Unconditional Basic Income or a Decent Social Minimum?*

*Elena Pribytkova***

I. Introduction

This paper will compare the conceptions of an unconditional basic income and a decent social minimum that represent two significant instruments of poverty and inequality alleviation. Since poverty eradication and inequality reduction remain the most pressing contemporary issues and a key to solving many other global challenges, as reaffirmed in the 2030 Agenda for Sustainable Development, it is no wonder that the social minimum and basic income approaches attract considerable attention in ongoing philosophical, legal, political, sociological and economic debates.

This paper is aimed at exploring issues surrounding the main features, strengths and weaknesses of the basic income and social minimum approaches, their moral and legal acceptability, their efficiency in combating poverty and inequality, their translatability into the language of human rights as well as the opportunities for, and obstacles to, their complementarity.

A decent social minimum I define as a set of guarantees aimed at protecting people from extreme poverty; enabling them to lead a decent life; ensuring their involvement in society and their access to shared material and intellectual values; and, in the final analysis, providing the opportunity for their moral and intellectual flourishing.

I will follow the interpretation of an unconditional basic income suggested by *Philippe Van Parijs* in his profound book "Real Freedom for All: What (if Anything) Can Justify Capitalism?" (1995). According to him, a basic income 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".[1]

My paper will be structured as follows. The first and second parts will analyse similarities and differences in the conceptions of an unconditional basic income and a decent social minimum. In the spotlight of the third part will be the issue of conditionality of the basic income and social minimum guarantees. The final part of the paper will examine the potential of both approaches to solve the problems of extreme inequality and poverty reduction.

---

* This research is supported by the SNSF Ambizione grant (No. 142547). An earlier version of this paper was presented at the Max Weber Programme Conference "The Future of Basic Income Research" organized at the European University Institute (Florence, Italy, June 26–27, 2015). I am grateful to organizers and participants of the conference and especially to *Philippe Van Parijs* and *Karl Widerquist* for their insightful and helpful comments.

** Universität Basel, E-Mail: e.pribytkova@unibas.ch

[1] *Van Parijs*, Real Freedom for All: What (If Anything) Can Justify Capitalism?, 1995, 35.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

II. What Is Common Between an Unconditional Basic Income and a Decent Social Minimum?

Both approaches certainly have a lot in common: common intellectual origins and intention to propose strategies for reducing inequalities and poverty, shared understanding of the idea that freedom is in need of conditions for its realization as well as shared criticism of unacceptable distributive inequalities not accompanied by the requirement of complete equalizing of the economic and social state of members of society.

Common forefathers of the conceptions of a social minimum and basic income were theories that knocked off the pedestal of infallibility the doctrine of *laissez-fair*e, which demands minimizing governmental interference in the sphere of economic relations, including distribution of economic and social goods. In the second half of the 19th century, thanks to the joint efforts of various, event competing, intellectual traditions, such as Marxism, social liberalism, solidarism, and Christian social doctrines, an idea that the state should take care, not only of security, but also of socio-economic guarantees of freedom and a decent life, received its justification.

Both conceptions aim at combating exclusion, humiliation, discrimination, exploitation and stigmatization of those affected by poverty; preventing the reduction of their lives to a mere struggle for existence; promoting respect for human dignity as well as their self-respect, meaningful activity and full participation in society; and providing opportunities for their development and pursuing what they believe to be a happy life.

The understanding that freedom requires socio-economic conditions for its implementation is characteristic for both approaches. In drawing a distinction between formal freedom and real freedom, *Van Parijs* asserts that the former incorporates guarantees of security and self-ownership, whereas the latter also includes opportunities for meaningful life choices.[2] This affords grounds for concluding that real freedom "is not only a matter of having the right to do what one might want to do, but also a matter of having the means for doing it". In short, "real freedom is a matter of means, not only rights".[3] *Van Parij*s' definition of real freedom, which should be ensured through an unconditional basic income, coincides in many respects with a neo-liberal idea of *freedom as ability*.[4] Proponents of the *New Liberalism* considered that "for the sake of freedom, law should take care of material conditions of its realization".[5] As opposed to negative *freedom as the absence of interference*, positive *freedom as ability* includes freedom from want and calls for a secure access to a decent standard of living. An undeniable achievement of neo-liberal conceptions is a justification of the thesis that it is law that is an

---

[2] Ibid., 22 f.

[3] Ibid., 4, 30.

[4] It is necessary to note that, alongside freedom, a number of other justificatory bases of a decent social minimum and an unconditional basic income are proposed in political and legal philosophy and practice. See, for example: *White*, Social Minimum, in: Stanford Encyclopedia of Philosophy. – http://plato.stanford.edu/entries/social-minimum/, accessed 17 October 2015; *Van Parijs*, Competing Justifications of Basic Income, in: *Van Parijs* (ed.) Arguing for Basic Income Ethical Foundations for a Radical Reform, 1992, 3 ff.

[5] *Novgorodtsev*, Pravo na dostojnoe chelovecheskoe sushhestvovanie [The Right to a Dignified Human Existence], in: Poljarnaja zvezda 3 (1905), 216 f.; *Novgorodtsev,* Vvedenie v filosofiju prava. Krizis sovremennogo pravosoznanija [An Introduction to the Philosophy of Law. The Crisis of Modern Legal Consciousness], 1909, 319.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

appropriate mechanism for safeguarding *freedom as ability.* That is why *freedom as ability to lead a decent life* should be expressed in the form of inalienable human rights.

Finally, both theories criticize unacceptable inequalities but do not appeal to absolute economic equality. The scope of a social minimum is defined by the principle of sufficiency, which does not presuppose any equalization of the socio-economic state of a person above a certain minimum level indispensable for leading a decent life and enjoying full-fledged membership in society. Following *John Rawls'* ideas, *Van Parijs* states that opportunities should be distributed not equally, but according to the maximin principle, which offers the greatest possible opportunities to the least advantaged.

In spite of these common features of the basic income and social minimum approaches, there are essential differences between them. They constitute the subject of the second and third parts of the paper.

III. Differences Between an Unconditional Basic Income and a Decent Social Minimum

Substantial differences between the conceptions of an unconditional basic income and a decent social minimum relate to their interpretations of freedom and equality, the scope and content of socio-economic guarantees provided by a basic income and a social minimum, as well as of whether the provision of these guarantees should be conditional or not.

First and foremost, diverse conceptions of freedom – *real-freedom-for-all* in the basic income and *freedom from poverty* in the social minimum – underlie these approaches. As was shown, both theories imply a broad understanding of freedom, which embraces not only removing obstacles to freedom, but also creating conditions for its implementation. At the same time, an ideal of the free society and, therefore, obstacles to it and methods of their removal, are seen in different ways.

Van Parijs defends an idea of "real libertarianism, or real freedom for all", which embodies freedom to do what one "might want to do" and to "choose among the various lives one might wish to lead".[6] In his opinion, a free society is a society whose members are "as really free as possible" and one which satisfies the three conditions: first, "there is some well enforced structure of rights (*security*)"; secondly, "this structure is such that each person owns herself (*self-ownership*)"; and thirdly, "this structure is such that each person has the greatest possible opportunity to do whatever she might want to do (*leximin opportunity*)".[7] One of the main impediments to real freedom is, in the view of the basic income approach, forced labour. Those in poverty are compelled to accept any "degrading dead-end" job and thereby are not able to be masters of their time and, ultimately, to choose a lifestyle they might wish to lead: "if I have no option but to starve or to accept a lousy job, I am not really free to turn the latter down".[8] An unconditional basic income is designed, therefore, to prevent involuntary employment and to provide a person with a "genuine opportunity to make different choices".[9]

---

[6] *Van Parijs*, Real Freedom for All: What (If Anything) Can Justify Capitalism?, 1995, 33.
[7] Ibid., 25.
[8] Ibid., 22.
[9] Ibid., 33 f.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

Unlike a basic income, which should enable people to choose among diverse conceptions of the good life, the social minimum guarantees have a much more modest intention: they mean to free a person from degrading poverty and to promote thereby not a good or happy life, but a decent one. A decent social minimum is indifferent about whether a person enjoys the privilege of choosing between various lifestyles she might wish to lead (surfing all day off Malibu, taking a round-the-world cruise or playing the oboe) beyond exercising a secure access to a decent standard of living, which involves access to adequate food, water, sanitation, housing, clothing, health care, education, social security and a decent work with a living wage, as well as full participation in core institutions and practices of society including significant decision-making processes. The social minimum guarantees provide an opportunity for development of a person, including a professional one, and for pursuing, through her own hard work, a level of well-being, i.e. a degree of freedom in terms of *Van Parijs*, which will allow her to do what she might want to do.

Secondly, the conceptions of a basic income and social minimum lay emphases on different kinds of equality: *equality of liberty* (formal freedom) and *equality of status* correspondingly. Being inspired by *Rawls*' two principles of justice as fairness, *Van Parijs* formulates his own principles and, as the former, ranks them in a *lexicographic order*, i.e. gives the preference to the principle of equal liberty over the difference principle regulating socio-economic inequalities.[10] This allows *Van Parijs* to suggest the following definition of a free society:

> "It is, first of all, a society whose members are all formally free: there is a well-enforced structure of property rights which includes the ownership of each by herself. And it is, secondly, a society in which opportunities – access to the means for doing what one might want to do – are distributed in maximin (or, more pedantically still, leximin) fashion: some can have more opportunities than others, but only if their having more does not reduce the opportunities of some of those with less. In other words, institutions must be designed so as to offer the greatest possible real opportunities to those with least opportunities, subject to everyone's formal freedom being respected".[11]

It is equality of status that underlies a decent social minimum. Equality of status is essentially not a distributive principle demanding people to have equal amounts of something, but a relational one, since it is characterized by the relation of people to each other as to equals.[12] Its three fundamental features are the following: first, all members of society are unconditionally entitled to a status of moral persons irrespective of their financial or social state (universality); secondly, nobody can be deprived nor deprive oneself of this status even if her sad financial and social state is a result of her own bad

---

[10] *Rawls* formulates his two principles of justice as fairness as follows. (1) *The principle of equal liberty*: "Each person is to have an equal right to the most extensive total system of equal basic liberties compatible with a similar system of liberty for all". (2) *The difference principle*: "Social and economic inequalities are to be arranged so that they are both: (a) to the greatest benefit of the least advantaged, consistent with the just savings principle, and (b) attached to offices and positions open to all under conditions of fair equality of opportunity". *Rawls*, A Theory of Justice, rev. ed., 2003, 266.

[11] *Van Parijs*, Real Freedom for All: What (If Anything) Can Justify Capitalism?, 1995, p. 4 f.

[12] On characteristics of equality of status see: *Miller*, Complex Equality, in: *Miller/Walzer* (eds.), Pluralism, Justice, and Equality, 1995, 197 ff.; *Miller*, Equality and Justice, Ratio 10 (1997), 222 ff.; *Anderson*, What is the Point of Equality?, Ethics 109 (1999), 287 ff.; *Scheffler*, The Practice of Equality, in: *Fourie/Schuppert/Wallimann-Helmer* (eds.), Social Equality: Essays on What it Means to be Equals, 2015, 21 ff.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

choices (inalienability); and, thirdly, all people equally enjoy human rights and are fully able to participate in all core social, political and cultural institutions and practices of society including important decision-making processes (fully-fledged membership in society). It is important to note that equality of status does not presuppose any other equalities, such as equal income, wealth, or power.[13] Equality of liberty and equality of status coincide in many respects.[14] At the same time, they differ essentially: if the former is defined, according to *Van Parijs*' interpretation, through guarantees of security and self-ownership, then the latter puts forward guarantees of full-fledged membership in society.[15]

Thirdly, the scope of the social minimum and basic income guarantees is determined by the principles of sufficiency and maximin correspondingly. A decent social minimum calls for protection from poverty and extreme distributive inequalities inasmuch as they impede equality of status. The latter can only be projected on a certain essential set of guarantees sufficient for leading a decent life and enjoying full-fledged membership in society. This set of guarantees is limited both from below and from above. On the one hand, a decent social minimum is a non-derogable demand that should be fulfilled to the full extent. On the other hand, it is an example of "diminishing" and "satiable" principles, as *Joseph Raz* defines them, because it requires eliminating a certain level of deprivation, "beyond which a person cannot be helped", and it cannot be satisfied to a higher degree when this requirement is completely met.[16]

Van Parijs considers that in a just society real freedom should be fairly distributed in accordance with the maximin principle ensuring the greatest possible real opportunities to the least advantaged. He believes that real freedom "can only be a matter of degree" and a free society is a society whose members are not "simply free" but "maximally free".[17] That is why, in contrast to a social minimum, a basic income should not correspond to any level of sufficiency. It is not connected to conditions necessary for leading a decent life and is to be secured "at the highest sustainable level". The latter means that everyone in the present generation should be provided with the highest possible basic income benefit consistent with a basic income benefit for the next generations at least equal to the present one.[18]

Fourthly, whereas an unconditional basic income should be paid in cash, the decent social minimum guarantees may include also in-kind grants, such as provisions of food, water, clothing, housing, health care services, education and counselling as well as public and legal aid services etc. The question – What is preferable, in-kind transfers or cash

---

[13] See: *Pribytkova*, A Decent Social Minimum as a Matter of Justice, forthcoming in: *Gaisbauer/Schweiger/Sedmak* (eds.), Ethical Issues in Poverty Alleviation, 2016.

[14] *Rawls*, for example, distinguishes between two conceptions of equality – "equality as it is invoked in connection with the distribution of certain goods, some of which will almost certainly give higher status or prestige to those who are more favored, and equality as it applies to the respect which is owed to persons irrespective of their social position" – and believes that equality of the second kind is determined by his principle of equal liberty. See: *Rawls*, A Theory of Justice, rev. ed., 2003, 447.

[15] My thesis is not that the idea of equality of status is alien to *Van Parijs*' conception. As will be shown further, insufficiency of an unconditional income benefit in impoverished societies does not allow the conclusion that it is capable of providing institutional guarantees necessary for equality of status.

[16] *Raz*, The Morality of Freedom, 1986, 235 f.

[17] *Van Parijs*, Real Freedom for All: What (If Anything) Can Justify Capitalism?, 1995, 23.

[18] Ibid., 40.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

transfers? – is in the limelight of contemporary disputes.[19] *Van Parijs* argues that since people differ in their preferences concerning the type and amount of clothes, shelter, or food, a basic income, as the appropriate embodiment of real freedom, should be provided in monetary terms. He admits, however, that a basic income should supplement, rather than substitute some existing in-kind transfers, such as free education, health care or environmental protection.[20]

Thus significant distinctions between the conceptions of a decent social minimum and an unconditional basic income lie in their interpretations of freedom and equality as well as of the content and scope of socio-economic guarantees that should be provided to everyone as a matter of justice. The next part of the paper deals with one more controversial issue, which places the approaches on opposite sides of the barricades, the problem of conditionality of the basic income and social minimum guarantees.

IV. Conditional or Unconditional Guarantees?

In the spotlight of contemporary discussions surrounding anti-poverty policies and programs is the question of whether social assistance to the poor should be provided under certain conditions or without any conditions being attached. Arguments in favour of conditional support resolve generally into the belief that one may misuse unconditional transfers that will paralyze the effect of programs of support.[21] Critics of conditional programs, in turn, claim that the latter are paternalistic, inequitable, inefficient, extremely expensive, wasteful, and are an obstacle to receiving help by those who need it the most. Numerous reasons against conditional transfers amount to the following. First, they label those in poverty as being a deviant and irresponsible underclass unable or unwilling to behave in a socially acceptable way and thereby segregate them from society. Secondly, they often lay down *a priori* impossible or meaningless conditions that lead to enormous exclusion errors.[22] Thirdly, they are too expensive because they require special institutions for implementing and monitoring conditional programs. Fourthly, they give officials power over those in need which the former often abuse: they are inaccessible, biased, corrupt, unjust, and their actions violate the dignity of

---

[19] According to *Reetika Khera*, the answer to this question "depends ultimately on the context in which the policy is being explored". See, *Khera*, Cash vs In-Kind Transfers: Indian Data Meets Theory, IEG Working Paper No. 325, 2013, 31.

[20] In *Real Freedom for All*, the author points out three groups of goods, which, when provided in kind, are consistent with real-libertarianism: those indispensable for enjoying formal freedom (military and civil defence, decision-making mechanisms, and a judicial system) and real opportunities (education, infrastructure or vaccination) as well as those "that no one in her right mind might not want to buy" (clean air, street cleaning or available public areas). See: *Van Parijs*, Real Freedom for All: What (If Anything) Can Justify Capitalism?, 1995, 41–45.

[21] Additional reasons for conditional cash transfers can be found in: *Fiszbein/Schady*, Conditional Cash Transfers: Reducing Present and Future Poverty, 2009, 50 ff.

[22] See: *Davala/Jhabvala/Kapoor Mehta/Standing*, Basic Income. A Transformative Policy for India, 2015, 15 ff.; *Fiszbein/Schady*, Conditional Cash Transfers: Reducing Present and Future Poverty, 2009, 76 ff.; *Álvarez/Devoto/Winters*, Why Do the Poor Leave the Safety Net in Mexico? A Study of the Effects of Conditionality on Dropouts, 2006, Department of Economics Working Paper Series, American University Washington DC.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

recipients of benefits.[23] In this sense, *Van Parijs* claims that an unconditional transfer system, which is

> "not targeted at those who have shown themselves 'inadequate' and involves less administrative control over its beneficiaries is far less likely to stigmatize them, humiliate them, make them ashamed of themselves, or undermine their self-respect".[24]

The undoubtedly just criticism of the practice of implementing conditional programs of social assistance mentioned above does not prove, strictly speaking, that they, in principle, cannot be efficient, equitable, affordable and "self-respect-preserving" and should, therefore, all be replaced by unconditional transfer programs. And likewise lesser success of unconditional schemes in achieving certain objectives, such as enhancing school attendance or improving the average height-for-age of children, does not mean that they do not contribute to alleviating the burden of those affected by poverty.[25]

As for the matter of conditionality, the approaches under consideration are uncompromising opponents. While a basic income is to be paid unconditionally, social assistance provided in the framework of a decent social minimum is conditional in respect to some circumstances such as: first, inability independently to meet minimum socio-economic conditions indispensable for leading a decent life; secondly, demonstrated willingness to work or study; thirdly, a person's ability to convert social assistance into a minimally acceptable standard of living. Let us take a closer look at these dissents.

Van Parijs and his followers assert that basic income recipients should not be subordinated to the means test. An unconditional basic income is not, as such, a policy for the poor, because the benefit is paid "at the same level, to rich and poor alike, irrespective of their income level".[26] Assistance to the most needy individuals is provided, in such a way, indirectly, through realizing real freedom for all. With a decent social minimum the situation is very different. Besides guaranteeing secure access to a decent standard of living and full participation in society to all its members, a social minimum also embraces measures of social assistance specially addressed to those in need and unable to improve their situation by themselves. According to the principle of subsidiarity, the social minimum guarantees intend enabling all able-bodied people to earn an income sufficient to lead a decent live without exterior help. That is why those who surf all day off Malibu, presumably able-bodied, should support themselves on their own and are not entitled to social assistance. This suggests that a decent social minimum develops the capacity of a person to fish, rather than gives her a fish, as an unconditional basic income does.

---

[23] *Guy Standing* states that conditional transfer programs "turn policy implementers into interferers, at best benevolent, at worst quasi-policemen". *Standing*, Cash transfers: A Review of the Issues in India, UNICEF India, 2012, 53. See also: *Davala/Jhabvala/Kapoor Mehta/Standing*, Basic Income. A Transformative Policy for India, 2015, 15.

[24] *Van Parijs*, Real Freedom for All: What (If Anything) Can Justify Capitalism?, 1995, 95.

[25] See: *Davala/Jhabvala/Kapoor Mehta/Standing*, Basic Income. A Transformative Policy for India, 2015, 17; *SEWA Bharat*, *UNICEF India Office*, A Little More, How Much It Is... Piloting Basic Income Transfers in Madhya Pradesh, India, 2014, 43.

[26] *Van Parijs*, Basic Income: A Simple and Powerful Idea for the Twenty-First Century, in: *Ackerman/Alstott/Van Parijs* (ed.), Redesigning Distribution: Basic Income and Stakeholder Grants as Alternative Cornerstones For a More Egalitarian Capitalism, 2006, 13.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

A widespread criticism of means-conditional assistance is that it "can become a poverty-trap creating dependency", since people forfeit their right to receive assistance when they reach a level of well-being sufficient for leading a decent life.[27] It is necessary to note that efficient social support programs aim not at making people passive recipients of help, but rather at stimulating the development of their talents and their independent activity. Social assistance providing an access not to a good but to a decent life should also instil the confidence in a person that she is able to achieve by herself what she considers to be a good life and makes it thereby unnecessary to remain dependent from state support. In this sense, the role of social assistance, as a help to self-help, should be similar to that of a good doctor, i.e. it should eliminate the need for help.

The disagreement of the approaches about the means-condition results in their discord regarding the willingness-to-work condition based on the principle of reciprocity. *Stuart White* defines the latter in the following way:

> "those who willingly enjoy the economic benefits of social cooperation have a corresponding obligation to make a productive contribution, if they are so able, to the cooperative community which provides these benefits".[28]

According to the principle of reciprocity, the right to social assistance enabling a person to lead a decent life gives rise to her "obligation to perform a decent minimum of contributive activity", the scope of which is determined by the individual capacities of a person.[29]

The basic income theory denies the necessity to satisfy the principle of reciprocity and a willingness-to-work test. In *Van Parijs* opinion, work-unconditionality should protect a person from unacceptable exploitation when she is forced to accept unworthy low-paid jobs under the threat of losing the benefit.

> "If the concern is not to keep poor people busy at all cost, but rather to provide them with access to meaningful paid activity, the very unconditional nature of a basic income is a crucial advantage: It makes it possible to spread bargaining power so as to enable (as much as is sustainable) the less advantaged to discriminate between attractive or promising and lousy jobs".[30]

Compliance with the principle of reciprocity is a significant condition for receiving support within the framework of a decent social minimum.[31] What is meant here is not an equivalent input but a demonstrated willingness of a recipient of social help to contribute to society according to her abilities. As a non-exploitation guarantee, a decent social minimum should include protection of people from humiliating, degrading and

---

[27] See: BIG Coalition Namibia: FAQ. – http://www.bignam.org/BIG_FAQ.html, accessed 17 October 2015; *Widerquist*, The Basic Income Grant as a Social Safety Net for Namibia: Experience and Lessons From Around the World, in: Social Safety Nets in Namibia: Assessing Current Programmes and Future Options. 15th Annual Symposium, Bank of Namibia, 2013, 45.

[28] *White*, Liberal Equality, Exploitation, and the Case for an Unconditional Basic Income, Political Studies 45 (1997), 317.

[29] See *White*'s conception of "baseline reciprocity". Ibid., 319.

[30] *Van Parijs*, in: *Ackerman/Alstott/Van Parijs* (ed.), Redesigning Distribution: Basic Income and Stakeholder Grants as Alternative Cornerstones For a More Egalitarian Capitalism, 2006, 19.

[31] A decent social minimum implies social security guarantees of two types: contributory insurance-based schemes and non-contributory social assistance schemes. It is the second type of social security guarantees that is discussed here.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

unsafe working conditions, and unfairly low remuneration, as well as opportunities for their professional development, including education and qualification training designed to facilitate their meaningful activity and promote their full, productive and freely chosen employment. Alongside a temporary support, which gives a chance for able-bodied members of society to start their financially independent life, a decent standard of living should also be secured for all people unable to support themselves through their work, such as the elderly, children, persons with disabilities.

Adherents of the principle of reciprocity adduce two main arguments concerning self-respect and fairness. On the one hand, contributing to society, since one is able to do so, is essential for preserving respect and self-respect as a full-fledged member of society. The International Movement ATD Fourth World demonstrates with numerous examples that those in poverty do not want to be seen as mere recipients of charity, but as a an equal and responsible part of society, which contributes to lifting itself and others out of poverty. For instance, a poor community in Cusco refused to continue accepting charity offered to them by local authorities and requested instead guarantees of secure access to decent jobs, which would allow them to participate fully in society: "We don't want them to give us gifts. What we want are respectable jobs – work that allows us to live like normal human beings".[32] In this context, we should speak about *the right of the poor to contribute to society*, to which the obligations of the state to respect, protect and fulfil it correspond.[33]

On the other hand, as *White* notes, to enjoy a share of common wealth without being willing to contribute to it, since one is able to do so, "is unfairly to free-ride on those citizens who do make the required contributions". He describes this one-sided benefiting from shared wealth as instrumentalization, i.e. "treating one's fellow citizens (to put the point in Kantian terms) as if they were just instruments to one's own well-being".[34] Deliverance of one social group from exploitation at the expense of instrumentalization of others is undoubtedly in contradiction to ideas of human dignity and justice. In this sense, applying the principle of reciprocity, as described above, can contribute to finding a fair balance between the interests of various individuals and social groups.

One more stumbling block between both conceptions is the question of whether the scope of benefits should depend on a person's ability to convert them into a decent standard of living. The authors of the capabilities approach, *Amartya Sen* and *Martha Nussbaum*, clearly bring out the variability in the relation between available means and the actual opportunities of a person. So *Sen* points at several groups of subjective and objective differences, which determine inequality of the socio-economic state of people even if they possess the same set of means, such as income, primary goods, or resources:

---

[32] *International Movement ATD Fourth World*, Dignity in the Face of Extreme Poverty. Consultations with People in Extreme Poverty on the Draft Guiding Principles "Extreme Poverty and Human Rights: the Rights of the Poor", Final Report, 2008, 15 f.

[33] According to the Copenhagen Declaration on Social Development, empowering those in poverty to "exercise the rights, utilize the resources and share the responsibilities that enable them to lead satisfying lives and to contribute to the well-being of their families, their communities and humankind", belongs to "the overriding goals of the international community" (para. 9). The right of people living in poverty "to contribute to the well-being of their families, their communities and humankind" was included in an earlier draft of the UN Guiding Principles on Extreme Poverty and Human Rights (para. 4). See: Draft Guiding Principles "Extreme Poverty and Human Rights: the Rights of the Poor". – http://www.ohchr.org/Documents/Issues/EPoverty/DGPs.pdf, accessed 17 October 2015.

[34] *White*, Political Studies 45 (1997), 317 f.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

the physical or mental features of people (age, sex, proneness to illnesses, disabilities); non-personal resources (health care system, cohesion and the helpfulness of the community); environmental conditions (climate, epidemic or crime threats); as well as "relative positions vis-à-vis others" (resources necessary, as *Adam Smith* puts it, "to appear in public without shame" in certain society).[35]

The basic income approach, which insists that an unconditional benefit is to be granted in cash and at the same level to all members of society, appears to be insensitive to difficulties of transferring income into a minimally acceptable standard of living. As *Sen* states,

> "the conversion of income into basic capabilities may vary greatly between individuals and also between different societies, so that the ability to reach minimally acceptable levels of basic capabilities can go with varying levels of minimally adequate incomes".[36]

The social minimum theory proceeds from the assumption that individual and social factors that affect the financial and social state of people, as well as their ability to convert income and other resources into valuable opportunities, are of crucial importance for determining the scope of social assistance sufficient for leading a decent life and full participation in society.[37]

As follows from the foregoing, in contrast to an unconditional basic income, social assistance provided as a guarantee of a decent social minimum is conditional in respect to the inability of a person to meet minimum socio-economic conditions indispensable for leading a decent life and to improve her state by herself, her demonstrated willingness to work or study, as well as her ability to convert social assistance into a decent standard of living. Ideas defended by both conceptions should, without doubt, be taken into account by developing effective contemporary tools to fight poverty. Mechanisms of poverty eradication should, as advocates of a basic income rightly state, be more efficient, affordable, "self-respect-preserving", and prevent exploitation of those in poverty through the compulsion to accept degrading low-paid jobs, and should leave no one behind. At the same time, they should, according to the social minimum theory, exclude instrumentalization, stimulate independent and self-reliant activity of people, promote their right to contribute to society and be sensitive to their ability to convert social assistance into a minimum set of opportunities sufficient to lead a decent life and fully participate in society.

The similarities and differences between an unconditional basic income and a decent social minimum examined above are essential for answering the question: To what extent are both approaches capable of solving the most pressing challenges of inequality and poverty reduction? We turn to this question now.

---

[35] *Sen*, Human Rights and Capabilities, Journal of Human Development 6 (2005), 154.

[36] *Sen*, Capability and Well-Being, in: *Nussbaum/Sen* (eds.), The Quality of Life, 1993, 41. See also: *Nussbaum*, Woman and Human Development. The Capabilities Approach, 2000, 68.

[37] *Van Parijs* asserts repeatedly that his conception of real freedom is very close to *Sen*'s ideas. See: *Van Parijs*, Real Freedom for All: What (If Anything) Can Justify Capitalism?, 1995, 240, 257. I believe that it is the social minimum theory that corresponds more in this respect to the capabilities approach.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

V. The Potential of an Unconditional Basic Income and a Decent Social Minimum to Reduce Inequality and Poverty

A decent social minimum comprises three groups of guarantees that derive from equality of status and provide a systematic protection from poverty and extreme inequality: minimum political conditions of a decent life directed to ensure equal citizenship; minimum socio-economic conditions of a decent life or a decent standard of living; and guarantees of protection from extreme inequality of distribution that include the principles of non-dominance and non-discrimination.

Minimum political conditions of a decent life aim at securing equal citizenship, a projection of equality of status in the political domain, through guaranteeing an active and informed participation of those in poverty at all stages of the design, implementation and evaluation of policies that affect their lives, as well as effective and affordable access to justice and to public and legal services.[38] Socio-economic guarantees of a social minimum should secure access to a decent standard of living, including adequate food, water, sanitation, housing, clothing, health care, social security and a decent work with a living wage, as well as access to education and the shared scientific and cultural heritage. In order to protect from extreme distributive inequality, a social minimum requires both preventing unfair dominance of powerful actors, which impedes equality of status, and promoting resistance to it through prohibiting *de jure* and *de facto* discrimination and exclusion of the most vulnerable social groups and individuals from core political, social and cultural institutions and practices.

The three groups of guarantees of a decent social minimum find their embodiment in a set of fundamental human rights, which are recognized in the core international and regional human rights instruments. Minimum political conditions of a decent life are ensured through realization of such basic civil and political rights as the rights to freedom of thought, conscience and religion, freedom of speech and expression, freedom of assembly and association; the rights to an effective remedy and a fair trial; the rights to participate in public affairs, to vote and to equal access to public services. Minimum socio-economic conditions of a decent life embrace closely interrelated social (the rights to an adequate standard of living and social security), economic (the rights to job security and equal employment, decent work conditions, rest and leisure, just and favourable remuneration) and cultural rights (the rights to education, participation in cultural life, enjoyment of the benefits of scientific progress and its applications) as well as the right to development. A decent social minimum also requires the fulfilment of the right to freedom from discrimination, including discrimination on account of poverty.

It is possible to conclude that a decent social minimum is a legal mechanism of systematic poverty eradication and is among the principal preconditions for establishing and maintaining a society of equals, because it aims at freeing people from poverty and enabling them to lead a decent life; subverting oppression, exclusion, marginalization, and stigmatization of the most vulnerable social groups and individuals; promoting their legal and political empowerment and making their voices heard; ensuring their access to shared material and intellectual values and breaking down barriers to their full

[38] The UN Guiding Principles on Extreme Poverty and Human Rights, 2012, para. 38, 67.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

participation in public life; and, in the final analysis, providing the opportunity for their moral and intellectual flourishing.[39]

As distinct from a decent social minimum, an unconditional basic income is not specifically aimed at and capable of eradicating poverty on its own. Protection from poverty is not a direct but rather extracurricular outcome of implementing an ideal of real freedom for all.

Since in order to determine the scope of an unconditional basic income benefit *Van Parijs* refers to the maximin principle, which requires the greatest possible opportunities to be ensured for the least advantaged, a criticism against *Rawls*' conception can be addressed to him as well. As with the maximin principle, the highest sustainable basic income is not targeted at securing access to a decent standard of living to the least advantaged. *Van Parijs* remarks that a basic income "can fall short of or exceed what is regarded as necessary to a decent existence".[40] The *Achilles*' heel of the maximin rule is that it does not imply the principle of sufficiency.[41] It is without question that any support of those in poverty and, therefore, any distribution of social goods or opportunities, which improves their state, is critically important. Yet, *Harry Frankfurt* makes it clear that in certain situations insufficiency of guarantees is equivalent to their absence:[42] insufficient food means starvation; insufficient housing assistance means homelessness; and insufficient means for continuing a course of treatment leads to the delayed but inevitable death of the patient. It is what *Henry Shue* has in mind when he criticizes *Rawls*' conception. By referring to *Richard Henry Tawney*'s metaphor about "a man standing permanently up to the neck in water, so that even a ripple might drown him", *Shue* concludes that the difference principle "can be fulfilled while people continue to drown but with less and less water over their heads".[43]

One can say that *Van Parijs'* basic income conception is shaped predominantly for rich societies. Provision of an unconditional basic income in a developing society on no account guarantees that freedom from poverty and the minimum level of well-being sufficient for leading a decent life will be achieved. *Van Parijs* admits that "in a poor society, where both the wage rate for the unskilled and the highest sustainable level of basic income are low" many people will still live under the poverty line.[44] Saying that he recognizes that it is important to guarantee a minimum decent income, which relates to the socio-economic conditions of a social minimum, and he comes to the conclusion that

---

[39] For details see: *Pribytkova*, A Decent Social Minimum as a Matter of Justice, forthcoming in: *Gaisbauer/Schweiger/Sedmak* (eds.), Ethical Issues in Poverty Alleviation, 2016.

[40] *Van Parijs*, Real Freedom for All: What (If Anything) Can Justify Capitalism?, 1995, 35.

[41] *Rawls* also recognized this shortcoming of his difference principle: theoretically, the maximin rule will be observed even if the expectations of the better-off increase by billions of dollars, while the prospects of the least favoured rise by a mere penny. *Rawls*, A Theory of Justice, rev. ed., 2003, 136.

[42] *Frankfurt*, Equality as a Moral Ideal, Ethics 98 (1987), 31 f.

[43] *Shue,* Basic Rights: Subsistence, Affluence, and U.S. Foreign Policy, 2nd ed., 1996, 128. From *Jeremy Waldron*'s point of view, in the original position, parties would prefer a social minimum to the difference principle approach, because the former preserves the ability to honour their personal achievements by guaranteeing that their basic needs are taken care of. *Waldron*, Rawls and the Social Minimum, in: *Waldron*, Liberal Rights. Collected Papers 1981–1991, 1993, 262.

[44] *Van Parijs*, Real Freedom for All: What (If Anything) Can Justify Capitalism?, 1995, 76.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

> "as long as the unconditional income does not cover what they regard as basic needs, most of its proponents would not want to eliminate even the existing conditional minimum income schemes".[45]

In examining the correlation between an unconditional basic income and a minimum decent income, he confirms that only in rich societies can the former be unconditionally and sustainably ensured at the level of the latter. *Van Parijs* distinguishes between an *affluent society*,

> "as a society which can sustainably guarantee all its members, without violating their self ownership, access to an income at least sufficient to cover what they unanimously regard as the bare necessities",

and an *opulent society*,

> "as a society which can sustainably grant all its members, without violating their self-ownership, a *basic income* […] at least sufficient to cover what they unanimously regard as the bare necessities".[46]

He considers conditionality to be acceptable in pre-opulent societies, where "the minimum income guarantee should take the form of a work tested and/or means tested scheme, rather than that of a genuine basic income".[47] At the same time, poor societies may lack the resources for securing access, even conditionally, to a minimum decent income for all their members. On this basis, in societies with diverse levels of well-being, a minimum decent income should embody a basic income benefit to different extents:

> "real-libertarianism requires the minimum guaranteed income to have no basic income component in a society that is not affluent, to have some basic income component in a society that is affluent but not opulent, and to consist entirely of a basic income in an opulent society".[48]

Even in opulent societies though, where the highest sustainable basic income corresponds to the level of a minimum decent income, it should be supplemented, as *Van Parijs* himself suggests, by other guarantees of social protection implied by a decent social minimum.

An evident advantage of the social minimum guarantees is that they are not merely an expression of charity or self-obligation of benevolent subjects, but can be translated into a set of fundamental human rights, to which the legal obligations of other subjects correspond. In the situation of global poverty and extreme inequality, the demand for an unconditional basic income may hardly be recognized as a universal (claimable, enforceable and justiciable) human right, which belongs to all human beings. Under certain conditions, however, the right to a basic income may be accepted as a positive right in an opulent state (or a union of opulent states). In this case, several features will mark the status of the positive right to a basic income. First, human rights, including those indispensable for ensuring a decent social minimum, will always have a priority over the right to a basic income. Secondly, the realization of the right to a basic income at a national level should be consistent with the state's obligations, under international

---

[45] Ibid., 35.
[46] Ibid., 86.
[47] Ibid.
[48] Ibid.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

human rights law, towards those in poverty within its territory and jurisdiction, as well as towards the global poor.

At the same time, a highly successful practice of realization of an unconditional basic income has proved its positive effects on poverty alleviation. The pilot project implemented in 2008–2009 in a Namibian community Otjivero-Omitara, as well as two pilot projects put into practice in 2010 in Indian rural areas of Madhya Pradesh, had impressive results: they dramatically reduced the poverty rate, child malnutrition, household debt, the economic dependency of women and crime levels; they considerably improved access to food, water, sanitation, dwellings and medical treatment as well as benefited those with disabilities; and they significantly increased school attendance as well as economic activities, including self-employment.[49] While this demonstrated "what can be done with very little money", the pilots have proved that resource scarcities cannot excuse government inaction on poverty.[50]

In the meantime, the pilot projects seem to indicate that the state's obligations to provide an adequate level of social protection for its population cannot be reduced to a basic income scheme. In spite of the important impact of basic income grants on poverty reduction, the levels of well-being they ensured in the Namibian and Indian communities were a good distance off what can be regarded as a decent standard of living.[51] An effective approach to poverty eradication requires creating a system of institutions and tools capable of securing access to a decent social minimum.[52]

Since a basic income has proved itself to be an important measure of urgent assistance to those in extreme poverty, in the absence of an efficient system of social protection, it can be used as a tool for implementing the state's obligations towards the most vulnerable social groups and individuals, which are of immediate effect. For instance, a basic income grant could contribute to the fulfilment of the minimum core obligations of states, which should ensure, as a matter of priority and irrespective of the availability of resources, the satisfaction of, at the very least, minimum essential levels of basic socio-economic rights (regarding, for example, essential foodstuffs, essential primary health care, basic shelter and housing, or the most basic forms of education).[53] It is

---

[49] See: BIG Coalition Namibia: Pilot Project. – http://www.bignam.org/BIG_pilot.html, accessed 17. October 2015; *Haarmann/Haarmann/Jauch/Shindondola-Mote/Nattrass/Van Niekerk/Samson*, Making the Difference! The BIG in Namibia: Basic Income Grant Pilot Project Assessment Report, Basic Income Grant Coalition, 2009; *SEWA Bharat*, *UNICEF India Office*, A Little More, How Much It Is... Piloting Basic Income Transfers in Madhya Pradesh, India, 2014; *Davala/Jhabvala/Kapoor Mehta/Standing*, Basic Income. A Transformative Policy for India, 2015.

[50] BIG Coalition Namibia: Pilot Project. – http://www.bignam.org/BIG_pilot.html, accessed 17. October 2015.

[51] See: Ibid.; *Haarmann/Haarmann/Jauch/Shindondola-Mote/Nattrass/Van Niekerk/Samson*, Making the Difference! The BIG in Namibia: Basic Income Grant Pilot Project Assessment Report, Basic Income Grant Coalition, 2009; *SEWA Bharat*, *UNICEF India Office*, A Little More, How Much It Is... Piloting Basic Income Transfers in Madhya Pradesh, India, 2014.

[52] In their highly interesting polemics regarding the significance of cash transfer programs and the Public Distribution System in India, *Jean Drèze* and *Guy Standing* both recognize that cash transfers cannot be an adequate substitute for public social services: *Drèze*, The Cash Mantra, in: The Indian Express May 11 (2011); *Standing*, Give Cash Some Credit, in: The Indian Express May 28 (2011). See also: *Standing*, Cash transfers: A Review of the Issues in India, UNICEF India, 2012, 7.

[53] CESCR General Comment No. 3: The Nature of States Parties Obligations (Art. 2, para. 1 of the Covenant), para. 10; The Maastricht Guidelines on Violations of Economic, Social and Cultural Rights, Maastricht, January 22–26, 1997, para. 9.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

worth noting that, in this context, a basic income will act not as an independent positive right, but as a tool for implementing the immediate obligations of the state derived from fundamental human rights. Additionally, in this role, a basic income will most likely remain conditional, at least in respect of the means test, and should be complemented by other guarantees of a decent social minimum. A good example of this practice is a conditional emergency cash grant program, which was designed on the model of the Basic Income Grant pilot project in Otjivero-Omitara and implemented in four Namibian communities during the drought of 2013-2014. The emergency cash grant program "provided a crucial lifeline" for the communities in a situation of extreme food insecurity.[54]

On the basis of the foregoing, one can conclude that whereas a decent social minimum is an essential instrument of systematic poverty eradication, an unconditional basic income is not specially aimed at and capable of eradicating poverty on its own. At the same time, as a measure of urgent assistance, a basic income scheme may be a significant supplement to the social minimum guarantees and a tool for implementing the state's obligations of immediate effect.

VI. Summary

To conclude, I will summarize the most important theses of my paper (see Table 1):

1. The conceptions of an unconditional basic income and a decent social minimum (a) have common intellectual origins and (b) intend to propose strategies for reducing inequalities and poverty. They share (c) understanding of the idea that freedom is in need of conditions for its realization as well as (d) criticism of unacceptable distributive inequalities that is not accompanied by the requirement to completely equalise the economic and social state of members of society.

2. Significant distinctions between the approaches lie in their interpretations of freedom (*real-freedom-for-all* in the basic income and *freedom from poverty* in the social minimum) and equality (*equality of liberty* vs. *equality of status* correspondingly) as well as of the content (a basic income benefit vs. guarantees of a decent life and full-fledged membership in society) and scope (highest sustainable level vs. minimally decent standard) of socio-economic guarantees that should be provided to everyone as a matter of justice.

3. While a basic income is to be paid unconditionally, social assistance provided in the framework of a decent social minimum is conditional in respect to (a) a person's inability independently to meet minimum socio-economic conditions indispensable for leading a decent life; (b) demonstrated willingness to work or study; and (c) her ability to convert social assistance into a minimally acceptable standard of living.

4. Whereas a decent social minimum is a crucial instrument of systematic poverty eradication, an unconditional basic income is not specially aimed at and capable of eradicating poverty on its own. At the same time, as a measure of urgent assistance, a basic income scheme may be a significant supplement to the social minimum guarantees and a tool for implementing the immediate obligations of the state derived from fundamental human rights.

---

[54] See: *Haarmann/Haarmann*, Relief Through Cash. Impact Assessment of the Emergency Cash Grant in Namibia, BIG Coalition Namibia, 2015, III.

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.

5. Ideas defended by representatives of both conceptions should, without doubt, be taken into account by elaborating effective contemporary mechanisms of poverty eradication. The latter should, as advocates of a basic income rightly state, be more efficient, affordable, "self-respect-preserving", and prevent exploitation of those in poverty through the compulsion to accept degrading low-paid jobs, as well as should leave no one behind. At the same time, they should, according to the social minimum theory, exclude instrumentalization, stimulate independent and self-reliant activity of people, promote their right to contribute to society and be sensitive to their ability to convert social assistance into a minimum set of opportunities sufficient to lead a decent life and fully participate in society.

Table 1

	Unconditional Basic Income	*Decent Social Minimum*
Freedom	Real-freedom-for-all	Freedom from poverty
Equality	Equality of liberty	Equality of status
Principle of distribution	Maximin	Sufficiency
Content	Basic income benefit	Guarantees of a decent life and full participation in society
Scope	Highest sustainable level	Minimally decent standard
Conditionality	Unconditional	Conditional
Poverty eradication strategy	Measure of immediate assistance	Systematic approach to poverty eradication
Human rights language	Positive right in an opulent society	Set of fundamental human rights

https://doi.org/10.5771/2364-1355-2015-4-377
Generiert durch IP '3.144.88.242', am 12.10.2024, 05:51:38.
Das Erstellen und Weitergeben von Kopien dieses PDFs ist nicht zulässig.