalized marketplace.

Ever since the Industrial Revolution, whole communities have become increasingly dependent upon employers for their economic well-being. But very few businesses or industries ever wanted the responsibility of providing this particular function. Businesses and industries have always placed their own interests first and foremost, interests which - for the most part - mean the pursuit of ever greater profits while incurring the lowest possible costs. Of course, just like you and I, businesses and industries *must* always consider their own economic security first, and employees are increasingly being identified as a major cost factor in that decision making process. For businesses the impact of fluctuating markets and costs *must* invariably take precedence over the economic needs and interests of their workers or the communities they operate in. Nor is that necessarily a bad thing.

The Globalization of markets means that businesses have been freed from the limitations, constraints and vagaries of national and regional protectionism that they once knew.

With globalization they are free to seek out other opportunities for themselves wherever they may be found on the planet and, naturally, to accept the risks and advantages that this freedom of movement incurs.

Unfortunately, while more and more employers are benefiting significantly from this freedom of global access and choice, far too many communities and the people that live in them are not. Whole regions have experienced dramatic economic declines as an unintentional but inevitable consequence of the globalization of markets.

Yet it is possible to see this conundrum as an important and much needed wakeup call. Communities and their citizens have become so dependent upon business and industry to provide them with jobs that it has become a dysfunctional addiction-like co-dependence. This co-dependency has lead many communities to expect businesses and industries to maintain jobs *regardless* of the negative impact it can have on their own profit margins. This co-dependency for jobs has resulted in employers viewing employees more and more as liabilities and less and less as valuable assets. In essence, the employee/employer dichotomy has become such an increasingly dysfunctional economic relationship that in this 21st century fails to serve either party adequately. If, in fact, it ever did.

But if a nation professes itself to champion freedom in general and freedom of choice in particular, then it only makes sense that business and industry be free to choose what ever legitimate opportunities are available to them whenever and wherever those opportunities may be found.

Likewise, it also makes sense that the people who comprise the workforce that businesses rely on should also experience the freedom to seek out whatever legitimate life opportunities they may desire as well.

It is time to cut the umbilical cord that binds communities to employers for "jobs" while at the same time forcing many employees into the status of mere serfs and wage slaves. It is a relationship that is strangling the performance of far too many of the businesses and industries within those communities while at the same time robbing the people that live in those communities of the very freedoms of existence and choice we say we cherish so much. In essence, the time has come to put that freedom of choice rhetoric to the test and an annually guaranteed, basic, **liveable** income is an excellent method of promoting those freedoms.

Of course, any annually provided and guaranteed, basic income **must** also be a liveable one in order to provide the ideal bridge between the competing economic needs of business, industry and the communities they operate in. The provision of such an income support means that many more people will be free to choose for themselves how they will occupy their time on this planet and what activities they will participate in during their lifetime. After all, there really is a rich and fascinating life to be found outside the workplace.

For example, volunteerism may not "bring home the bacon", but it is an activity which embeds a person in the well-being of their community and provides the volunteer with a personal sense of worth **and** purpose that few "jobs" are

able to instil. Volunteerism is the life blood of NGO's and non-profit organizations around the world and the social capital - the intrinsic wealth - that volunteers create in terms of community services, community supports and community pride is deemed by many to far exceed any monetary considerations that might be applied.

It is also quite possible that a nation's artistic community would explode in a modern day Renaissance when its fledgling artists are finally free to explore their passions and to share their vocations with their communities without the drudgery of first performing repetitive and - to many artists - meaningless tasks in the workplace in order to then be able to pursue their true callings. Local and amateur sports would also take off and the resulting increased health and wellness benefits that would occur are already acknowledged as important by products of regular exercise.

Imagine being able to take the time that it requires to *fully* recover from an illness or an accident without the worry of how to pay the bills and whether the "job" will be still there. Far too much illness is spread by employees who cannot afford to stay home till they recover or who fear being sanctioned by an employer for being ill in the first place.

Imagine being free to take a course or two to broaden one's knowledge and understanding of the world we live in **without** the imposition and distraction of trying to earn enough to survive, or incurring the sort of enormous debts students are being saddled with today while attempting to better

themselves. Imagine taking post-secondary courses, not because they might improve one's employability but simply because we wish to be better informed regarding a particular subject and in a variety of disciplines.

Imagine being free to fully invest the time and energies it takes to resolve those family crises that pop up occasionally and which take a terrible toll on everyone involved as we try to juggle the demands of family, life and work all at the same time.

Imagine being free to be a full time parent, or student, or volunteer, or care-giver to elderly and infirm family members, or any combination of these as the need arises.

Imagine simply having the time to grieve the loss of a loved one for how ever long that grieving process takes, without the hassles of having to maintain employment and its unwelcome intrusions into one's personal life simply to obtain enough money to survive during such difficult and trying times.

There would be no end to the life crises, the vocations, the hobbies, the community endeavours and the personal interests that people could involve themselves in fully if they had the sort of economic security that a livable, annualized and Guaranteed Basic income can provide.

Nor should we overlook the benefits to the business community that would flow into their coffers from the state providing its citizens with a Guaranteed livable Income. Employers could easily be freed from minimum wage

legislation when governments become responsible for the economic well-being of their citizens, rather than employers. Instead of constantly squabbling over wages, employers will be free to offer other employment incentives such as vacations, condos, cars or the company's products themselves. As one small example, in British Columbia where I live there are a number of ski hills and eco-tourism activities that attract hundreds of young people every year for employment, and many of those employees would be perfectly happy being paid in lift tickets and lodgings if they had their basic income needs already taken care of.

Today we all know people who view themselves as "stuck" with jobs they do not like, and feel trapped in, simply because of the economic benefits that the pay-check provides, but who are also less than productive - some are even counter productive - as a consequence of their level of dissatisfaction with the job. An annually guaranteed livable income would go a long ways to ensuring that the person seeking the employment was actually motivated and interested in performing the tasks entailed in the job. Nor would there be any dearth of employees seeking the jobs because there will always be people who desire more 'stuff' and a higher standard of living for themselves than those who are content with a modest livable income.

With an annualized and Guaranteed basic livable income supporting the communities and their inhabitants, employers would be much more likely to get employees who actually want that particular job and who wish to perform that particular task rather than those who are there simply

because it provides them with the much needed pay-check. And, most importantly, as markets and costs fluctuate employers would be freed from having to "protect jobs" during times of volatile markets, just as the employees and their communities will be freed from any dysfunctional co-dependence upon those jobs for their economic security. But the coercive threat of a subsistence existence outside of "employment" has to end. It is demeaning to the employee and is counterproductive for the employer.

While some may find the concept of a guaranteed basic level of income for citizens to be a rather provocative idea, it is important to remember there are already a variety of similar scenarios already in place within the business community of every developed nation around the world. For example, a vast array of businesses have created their own Guaranteed Incomes out of the millions of credit cards holders who only make minimum payments and who carry ever-increasing interest bearing balances from month to month. Mortgages that take decades to pay off do the same thing for banks. Companies, both public and private, that supply local and regional customer services such as phone, cable and electricity to a captive customer base for a monthly fee may well see their customers as walking and talking guaranteed income generators.

And, of course, there are the taxes that we all end up paying in one form or another that provide governments with their own brand of guaranteed incomes. An important hallmark of any developing nation is the societal infrastructure they provide to their citizens. Hospitals, schools, highways, fire and police departments,

universities, street lights and public transportation are just a few of the societal advantages that flow from taxation. Granted, there are those who decry their own levels of taxation, but few of them would willingly forgo the societal infrastructures those taxes provide and it is also why taxation is not just inevitable but essential to the well being of a nation.

In Canada as in many other nations, we already have dozens of guaranteed and basic income supplements flowing to specific segments of the Canadian population in the form of old age pensions, handicapped pensions, military pensions, student loans, welfare, make work projects, unemployment insurance, farm subsidies, corporate subsidies, child care subsidies and a host of others. Every income supplement and employer subsidy that governments provide offers up its own variation of basic and guaranteed incomes for targeted segments of the population, although only a few of them actually provide a "liveable" income. But any income supplement that targets specific groups while ignoring others invariably creates all sorts of animosities and further divides communities into "us and them" dichotomies.

The fat pensions invariably protected by 'cost of living allowances' [COLA clauses] that politicians and bureaucrats the world over enjoy stand as classic examples of just how much they are in favour of the concept of a liveable and guaranteed income for themselves when they leave office even though they may have been in that office only a fraction of the time ordinary workers must put in for their own meagre retirement pensions.

In Canada income supplements are provided by both the federal and provincial governments, and many of the attendant and expensive bureaucracies have been duplicated in each and every province and territory in the country by those governments. But what is most disturbing about all these income supplements is that many of them fail to provide a true, livable income and that each and every one of them invariably has its own very costly bureaucracy assigned to policing and administering the monies while consuming the equivalent of 50% or more of their budgets for their own existence.

In other words, billions of dollars are wasted annually by having bureaucrats endless counting and policing the monies that flow through these income supports simply out of some misguided fear that someone might get more money than they appear entitled to. These bureaucracies and the targeting of specific groups are constantly creating societal divisions between those that receive the supplements and those that do not. But ask anyone who is currently receiving a liveable pension of some kind and you will be hard pressed to find one person that would give it up or that would put any sort of negative connotation on it.

This then should be the goal of any citizen based Basic, livable and Guaranteed Income instrument, namely to provide all of the citizens of that nation with the *same*, basic opportunity for economic security so that we all are finally and truly free to pursue whatever life interests, personal demands and self enriching opportunities we may encounter throughout our lives. What I am talking about here is enlarging the concept of "freedom of choice" to

include just how a person spends the limited time they have on this planet. A freedom of choice which, for some, would mean spending time on tasks that might not provide them with an employment based income, but which the individual may well find far more rewarding and enriching for themselves, their families and especially the communities they live in. But the most important aspect I wish to promote today is that we free our citizens from the economic servitude that has been created by the single-minded idea that the only way a person has real value in their community is based on the wages they earn and the "job" they perform.

One thing we must all bear in mind as we mull over this concept of a Guaranteed Basic and liveable income is that the whole economic system that dominates human existence on this planet today is nothing more than an illusion, a game of numbers that we have created out of the need to place some sort of value on goods and services. In other words it is not a real *thing*, but simply an artificial construct that we have adopted and expanded upon for centuries and whose existing structure many people have come to believe - - quite falsely I might add - is inevitable. It most definitely is not inevitable. It is because the economic system we practice **is** a man-made one that there is absolutely no reason why we cannot restructure aspects of it such as the employer/employee relationship and the huge bureaucracies that have been created so that we can better address the needs and interests of the people, their communities and the businesses and industries that participate in that economic system.

Let us not forget that human beings have sent representatives to the moon and brought them back safely and that was a very real world event indeed. If we can do that, we can certainly restructure this artificially constructed economic system we find ourselves immersed in.

One of my personally favoured changes involves the elimination of income taxation entirely and replacing it with a flat goods and services tax. In this way, all the income you earn, is yours to take home. By doing so, we gain a significant sense of self empowerment over our rate of taxation and if we do not wish to pay a lot in taxes, then we can simply cut back on buying so many luxury and convenience items. But those who are consuming the most and, thereby, utilizing the most of the planet's resources *should* be the ones paying the most in taxation. Another, as previously indicated, is the downsizing of government by combining all income support and employer subsidies into one universally applied livable income support and the elimination of many of the superfluous bureaucracies and all the expense they incur. A third is to place premium costs on businesses and industries seeking to utilize and exploit our resources. Sure they will rant and rave about the cost, but we would all be well advised to remember that businesses and industries are, themselves, addicted to ever increasing profit margins and, just like all addicts they will pony up whatever it takes to get their next 'fix'.

But I have not come here to suggest how to restructure the economic system. There are others here at this conference who have some excellent and creative ideas in that regard. My emphasis is on expanding our concepts of freedom to

include the freedom of choice in how we spend our lives. It is time to issue a challenge to all those nations that profess to champion freedom that the time has come for that nation to put up or shut up about that freedom. It is time that workers and employers **both** where finally freed from the outdated and increasingly dysfunctional economic relationship that has developed. It is time we put a stop to the growth of bloated bureaucracies who do little more than endlessly police and pinch the pennies that flow through their hands. It is time that democratically elected governments provided their citizens with a guaranteed, liveable base income, one that ensures true freedom of choice and true freedom of life for all their citizens. We need to encourage democratically elected governments to take on the responsibility for their own citizen's economic security and well-being by finally providing those citizens with the freedom to choice how they will live out their lives without any coercive employability demands. A government that will not take up this challenge is a government that is unable or unwilling to move into the 21st century.

Thank you