The Universal Basic Income: Why Utopian Thinking Matters, and How Sociologists Can Contribute to It
Philippe Van Parijs
Politics & Society 2013 41: 171
DOI: 10.1177/0032329213483106

The online version of this article can be found at:
http://pas.sagepub.com/content/41/2/171

Published by:
SAGE
http://www.sagepublications.com

Additional services and information for Politics & Society can be found at:
Email Alerts: http://pas.sagepub.com/cgi/alerts
Subscriptions: http://pas.sagepub.com/subscriptions
Reprints: http://www.sagepub.com/journalsReprints.nav
Permissions: http://www.sagepub.com/journalsPermissions.nav

>> Version of Record - May 6, 2013

What is This?
The Universal Basic Income: Why Utopian Thinking Matters, and How Sociologists Can Contribute to It*

Philippe Van Parijs1,2

Abstract
Utopian thinking consists of formulating proposals for radical reforms, justifying them on the basis of normative principles combined with the best possible scientific analysis of the root causes of the problems the proposals are meant to address, and subjecting these proposals to unindulgent critical scrutiny. Such utopian thinking is indispensable, and contributing to it is part of sociology’s core business. This article illustrates these claims by considering one particular utopian proposal: an unconditional basic income paid to every member of society on an individual basis, without means test or work requirement. It summarizes the main arguments that support this proposal, mentions a number of contexts in which it is being taken seriously, and sketches a number of ways in which sociological insights and research are crucially relevant to the discussion of the economic and political sustainability of an unconditional basic income.

Keywords
basic income, minimum income, utopia, Thomas More

1University of Louvain, Louvain, Belgium
2Nuffield College, Oxford, UK

*This article is part of the June 2013 special issue of Politics & Society called “Real Utopias.” The papers were originally presented at the 2012 Annual Meeting of the American Sociological Association held in Denver, Colorado. The theme of the conference was “Real Utopias: Emancipatory Projects, Institutional Designs, Possible Futures.” Please see the Introduction in this issue for further information.

Corresponding Author:
Philippe Van Parijs, Hoover Chair of Economic and Social Ethics, 3 Place Montesquieu L20601, 1348 Louvain-la-Neuve, Belgium. Email: philippe.vanparijs@uclouvain.be
In December 1516, a strange little book was published in Latin in the university town of Louvain, thanks to the intervention of the least conformist, yet most respected among the local scholars, Desiderius Erasmus. The little book contained many weird stories and arguments attributed to a Portuguese traveler who seemed to be just as perceptive an observer of the places he visited as Alexis de Tocqueville would be centuries later when visiting America.

Why is it, the traveler asked himself, for example, that there are in England so many thefts and so many murders in spite of the fact that both theft and murder are punished by the death penalty? Very simple, in the case of murders, he said. If a thief is seen stealing, he might as well kill the person who saw him. The penalty will be the same if he is caught and the chance of being caught is reduced if he kills whoever saw him. Hence, if you want to have fewer murders, the best thing you can do is to reduce the penalty for theft. But what about having fewer thefts, then? Well, he said, first look for the cause. “No penalty on earth will stop people from stealing, if it’s their only way of getting food.” And the traveler would later explain at length that there were many such people at the time as a result of the enclosure of the commons. Hence, he said “instead of inflicting these horrible punishments, it would be far more to the point to provide everyone with some means of livelihood, so that nobody’s under the frightful necessity of becoming first a thief, and then a corpse.” In other words: think out of the box, think radical, think utopian.

Utopian Thinking

As at least some of you should have guessed: this little book published in Louvain in 1516 was Thomas More’s Utopia. Had it never been published or had it been given another title, we would not now see “Real Utopias” stuck all over the walls in Denver, Colorado, 500 years later. I picked this particular argument in the book because of its substantive connection with the specific real utopia I shall discuss shortly. But I want to first say a few words about the relationship between utopia and sociology. More precisely, I shall explain why I believe that utopian thinking is not just a slightly embarrassing hobby indulged in by a handful of marginal members of the profession, but that it can claim to be a central dimension of every respectable sociologist’s job.

There is, of course, an old and not-so-promising relationship between sociology and utopia. Take Auguste Comte, the man who gave the discipline its name. Among his many ideas, he concocted a wonderful plan for a European Union consisting of sixty republics the size of Normandy, each ruled by a triumvirate, a team of three bankers (!), respectively specialized in agriculture, industry, and trade, and at least forty-two years old, Comte insisted, so that they had time to prove their trustworthiness. Or take another founding father, whose ideas are not unanimously regarded as equally ludicrous, Karl Marx. Isn’t the blatant failure of all tried variants of the socialist utopia by the end of the twentieth century the decisive proof that utopian thinking is not what decent social scientists should spend their time on?

Absolutely not. Indeed, quite the contrary. For the problem with Marx—and there is a big problem with Marx—is not too much utopian thinking but not enough
utopian thinking. What institutions a socialist society should have, what problems these institutions are likely to generate, what solutions there may be for these problems: these utopian questions occupy a very, very small space in Marx’s work, essentially confined to the marginal notes on the Gotha program, the program of the first social democratic party. Marx’s grave in London’s Highgate Cemetery features the translation of one of his most famous sentences: “The philosophers have only interpreted the world in various ways. The point, however, is to change it.” Yes, absolutely, Herr Marx. But if you want to be equipped to change the world for the better, it is not enough to have spent some time “interpreting the world in various ways,” i.e., describing, analyzing, explaining and criticizing it. It is equally important to stick your neck out with more than a couple of slogans and to spell out what should be a good or better society, a just or more just society. It is essential, in other words, to engage in utopian thinking. In this enterprise there is room, indeed there is an absolute need, for normative, ethical, philosophical thinking. But philosophers must not try to do the whole job on their own. Nor should they subcontract it all to the economics profession. Bizarrely perhaps, economics is the only social science that developed explicitly a significant normative branch: welfare economics and later the theory of social choice. But there is no fundamental reason for such a sharp asymmetry between economics and the other social sciences. Far greater symmetry is desirable and achievable, not through each social scientific discipline developing its own normative appendix, but through each getting involved, with its specific research methods and explanation patterns, in the collective enterprise that utopian thinking must of necessity be.

The objective of this utopian thinking must not be to specify all minute details of what a perfect society would look like. It must rather be (1) to formulate proposals for radical reforms to the present social order, (2) to justify these by reference to normative principles or values to which on reflection one is willing to commit, combined with the best possible scientific analysis of the root causes of the problems which the proposals are meant to address, and (3) to subject the proposals to unindulgent critical scrutiny, scanning relentlessly for all possible perverse effects, all to be evaluated in the light of explicit normative considerations. Such utopian thinking is not meant to be value-neutral but it does not make social scientific truth depend on valued judgments. Utopian thinking requires answers to many factual questions about likely effects, about compatibility, about sustainability. It is perfectly legitimate for the choice of these factual questions to be guided by value judgments, but it is essential that the answers to these questions be shielded from the inference of both our interests and our values. Utopian thinking is not to be confused with wishful thinking. It requires tough disciplining by a demanding, multidisciplinary scientific community in order to dissuade us from believing and asserting what we would like to be true but is not. This crucial demand of intellectual integrity, however, should never make us shy away from our collective mission of helping design a better yet feasible future, of helping give hope, reasonable hope to our generation and generations to come, of fashioning realistic utopias.
A Very Simple Utopia

To illustrate, I shall now turn to one very simple real utopia commonly known as basic income, which is an income unconditionally paid to every member of a society (1) on an individual basis (2) without means testing and (3) without work requirement. This idea is related to but not quite the same as what Thomas More suggested in the passage quoted at the start. The guaranteed subsistence he had in mind is more likely to resemble the scheme developed by his friend and fellow humanist Juan Luis Vives in a booklet published ten years after Utopia under the title On Assistance to the Poor, which is a minimum income provided by the local government exclusively to the poor and under the strict condition of their agreeing to be put to work. This was a “utopia” at the time, something not realized anywhere in the world. But it is, of course, no longer one today, as all existing public assistance schemes in the world can be regarded as mild versions of Vives’ scheme.

An unconditional basic income is similar to this scheme in being also a cash transfer irreducible to social insurance: it is not restricted to those who paid contributions in the past in order to benefit from solidarity now. But it is also crucially different from this because it is paid (1) irrespective of who one lives with, (2) irrespective of how much income one earns, and (3) irrespective of whether one is willing to work. Crazy idea? No. Great idea. Or at least an idea that must be extremely appealing to anyone committed, as I am, to both freedom and equality. Committed to freedom, understood not as a sheer right or purely formal freedom but as an effective possibility or real freedom. Committed to equality in the sense that this real freedom must not be the preserve of the wealthy but be distributed, if not equally—which may be counterproductive—at least in such a way that those with least real freedom should have as much of it as possible.

Note that contrary to the More-Vives scheme, an unconditional basic income is not exclusively nor ultimately about the distribution of income or consumption power. It is about the power to decide what sort of life one wants to live. It is about the power to say no to the dictates of a boss, a bureaucrat, or a spouse. And it is about the power to say yes to activities that are poorly paid or not paid at all, but are nonetheless attractive either in themselves or because of the training and the contacts they provide. The expectation is that spreading more evenly this bargaining power, the power to say yes and to say no, will not only make our societies more equal, but also systematically improve the quality of work—and thereby the quality of life—through the very operation of the capitalist labor market once subjected to different structural constraints. Even though everyone would be getting, as a right, some unearned income, the introduction of a basic income would not ipso facto make a capitalist society classless: in more than one sense, class cleavages would still exist. Yet the introduction and gradual increase of unconditional basic income arguably constitutes a capitalist road to Marx’s realm of freedom, to a world free of drudgery, the ideal that Marx shared with those he dismissed as “utopian socialists.”

Don’t worry: I am not going to waste any of your time describing the idyllic life of the inhabitants of basic income utopia. Nor shall I try to survey the philosophical
literature developed in the last twenty years on whether an unconditional basic income is implied by—or on the contrary is incompatible with—a plausible conception of social justice. Instead, I want first to mention four facts that suggest that the universal basic income is already now far more than just a philosophical pipe dream. And next I shall mention some issues raised by basic income proposals where serious utopian thinking badly needs the contribution of sociologists.

**More than a Pipe Dream**

Four facts then, moving from the more local to the global.

1. As most of you know, there is one place in the world where a low but genuine unconditional basic income has been in place for more than three decades. It is a dividend paid annually by the Alaska Permanent Fund to every resident of the state as a way of making all generations of Alaskans benefit from the state’s oil revenues. The amount distributed in this way fluctuated with the stock market but never rose much above USD$2000 per person and per year.9

2. As fewer among you will know, one country introduced in September of 2010 on an even lower level but on a much larger scale what can also be regarded as an unconditional basic income: Iran. It is again related to oil, but the logic is quite different. The Iranian government realized it was economically absurd to have oil priced on the domestic market at a level far lower than the one obtained on the world market. It therefore decided to gradually lift the domestic price to the international level. In order to offset the effect on the livelihood of the population, especially the poorest, it decided to distribute part of the additional oil revenues in the form of cash benefits. With a large informal economy, the Iranian authorities came to the conclusion that the only workable way of doing so was in the form of a universal, non-means-tested benefit.10

3. People in the European Union (EU) are slowly beginning to realize that beyond the immediate triggers, the fundamental cause of the crisis of the euro zone, in contrast to the stability of the currency shared by the fifty states of the United States, is the absence of two major buffer mechanisms: (1) inter-state migration, which is about six times more intensive in the United States than in the EU, and (2) trans-state transfers, which are between twenty and forty times larger in the United States, depending on the indicator used. Because of language differences, there is little chance of the first buffer, migration, becoming much more significant in the EU. The only serious hope for the sustainability of the euro is therefore a strengthening of the second buffer, transfers. But the EU will never manage to integrate its many welfare states into a unified mega welfare state. The only form this buffer could take is therefore a very simple one. Once you exclude a number of schemes plagued with intrinsic perversities, there is not much left but an EU-wide or eurozone-wide basic income—not as a substitute for existing national welfare states, but as a floor to be fitted under them in order to secure their viability.11
4. At the world level, climate change, it is now generally admitted even in this country, is a serious problem. Many people believe that the best way of approaching it consists in (1) selling to the highest bidders all emission rights consistent with the threshold that should not be exceeded, and (2) distributing the huge revenues from this annual sale to all those entitled to the natural resources of the earth—including the absorption power of our atmosphere—to all human beings.\(^{12}\)

This disparate handful of facts should suffice to indicate that the idea of an unconditional basic income is now more than the sheer dream it was when it was first formulated, for example, by Thomas Paine in 1796, or by Joseph Charlier and John Stuart Mill in 1848.\(^{13}\) It remains a utopia, however, because either it is still no more than a proposal without the slightest prospect of immediate implementation (as in the last two facts mentioned) or it is actually implemented but at a very modest level (as in the first two). Like all other utopias, this one requires intelligent multidisciplinary speculation in order to address many factual issues. Some of these, including some of the most crucial ones, are issues on which the voices of sociologists need to be heard. I shall first mention some of them bearing on the economic sustainability of an unconditional basic income and next some other issues that bear on its political sustainability.

**Economic Sustainability**

No precise speculation can get off the ground without a specification of the level of basic income, of what it is meant to replace, and of the scale at which it is going to be funded. Typical proposals in developed countries involve, as a first step, the introduction of an individual basic income at half the level of the means-tested welfare benefit currently paid to a couple without any other income, combined with the retention of means-tested supplements for single people and with the abolition of tax exemptions in the personal income tax system. More ambitious or longer-term proposals pitch the unconditional basic income at a level high enough to live a decent life, even when living alone, and consequently involve the total replacement of means-tested schemes. But whatever the level and other features of the scheme, the core of the investigation of its economic sustainability tends to take the form of simple economic models that try to capture the so-called income effects and substitution effects of the proposed scheme on the supply of labor.

If the universal scheme replaces—in part or entirely—a means-tested one, one can expect the labor supply of people at the bottom of the earnings scale to increase, as a result of the so-called poverty trap being reduced or even abolished: because they can retain their basic income when working, their effective marginal rate of tax is reduced, the return to their effort increases, and they are no longer trapped in poverty by the fear of having their benefit withdrawn. However, this positive effect on the labor supply of the worst off and thereby on the economic sustainability of the scheme can be more than fully offset by two other effects. First, there is necessarily a negative substitution effect higher up in the earnings scale, as the marginal rate of tax on incomes above the...
means-tested threshold will unavoidably increase. As a result, not only the supply of labor but also the propensity to acquire skills and work hard in order to be promoted to higher positions can be expected to decrease for a wide range of workers. Second, there is necessarily an income effect: if your work behavior is governed mainly by a concern to achieve a certain level of total income, being entitled to a basic income will tend to reduce, other things being equal, your drive to train and work hard, at least if your income is within a range in which the increase of the tax falls short of the level of the basic income and hence leaves your total income higher than before.

This simple modeling is indispensable but it misses some important issues on which some sociological sensitivity could make a valuable contribution to intelligent utopian thinking, sometimes by strengthening the case for the economic sustainability of a significant basic income, sometimes by feeding skepticism about it. Let me just illustrate this with a few examples.

1. The absolute level of income may matter far less in the workers’ eyes than its relative level and the recognition, status, or prestige associated with it. Higher marginal rates of tax in the middle and higher tax ranges may therefore have very little impact on labor supply and work effort in that range. Hence, the investigation of the social and cultural conditions under which absolute or relative income considerations prevail in people’s work behavior may prove crucial to the question of whether a decent level of basic income is sustainable and of how it can be made so if it is not.

2. Income—absolute or relative—is only part of what matters in a job. Self-respect, dignity, and self-realization may be equally powerful motives. Abolishing the poverty trap, creating an income differential between work and no-work—as a universal basic income would do—may therefore make little difference to the labor supply of those with small earning power, compared to existing means-tested schemes. The poverty trap argument in favor of a basic income would then lose much of its force.

3. More than through the income differential it creates, replacing a means-tested scheme with a universal scheme may affect the effective labor supply of the poor by making them dare to take a job without fearing the interruption of a regular flow of benefits. The trap removed by a universal basic income is not only, possibly not mainly, a matter of prohibitive effective taxation. It can also be an uncertainty trap, frequently mentioned by social workers, but generally overlooked by economists.

4. The more a work ethic prevails in a society, the less the income and substitution effects analyzed by economists will be relevant to the labor supply and work effort at all levels of skills, and hence the higher the level at which an unconditional basic income can be sustained. The promotion of a work ethos and the introduction of an unconditional basic income therefore seem to be terrific yet paradoxical allies. However, as a strong work ethos must mean tough social sanctions against idleness, one must face the question of whether this amounts to cancelling out the emancipatory effect of the basic income. Or
is it enough to point out that even with the strongest of work ethics, an unconditional basic income still gives the less skilled a much wider range of options for the performance of what the work ethic demands from them. The subtlety of the similarities and differences between legal and social norms is crucial here, but hard to capture with the help of the economists’ useful but over-stylized “feasible sets.”

5. Arguably, the main economic argument in favor of a universal basic income has to do, not with increasing the labor supply of the low skilled by eliminating the so-called poverty trap, but with the flourishing of human capital. A universal basic income makes it easier for young people to access unpaid or hardly paid internships or apprenticeships. It makes it easier for low-paid workers to reduce their working time or to interrupt their career in order to acquire further training. It also makes it easier to reduce one’s working time or take a career break in order to spend more time with one’s children when they most need it. Should the fact that more women than men can be predicted to avail themselves of this last possibility be regarded as a problem? If so, does it provide a decisive objection in the light of the conception of social justice on which the case for a universal basic income rests? Or can the basic income utopia be enriched by side measures that could alleviate this problem (if it is one)?

6. All I have said so far takes no account of the fact that political entities that may consider introducing a universal basic income are subject to immigration and emigration. A basic income at the level of a small municipality is not promising because of its vulnerability to the opportunistic exit of net contributors and to the opportunistic entry of net beneficiaries. However, as transnational mobility intensifies, both actual and virtual, it is not just municipalities but whole countries that find themselves in this uncomfortable position. But just like entry into and exit from employment, entry into and exit from a country is not only a matter of net income differentials, as simple economic models may have us believe. Perhaps looking at the richer set of considerations that affect the decision to move in or out, as sociologists are better equipped to do, will alleviate somewhat the fear of the economic unsustainability of national basic income schemes in a globalized economy, or suggest ways in which their economic sustainability could be enhanced.

**Political Sustainability**

Thus, utopian thinking about basic income should certainly be concerned with its economic feasibility, while not leaving its discussion to economists alone. What about political feasibility? Is there or is there not a political majority in favor of the proposed utopia? Is there significant support for it in public opinion surveys? These questions are of little relevance to utopian thinking. For utopian thinking is a central component of the democratic process through which the political will is being built. It must not regard as a constraint what it is there to shape. It does not follow that utopian thinking can ignore the possibility that the proposal it investigates, once in place, may prove
politically unsustainable. Here again, sociological insights would be most useful. Just three examples.

1. It may be argued that the economic sustainability of a universal basic income increases with the scale at which it is distributed and funded. However, as the current European debate sometimes painfully illustrates, incorporating several countries in the redistribution scheme quickly generates a self-serving use of nationalistic clichés by the public opinion of the net contributor countries. For example, I bet that nearly all Germans are convinced that the Greeks are lazy, even though the statistics say that working time in Greece is longer than in other European countries. Moreover, even if one could abstract from simplistic clichés, transnational transfer schemes are vulnerable to the exhibition of economically relevant cultural differences. For example, a country could be less of a net beneficiary if it put more pressure on fathers and mothers to be in full-time paid employment or if its population did not spend a big chunk of each year fasting. Do the distinctness of public opinions and cultural divergences as to what can legitimately hamper growth necessarily jeopardize the political sustainability of transnational schemes? Or are there ways in which transnational redistribution can be made less vulnerable to these challenges?

2. It is quite striking how politically sustainable the Alaska scheme proves to be. There have been occasional calls for no longer wasting public money in this way, instead of investing it in kindergartens or highways. But support by both public opinion and political parties has made the dividend a “sacred cow” of Alaskan public life. Why is that? Quite plausibly because the scheme is presented and understood not as the distribution of part of the fruit of some people’s hard work, but as a return on a jointly owned asset. Could the political sustainability of the Iranian scheme mentioned above, or of a basic income funded out of the proceeds of the sale of emission rights be similarly secured? Will it ever be possible to make public opinion perceive even a basic income funded by a tax on wages as a distribution, not of a slice of the fruit of today’s work, but of a portion of what the size of the worker’s product owes to nature, to past accumulation and innovation, and to lucky personal circumstances? Or is the grip of the illusion that we workers are the source of the whole value of what we produce too strong? And if so, does this mean that a basic income funded by means other than a tax on natural resources will never enjoy the same political sustainability as the Alaska dividend scheme?

3. Within most Western countries, there is now, owing to both migration and endogenous differentiation, significant cultural diversity. The ways of life of some culturally distinctive communities make them net beneficiaries of any comprehensive transfer scheme and/or make them be perceived as such. Think of gypsies, for example, in several European counties, and of squatter communities in some cities. Is there not a risk that, as soon as this becomes significant and salient, the political sustainability of any unconditional scheme becomes problematic? If there is such a risk, could it be alleviated by coupling
the basic income with a mild conditionality such as work for a voluntary organization or a compulsory civil service after high school?

These few examples should suffice to indicate the way in which the basic income utopia could do with more help from people like you. But they are meant to illustrate a more general message. Let us face it: our world is in a mess. Admittedly, not as much in some parts as in others, nor everywhere as much as it was in the past. It could be worse. But it can also be much better. As the University of Wisconsin-Madison drama students put it, “There’s got to be something better, man. There’s got to be something different.” 14 Yes, definitely. Especially for those who suffer most from the way things are now. In order to make the world a better world, utopian dreams are not enough. Grassroots indignation and opportunistic tinkering are no less essential. Utopian thinking is not enough, but it is more indispensable than ever: intelligent, critical, sophisticated, unindulgent utopian thinking that mobilizes the tools and the insights of all the social sciences, not least of the broadest among them, sociology.

Acknowledgments
This article was the keynote lecture at the opening session of the 2012 meeting of the American Sociological Association (ASA) in Denver, Colorado, August 14, 2012. Special thanks to Erik Olin Wright, the 2012 ASA president, who was bold enough to make utopian thinking central to this meeting and respectable in his profession.

Declaration of Conflicting Interests
The author declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding
The author received no financial support for the research, authorship, and/or publication of this article.

Notes
4. This sentence is known as the eleventh thesis on Feuerbach. It was scribbled by Marx on a scrap of paper in 1845, when he was living in Brussels next door to Friedrich Engels (and just a few hundred yards from my home), and published by Engels after Marx’s death. Its hardly legible original wording reads as follows: “Die Philosophen haben die Welt nur


14. At the beginning of the opening plenary session of the 2012 meeting of the American Sociological Association, a group of students from the University of Wisconsin-Madison First Wave program presented a spoken word performance about real utopias. This quote comes from the piece performed by Steven Rodriguez.

Author Biography

Philippe Van Parijs (philippe.vanparijs@uclouvain.be) directs the Hoover Chair of Economic and Social Ethics at the University of Louvain (Belgium). He holds a doctorate in philosophy from the University of Oxford and a doctorate in the social sciences from the University of Louvain. He was a visiting professor at the philosophy department of Harvard University from 2004 to 2011, and is now a visiting professor at the Law Faculty of the University of Oxford.