

The Basic Income Campaign in the United States, 2008

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Abstract: Though guaranteed income has not been a topic of public debate in the United States for several decades, now may be the time for this idea to come again. The main reasons are widespread economic insecurity and anger about the political system and situation. A new nonprofit organization, the Income Security Institute, is educating people, working with other nonprofits and alongside political campaigns. Public debate in the United States can help further efforts for basic income in other countries.

The time appears to be right for guaranteed income to reemerge in the United States. Of course “re-emerge” will surprise most Americans, very few of whom know that a guaranteed income plan passed in the House of Representatives in 1970 with two-thirds of the vote but was narrowly defeated in the Senate, nor that supporters of the idea included Martin Luther King Jr, Richard Nixon, George McGovern, and more than 1,200 economists, among them Milton Friedman, James Tobin, and John Kenneth Galbraith.

This reemergence is now possible due to widespread economic difficulties and dissatisfaction with the political system and situation. People are worried, struggling, sometimes angry and sometimes scared due to higher costs for food and fuel, declining home values, and rising unemployment. Roughly 80 percent of Americans think the country “is on the wrong track,” according to several polls in June and July 2008, and a record high, 52 percent, of voters have a negative view of Congress.

Poverty and economic inequality are on the political agenda, primarily because John Edwards, in his campaign for the Democratic presidential nomination, spoke often and movingly about “two Americas,” one poor and the other rich, with a growing social, cultural, and political divide between them. His most specific proposals: raise the minimum wage and expand the Earned Income Tax Credit, which provides income supplements to workers who earn less than \$40,000 a year. Edwards continues to campaign for these policies. Barack Obama has endorsed them.

John McCain insists that the best and most effective way to reduce poverty is through faster economic growth. To promote that growth, he wants to extend the Bush tax cuts,

which are targeted toward the rich and based on the idea that people will invest the money, thereby creating jobs.

In terms of reducing poverty, economists – even conservative pro-business Republican economists – generally agree that economic growth has been far less effective than the EITC. The EITC, however, like the minimum wage, does nothing for the unemployed. Moreover, it is a complicated part of the tax code, so millions of people who qualify never receive any funds. It also traps recipients in near poverty and functions as an indirect subsidy to low-wage employers like Wal-Mart.

Economic growth directly helps the wealthy, not the poor. The benefits over the past three decades have gone mostly to the top 10 percent, overwhelmingly the top 1 percent, while the incomes of the bottom 20 percent have fallen and roughly 50 percent have barely kept up with inflation. These disparities have been exacerbated dramatically over the past year by rising costs for food and fuel. Income inequality, the gap between the very rich and the majority of citizens, has gotten a lot of attention in the news media and from many antipoverty and social justice organizations. As with poverty, however, conventional policies are clearly inadequate.

Basic income is the solution almost no one is talking about it. To shift the discourse, a new nonprofit organization, the Income Security Institute, is being launched. Its mission:

The Income Security Institute studies income security and proposals to guarantee it for everyone. People who cannot afford basic living expenses are not free, in the meaningful sense intended by the Founders of the United States and visionaries around the world. Democracy cannot function effectively unless every citizen can afford to participate. We therefore study old and new proposals to provide universal income security within market-based democratic societies. We also promote discussion of such proposals in academic, media, and political forums.

The Institute will study and promote any and all types of basic income, guaranteed income, negative income tax, citizens income, Citizen Dividends, and so on. We seek to appeal to people from all political persuasions and perspectives. Contributions are fully tax-deductible and the Institute will be seeking contributions from foundations, labor unions, religious groups, and other organizations, in addition to individuals. An associated nonprofit, the Campaign for Income Security, will engage in political advocacy and lobbying, though contributions will not be tax-deductible.

We chose the name to play off the common term “economic security,” which is typically supposed to be achieved by government efforts to create jobs and promote economic growth, by government working with and through the market. Emphasizing “income” clearly distinguishes our approach.

A major promotional strategy is to work alongside existing nonprofits that focus on poverty, hunger, homelessness, economic justice, and other issues, seeking to educate them about the power of universal income security and how that will allow them to be much more successful in their campaigns. As our mission statement indicates, we view income security as necessary for democracy, and therefore a vehicle for progress on

health care, education reform, slowing global warming, and promoting peace. We thus seek to work through and with groups advocating on each of these, and other, issues or problems.

A parallel strategy is to work with political campaigns. In 2004 the Green Party of the United States added a platform plank calling for a basic income. Most U.S. Greens are only vaguely aware of the idea and its power to bring progress in many areas, social, cultural, economic, environmental, and political. A goal in working with Greens is to get them to campaign for basic income. Such Green campaigns will thereby educate the general public, perhaps attracting many new voters. And perhaps encouraging Democrats, Republicans, Libertarians, and independent candidates to call for basic income.

Another aspect of the Institute strategy is to use U.S. history to validate the idea. Early proponents of some type of income security include Thomas Jefferson, Thomas Paine, and Abraham Lincoln. The Progressive and Populist movements of the 1890s were sparked in part by Henry George and Edward Bellamy. When Social Security was enacted in 1935, it was in response to movements for guaranteed income founded by Huey Long and Francis Townsend. Interestingly, the mass movements of the 1960s were mostly about civil rights, women's rights, and ending the war in Vietnam; the calls for guaranteed income came mostly from economists, other social scientists, and political leaders, including Martin Luther King, not the general public.

The main obstacle we see is the general sentiment that it is somehow wrong to give people money. Such statements are common, even from people who identify themselves as liberal, progressive, compassionate, committed to ending poverty, hunger, and homelessness. People expressing that view sometimes admit that their attitude is purely emotional, visceral, and they have never really thought about it. Accordingly, a useful response to any such concern is to encourage people to think about the fact that life and liberty require a little bit of cash. And about the fact that conventional policies are failing. Encouraging people to think, sincerely and personally, seems to be the best way to help them release knee-jerk prejudices.

However successful we are, we anticipate that our efforts in the United States will assist basic income campaigns in other countries. And we plan to use progress in other countries as a source of leverage in our efforts.