

# Citizen's Income *newsletter*

2018, issue 2

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## Editorial

### Debating Citizen's Basic Income at the London School of Economics

As part of the LSE's week-long Festival which was the culmination of a year-long celebration of the 75<sup>th</sup> anniversary of the publication of Beveridge's report, *Social Insurance and Allied Services*, events on Tuesday 20<sup>th</sup> February were dedicated to Citizen's Basic Income and proved to be a microcosm of the now extensive debate on the subject.

Morning and afternoon sessions, which were held at The Venue in the Saw Swee Hock Student Centre, contained a mixture of short presentations, Q and As, and participative exercises, and attracted about 150 people. The first half hour was about definitions, which revealed the diverse terminology that the lively global debate has now generated: Basic Income, Citizen's Income, Citizen's Basic Income, Universal Basic Income – different terms, but they all mean the same thing: an unconditional income paid to every individual. Then came presentations on socialist and neoliberal perspectives from Professor Hartley Dean (LSE, Social Policy Department) and Daniel Pryor (Adam Smith Institute). The rest of the morning tackled funding sources and costings methods, with Iva Tasseva from the Institute for Social and Economic Research discussing the EUROMOD microsimulation software, Dr. Luke Martinelli from the Institute for Policy Research discussing microsimulation techniques and results, Gareth Morgan, from Ferret Information Systems, explaining typical household methods, and Anne Miller, Chair of the Citizen's Basic Income Trust, discussing a national accounts method.

The morning showed that clear definition is essential; that Citizen's Basic Income is now constructively debated across the political spectrum; and that robust and detailed research on the effects of a Citizen's Basic Income is both essential and possible. Alternatives to Citizen's Basic Income, such as Negative Income Tax, Participation Income, and Minimum Income Guarantee, although in some ways similar to a Citizen's Basic Income, would be much more difficult to administer and would have other different effects.

The afternoon brought together representatives of a wide variety of past, current and planned pilot projects and other experiments: from India, Namibia, Iran, Finland, Canada, Kenya, the Netherlands, Scotland, and Serbia.

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Disclaimer: Views expressed in this newsletter are not necessarily those of the Citizen's Basic Income Trust

### BIEN Congress 2018

Registration is now open for the 2018 BIEN Congress, which will take place at Tampere in Finland from the 23rd to the 26th August.

For information, and to register, go to <https://events.uta.fi/bien2018/>

This debate revealed the diversity of such experiments. The 1970s Canadian and US experiments were Minimum Income Guarantee (MIG) rather than Citizen's Basic Income experiments, but still have useful lessons to teach about how a Citizen's Basic Income would be likely to have only limited effects on labour market participation. It will be interesting to compare the results from Finland's limited current experiment with the Canadian and US results. The Namibian and Indian pilot projects really were authentic pilot projects, and delivered significantly positive results. Kenya's similar but longer experiment will also be interesting to watch. Iran's implementation of something like a Citizen's Basic Income is a fascinating example of a policy accident. And we discovered that Serbian and Dutch local authorities are struggling to implement genuine pilot projects because that would require central governments to alter current tax and benefits systems for the pilot areas. Four Councils in Scotland have committed themselves to exploring the feasibility of a Citizen's Basic Income Pilot Project by April 2020.

In the evening, following a brief discussion of the definition of a Citizen's Basic Income, Professors Philippe Van Parijs (Leuven and Louvain Universities) and John Kay (formerly of Oxford University and the LSE) debated the motion 'This house believes that if the Beveridge Report were being written today, then it would have recommended a Basic Income', followed by a Q and A and a vote (58% for, 42% against). Polly Toynbee's well-balanced assessment of both the evening event and the rest of the day recognised that the debate is important because one day we might need a Citizen's Basic Income.

The LSE Festival has both looked back to Beveridge's seminal report, and looked forwards to what we might need to do now to tackle the five giants of want, disease, ignorance, squalor, and idleness (William Beveridge, *Social Insurance and Allied Services*, p. 6), and to what we might need to do to tackle some of today's new giants. The Citizen's Basic Income day – morning, afternoon, and evening – made a substantial contribution to this agenda, showing how Citizen's Basic Income could reduce poverty, increase financial security, reduce mental illness, encourage skills acquisition, enhance employment incentives, and encourage a wide variety of kinds of work. That's four of the giants. On its own, it would do little for the housing crisis: but that is not a criticism of Citizen's Basic Income. Important issues that we need to tackle today are loneliness and inequality. A Citizen's Basic Income

would enhance social solidarity, and it could reduce inequality.

A distinction that was made at the beginning of the day is that between Citizen's Basic Income as an income maintenance system – always an unconditional income for every individual – and a Citizen's Basic Income *scheme* or *model* which specifies the levels of Citizen's Basic Income for different age groups, the funding mechanism, and any changes that will be made to the current tax and benefits systems. During the day, and particularly during the debate in the evening, it became clear that some of the effects being claimed for Citizen's Basic Income related to its character as an unconditional income, and some to the details of a particular scheme. For instance, any Citizen's Basic Income would enhance social solidarity simply because it would be paid unconditionally to every individual, whereas whether a Citizen's Basic Income would be financially feasible, would reduce inequality, would reduce poverty, or would remove significant numbers of households from means-testing, would depend on the details of the particular scheme. What the day made clear is that as the debate progresses it will be essential to maintain the distinction between Citizen's Basic Income as a system and particular Citizen's Basic Income schemes.

Between them, the different parts of the day have provided a snapshot of an important debate. If a similar event were to be held in five years' time – or perhaps in just one or two years' time – the debate might be in a very different place, and the day could be equally different.

*The Citizen's Basic Income Day's organising committee is most grateful to a wide variety of LSE departments, other organisations, and individuals, for making the day possible.*

*Some of the sessions of the Citizen's Basic Income Day were recorded, and podcasts of parts of the day, some of the powerpoint presentations for the morning and afternoon sessions, and a video recording of the evening debate, are available on our website: <http://citizensincome.org/news/beveridge-rebooted-at-the-london-school-of-economics/>*

## **Research note: Participative exercises at the Citizen's Basic Income Day at the LSE**

During the Citizen's Basic Income Day at the London School of Economics on Tuesday 20<sup>th</sup> February 2018, participants took part in a number of exercises. Here we describe the exercises and offer the main results.

**Definitions:** Participants listed characteristics of a Citizen's Basic Income, to order them by importance, and to decide which of the characteristics also applied to three alternatives to Citizen's Basic Income: Negative Income Tax, Tax Credits (genuine ones), and a Minimum Income Guarantee.

On aggregating the results, the two characteristics of Citizen's Basic Income mentioned more than twenty times and found to have most importance on average were unconditionality and universality. Both nonwithdrawability and payment to individuals were also mentioned more than twenty times, but were believed to be somewhat less important. Allocation of characteristics to the alternatives to Citizen's Basic Income was found to be somewhat random, evidencing some confusion as to their definitions. Conversely, mistakes in relation to the definition of Citizen's Basic Income were rare, with only one participant thinking that a Citizen's Basic Income would be needs-based.

**Political feasibility:** As they listened to presentations on socialist and neoliberal arguments for Citizen's Basic Income, participants were invited to list as many arguments as they wished and then to allocate them to socialism, neoliberalism, or both. They were also invited to list alternative political ideologies and to allocate the arguments for Citizen's Basic Income to those if appropriate.

As each attendee could word the arguments as they wished, the arguments were grouped into themes before calculations were made. In order of numbers of mentions, the most commonly mentioned arguments were found to be:

- 'freedom/increased scope for creative employments/entrepreneurship/freedom to work/fulfilment',
- poverty reduction,
- inequality reduction,
- 'disconnects subsistence from paid work/work as activity/decommodification of work/rewards unpaid work', and
- 'solidarity/social cohesion/sense of citizenship/equal status'.

Five of the arguments were commonly mentioned as socialist. In order of the number of mentions:

- inequality reduction,
- 'disconnects subsistence from paid work/work as activity/decommodification of work/rewards unpaid work',
- 'freedom/increased scope for creative employments/entrepreneurship/freedom to work/fulfilment',

- 'solidarity/social cohesion/sense of citizenship/equal status', and
- 'reduces/abolishes poverty'.

Similarly, five arguments were commonly mentioned as neoliberal. Again, in order of the number of mentions:

- 'freedom/increased scope for creative employments/entrepreneurship/freedom to work/fulfilment',
- 'freedom from state interference/non-paternalistic/identity recognition',
- 'provides income in an age of automation/future-proofs economy',
- reduces poverty/option to abolish poverty, and
- avoids/reduces perverse incentives.

Only occasional participants mention alternative ideologies, the most common being conservatism, with four mentions.

**Funding methods:** Participants were invited to list as many funding methods as they wished, and then to order them in relation to three characteristics: how likely they were to be financially feasible, how likely they were not to impose losses on low income households, and how likely they were to be politically feasible – and participants were then asked to add together the figures for each funding method in order to create overall feasibility scores.

Of the funding methods mentioned by more than five participants, carbon tax was found to be the most feasible, followed by consumption taxes, land value tax, corporation tax, a financial transaction tax, Income Tax, and finally a capital or wealth tax.

**Costings methods:** Following presentations on different costings methods, participants were asked to list the kinds of information that they would wish a costings method to provide, and then to order the methods in terms of the likelihood that they would provide each kind of information. The figures were then aggregated, with the number of individuals mentioning a type of information automatically applied as a weight to each type.

Overall, microsimulation was found to provide the most information, followed by the 'typical households' method, and then a method that employed the national accounts.

The two most commonly mentioned types of information were as follows:

- Affordability/revenue implications: microsimulation was believed to be most likely to provide this information, followed by

the national accounts, and then the typical households method;

- Redistribution/distributive effects/inequality: microsimulation was again thought to be most likely to provide this information, followed by the 'typical households' method, and then the national accounts method.

**Pilot projects:** During the afternoon session, participants listened to presentations on a variety of pilot projects and experiments. They listed the characteristics that they would wish a pilot project to exhibit, and then indicated those pilot projects and experiments that had conformed to those characteristics, or would do so.

The frequency with which each characteristic was listed functioned as a weighting system, and no further weights were applied when the indications were aggregated. The pilot project evaluated as exhibiting the largest number of desired characteristics was the Indian one, with the Namibian project in second place. Unconditionality and universality were the characteristics desired most often.

## Main article

### Who should receive a Citizen's Basic Income?

To suggest that a Citizen's Basic Income should be paid to 'citizens' is to begin a discussion, not to complete it. A discussion of citizenship will not on its own answer the question 'Who should receive a Citizen's Basic Income?' Whichever country we live in, we experience a wide variety of different citizenships in relation to territory (- for instance, we might be English, British, and European), and we experience different kinds of citizenship to differing degrees (political citizenship – involvement in political processes; economic citizenship – involvement in the economy at levels; social citizenship – involvement in society and its institutions; and so on). Citizenship is a rather complex concept on which to base a view as to who should receive a Citizen's Basic Income.<sup>1</sup> And in the UK, regulations on British citizenship are complex, to say the least, thus complicating the matter even further.<sup>2</sup> Simply saying that a Citizen's Basic Income would be paid to British citizens is therefore not

<sup>1</sup> For a discussion on citizenship, and on its relationship to Citizen's Basic Income, see Malcolm Torry, *Money for Everyone* (Bristol: Policy Press, 2013), pp. 187-209.

<sup>2</sup> <https://www.gov.uk/types-of-british-nationality/british-citizenship>

necessarily the best place to start a discussion as to who should receive a Citizen's Basic Income.

A working group established by the Citizen's Basic Income Trust in 2016 to discuss who should receive a Citizen's Basic Income took a pragmatic approach based on current tax and benefits legislation. It made the following suggestions:

### The following should receive Citizen's Basic Incomes

1. All those with the right to reside in the UK indefinitely. While we are still in the European Union, this includes EU nationals.<sup>3</sup>
2. Refugees with a defined number of years of legal residence (usually five years extendable)

*in both cases, on condition that* a) they would be defined as resident in the UK by HMRC,<sup>4</sup> and b) they have been resident in the UK for two or three years.<sup>5</sup>

A national of another country which had implemented a Citizen's Basic Income would be entitled to receive a Citizen's Basic Income on their arrival in the UK on condition that their country gave

<sup>3</sup> There is little evidence that in-work and out-of-work means-tested benefits function as a 'magnet' for European Union migrants: Rebecca Ehata and Martin Seeleib-Kaiser, 'Benefit tourism and EU migrant citizens: real-world experiences', pp. 181-197 in John Hudson, Catherine Needham and Elke Heins (eds) *Social Policy Review 29: Analysis and debate in social policy, 2017* (Bristol: Policy Press, 2017); Philip Martin, Lisa Scullion and Philip Brown, "'We don't rely on benefits': challenging mainstream narratives towards Roma migrants in the UK', pp. 199-217 in Hudson, Needham and Heins (eds) *Social Policy Review 29*.

<sup>4</sup> As far as HMRC is concerned, someone is regarded as having been resident in the UK for tax purposes if either they spent 183 or more days in the UK in the tax year, or their only home was in the UK and they owned, rented or lived in it for at least 91 days in total and they spent at least 30 days there in the tax year. Someone is automatically non-resident if either they spent fewer than 16 days in the UK (or 46 days if they hadn't been classed as UK resident for the 3 previous tax years), or they worked abroad full-time (averaging at least 35 hours a week) and spent fewer than 91 days in the UK, of which no more than 30 were spent working (<https://www.gov.uk/tax-foreign-income/residence>).

<sup>5</sup> The Runnymede Trust defines 'settled here' as living in the UK for five years (Omar Khan and Debbie Weekes-Bernard, *This is still about us* (London: Runnymede Trust, 2015), p. 9). 61% of the UK's population thinks that nationals of other European Union countries should live in the UK for three years before they can receive benefits (Alison Parke, Caroline Bryson and John Curtice (eds), *British Social Attitudes 31* (London: NatCen Social Research, 2014), p. iv). The maximum length of time that a legally resident family that has moved to the UK has to wait before they can receive Child Benefit is three months (<https://www.gov.uk/child-benefit-move-to-uk>).

the same right to UK nationals. (This mirrors Child Benefit provisions.)<sup>6</sup>

### The following should not receive Citizen's Incomes

1. Students and foreign workers resident on the basis of visas.
2. Asylum seekers (that is, people who are seeking refugee status but do not have it yet).
3. Convicted prisoners. (Prisoners on remand would continue to receive their Citizen's Basic Incomes; and Citizen's Basic Incomes would be paid to ex-prisoners immediately on release.)

**Brexit:** If the UK leaves the EU in such a way that freedom of movement of EU nationals no longer applies to the UK, then EU nationals who have accrued the right to be resident in the UK would receive Citizen's Basic Incomes, but EU students and workers here on visas would not be so entitled.

*The Trust is grateful to the members of the working group that produced this report for their hard work on this important issue.*

*We would be pleased to receive comment on this article.*

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## News

The **Equality and Human Rights Commission** has published a report on the effects of social security reforms since 2010. '... Apart from redesigning some benefits and ending the more damaging measures, the UK Government could reconsider welfare reforms in the light of evidence about the disproportionate impact of the reforms on some protected groups. This should include serious consideration of: how welfare and welfare-to-work policies can actively support the equal participation of women and lone parents; how to ensure that disabled people who are able to work have the support they need; and how to ensure that disabled people and their families are adequately financially supported when they cannot work. A change in policy direction requires the use of evidence to review how people can be supported into work in ways that do not involve benefit cuts, and their impacts. It requires revising the theory of change behind the reforms – that economic inactivity is a lifestyle choice and that cutting support will facilitate movement into work. It also requires acknowledging that structural, not just individual, barriers to work need to be better understood and addressed. More generally, there is a case for

<sup>6</sup> [www.gov.uk/child-benefit-move-to-uk](http://www.gov.uk/child-benefit-move-to-uk)

reframing welfare positively, as something needed by all sections of society at points in their lifetime. At the same time, it could be regarded as a means to promote equality and inclusion and to achieve an acceptable standard of living.' <https://www.equalityhumanrights.com/sites/default/files/research-report-111-cumulative-impact-assessment-evidence-review.pdf>

The **Trussell Trust** has published a report, *Financial insecurity, food insecurity, and disability: The profile of people receiving emergency food assistance from The Trussell Trust Foodbank Network in Britain*: '... Almost half of households reported their incomes were unsteady from week to week and month to month. Both people on benefits and people in work had unsteady incomes, with one-third of the sample awaiting a benefit payment. ... There is an urgent need for upstream interventions to address the financial insecurity and insufficiency underlying food insecurity among people using food banks.' [https://www.trusselltrust.org/wp-content/uploads/sites/2/2017/07/OU\\_Report\\_final\\_01\\_08\\_online2.pdf](https://www.trusselltrust.org/wp-content/uploads/sites/2/2017/07/OU_Report_final_01_08_online2.pdf)

The **Institute for Public Policy Research** has published *Our Common Wealth: A Citizens' Wealth Fund for the UK*: 'A declining labour share of national income, together with unequal capital ownership, mean wealth inequality in the UK has risen and is set to rise further. A Citizens' Wealth Fund, a type of sovereign wealth fund owned by and run in the interests of citizens, would help address this problem by transforming a part of national private and corporate wealth into shared net public wealth, and using the income to ensure everyone benefits from rising returns to capital. A UK Citizens' Wealth Fund could be worth £186 billion by 2029/30, if capitalised from 2020/21 using a mix of asset sales, capital transfers, new revenue streams, a small amount of borrowing and returns reinvested through the decade. This would be large enough to pay all 25-year-old UK-born citizens a one off capital dividend of £10,000 from 2030/31. The fund would be owned and run in the interests of citizens, but managed independently, within democratically-set ethical and social restrictions.' [www.ippr.org/research/publications/our-common-wealth](http://www.ippr.org/research/publications/our-common-wealth)

The **Institute for Social and Economic Research** at the University of Essex has published four EUROMOD working papers relevant to the Citizen's Basic Income Debate:

1. **Diego Collado**, *Financial work incentives and the long-term unemployed: The case of Belgium*: 'We found that a 10 percentage point increase in

the PTR (e.g. due to an equivalent decrease in replacement rates or increase in tax rates) decreased the likelihood of transitioning by around four percentage points. This effect is sizable taking into account that the baseline probability of taking up work for more than half a year was nine per cent (it was 13 per cent when including transitions to six or less months).’ (p.24)

**2. Miko Tammik, *Baseline results from the EU28 EUROMOD: 2014-2017*:** The research finds that of all the EU countries the UK has the highest proportion of METRs due to the benefits system (figure 4 on p.38 and table 8 on p.39).

**3. James Browne and Herwig Immervoll, *Mechanics of replacing benefit systems with a basic income: comparative results from a microsimulation approach*:** The Basic Income scheme tested in both the OECD paper and the EUROMOD working paper abolishes most means-tested benefits, rather than retaining them and recalculating them, and finds disadvantages.

**4. Malcolm Torry, *An update, a correction, and an extension, of an evaluation of an illustrative Citizen's Basic Income scheme - addendum to EUROMOD working paper EM12/17*:** Updated microsimulation research on an illustrative revenue neutral Citizen's Basic Income scheme that leaves the means-tested benefits system in place, and that reduces inequality, reduces poverty, avoids significant losses for low-income households, takes a lot of households off means-tested benefits, and brings a significant number of households within striking distance of coming off means-tested benefits, [click here](#).

**For further details** and links to the four papers, go to <http://citizensincome.org/news/four-euromod-working-papers/>

Anthony Painter, Jake Thorold and Charlie Young, of the **Royal Society of Arts**, have written a report entitled *Pathways to Universal Basic Income: The case for a Universal Basic Opportunity Fund*: ‘In order to help provide greater security as people need to navigate economic, technological and care challenges in the 2020s, the idea is to provide up to two years of a £5,000 payment for each family member. This will enable people to re-train, try a new business idea, assume caring responsibilities, and perhaps try a new career. It gives people a helping hand to adapt to change; something we don't believe the current social contract does adequately.’ <https://www.thersa.org/discover/publications-and-articles/rsa-blogs/2018/02/pathways-towards->

[economic-security-and-universal-basic-income-new-rsa-report](#)

The following paragraph has been offered by the **Citizen's Basic Income Network Scotland**: ‘For the avoidance of doubt: Scotland has not yet started any Basic Income Pilot Projects. Four Councils have expressed a wish to host such a project. Before it can start, there must be a thorough planning stage which could take up to two years. The Scottish Government has offered £250,000 as seed-corn finance to support the planning stage. The planning stage will end with a proposal, for a unified BI project covering the four Councils, to be put to the Scottish Government. If the SG agrees to the proposal, then the Project is likely to last two years, and it will take another year or so to collate and analyse the results. This is a medium-term endeavour, so no official results will be available for the immediate future.’ <https://cbin.scot/>

For an update on the **experiment in Finland**, see our website at <http://citizensincome.org/news/an-update-on-the-finnish-experiment/>

## Book reviews

**Amy Downes and Stewart Lansley (eds.) *It's Basic Income*, Policy Press, 2018, pbk, 256pp, 1 4473 43905, £14.99**

This book disappointed me after the high quality of the pamphlet Stewart Lansley co-authored for Compass.<sup>7</sup> In that publication, Lansley and Reed argued for replacement of an ‘increasingly complex, punitive and unpopular system of social security, [which ...has become a weak tool for social protection but a strong tool for waste and the humiliation of those on the very lowest incomes.].’ Yet these features of Universal Credit, [a looming reality with the national UK roll-out planned for October 2018,] get barely a mention in ‘It's Basic Income’. Whereas the Compass pamphlet mentions the support for UBI within all political parties as a reason why the idea is gaining credibility, this little book exposes the contradictions between different arguments for UBI, without doing enough to reconcile their incompatibilities.

The volume's 38 very short, sometimes superficial, essays present an array of views in defence of UBI, some arguments against it, and some accounts of

<sup>7</sup> ‘Universal Basic Income; An idea whose time has come’, 2016, by Stewart Lansley and Howard Reed for COMPASS, <https://www.compassonline.org.uk/wp-content/uploads/2016/05/UniversalBasicIncomeByCompass-Spreads.pdf>

practical UBI pilots. Its main value may be to lead UBI lobbyists to reflect on the way advocates of UBI from different political stables see it as part of a different political agenda. Hopefully this will invite debate about the limitations of UBI. What additional policies do we need to make UBI work as an anti-poverty measure? What are the risks of perverse effects of UBI and how can we avoid them?

The editors and Louise Haagh refer critically to the right wing case for UBI as a way of downsizing the state, and replacing welfare services 'in kind' by cash transfers. The right is represented by Mark Zwolinski's chapter, and is behind the Californian experiment described by Elizabeth Rhodes, with Mark Zuckerberg being amongst its supporters. Such a policy package is not redistributive, and could increase inequality if the cost of healthcare and education rises through privatisation. Ed Whitfield warns that UBI would not alter wealth distribution (although one might contend that wealth taxes could contribute to its funding) nor the way production is controlled and organised.

Anti-poverty campaigners Rodriguez-Montemayor, Oestereich, and others want UBI to redistribute income alongside preserved or expanded state services. In these essays, they fail to recognise that for the redistributive aim to succeed, funding sources must be found outwith the labour share of national income from which income tax is largely drawn. Karl Widerquist however makes a case for redistributing profits as UBI, and Martin Ford makes the helpful point that tax rates to finance UBI could be higher for unearned income. Largely ignored by contributors is the problem that funding UBI largely from existing benefit 'pots' and tax allowances would merely re-arrange the existing cash transfer 'pot' rather than increase it. It might alleviate the poverty trap but only to introduce an additional trap of increased competition for part-time and temporary jobs, probably driving down wages in 'entry grade' employment and encouraging both agency hiring and zero hours contracts. High 'disregards' for earnings by benefit claimants in France, Germany and Belgium in the 1990s led to proliferation of precarious work and 'mini-jobs'.<sup>8</sup>

Some contributors (e.g. chapters 1, 2, 3 and 11) accept the inevitability of precarious work, or widespread job loss due to roboticisation, seeing UBI as a prop to employment incomes in the face of these trends. But as the editors' introduction points out, the

real issue is; who gains from automation – the corporation or its workers? They fail to draw the conclusion that unless UBI is funded from the profit share of GDP, taxpayers would subsidise large, wealthy companies to dispense with labour costs. Bartley and Lucas, Elbaeck and van Parijs consider that UBI would assist a shorter working week, but ignore the possibility that if workers receive in-work benefits, employers may reduce their 'recruitment wage offer' without attracting fewer applicants. Thus taxpayers may end up financing a wage cut rather than the rise in leisure, education and caring time that several contributors want to see, or the ability to resist low pay that Olivia Hanks and others regard as one aim of UBI. Only with a large enough UBI to facilitate substantial withdrawal from the labour market would that take effect.

This invokes the question of what supporting measures are required to ensure UBI has the desired effects of reducing poverty and helping people to choose shorter working hours. Ursula Barry offers some important ideas here about improving the status of women and carers. But trade unions' perspective seems a glaring omission from the book. They see UBI only as one part of a needed package of labour market regulation. They have repeatedly called for better minimum wage levels, a repeal of the anti-trade union laws of the Thatcher and Blair eras, and restriction of zero hours contracts.<sup>9</sup> Unions have valued EU directives supporting fair treatment for agency, temporary and part-time workers, whose UK application may become a casualty of Brexit.

By omitting the trade union viewpoint, this book underplays one of the most important arguments for UBI; its unconditionality. Louise Haagh is an exception, citing the Danish municipalities who have dropped conditionality as being ineffective, in effect making social assistance a UBI. As sanctions have become increasingly punitive and widespread, the unconditionality of UBI has become increasingly attractive to trade unions and to unemployed people, with UNITE campaigning against sanctions and their extension under Universal Credit even to claimants in part-time work. Ruth Lister's call for a 'participation income' is not balanced by any contribution referencing the long tradition of opposition to punitive conditionality from unemployed people themselves.<sup>10</sup> Since 2015, several unions have worked closely with unemployed people's groups for welfare reform, focussing on opposition to sanctions;

<sup>8</sup> Anne Gray, 2002, 'European perspectives on welfare reform - a tale of two vicious circles?' *European Societies*, vol. 4/4, 359-380,

<sup>9</sup> <https://www.tuc.org.uk/news/zero-hours-contracts-allow-bosses-treat-workers-“disposable-labour”-says-tuc>

<sup>10</sup> B. Jordan, *Paupers: The Making of the New Claiming Class*, Routledge & Kegan Paul, 1973

UNITE, PCS and USDAW have endorsed UBI in policy statements and a TUC conference motion.<sup>11</sup> Surprisingly, Peter Beresford in his chapter calling for a user/claimant input into the UBI debate makes no reference to these initiatives.

The chapters on pilot experiments provide interesting insights into their varied nature and how superficial has been their press coverage. An unmentioned problem of pilots is that they provide evidence only on *recipients'* behaviour – they are surely not large enough to provide evidence about the effects on employers' wage-setting or hiring behaviour. Whilst the African, Indian and Brazilian experiments provide a real addition to incomes of people who previously had no cash transfers, the others merely pay benefits differently to existing welfare claimants. Both Finnish and Dutch pilots are limited to jobseekers, emphasising encouragement to work. Otto Lehto suspects the Finnish one could revert to job-search conditionality. Alexander de Roo reports that the municipalities promoting the Dutch pilots have had to fight central government's pressure to introduce a workfare element. The Ontario pilot, as described by Benns and van Draanen, is means-tested, with a withdrawal rate of benefit of 50% against measured earnings, more like UC than a true UBI. Can this achieve the vision of a cooperative economy and strengthening trade union power in Lewis and McKenna's chapter on the Canadian UBI movement? Or is it merely a slight alleviation of the benefits trap?

The apparent lesson from this book is; firstly, we need more clarity about what counts as a UBI, and what supporting measures are needed to achieve a real defence against poverty and insecurity. And secondly, whilst Brenton Caffin's chapter welcomes the 'unlikely alliance' of right and left wing advocates who want a UBI as part of opposing and incompatible agendas, we should recognise its dangers, already perhaps reflected in some of the 'first world' pilots.

Anne Gray

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<sup>11</sup> UBI was mentioned in the Welfare Charter developed from a joint PCS/UNITE/Unemployed Centres Combine conference in 2015 (<http://www.unitetheunion.org/uploaded/documents/WelfareCharterBooklet11-23990.pdf>). Subsequently, the TUC's 2016 conference passed a motion endorsing UBI (C13 no.68/69, proposed by UNITE and USDAW).

**Martin Ford, *Rise of the Robots: Technology and the Threat of a Jobless Future*, Oneworld Publications, pbk, 352pp, 1 78074 749 1, £7.99**

*Note: the version reviewed here has been amended from the original US publication to include a wealth of detail from the UK economy.*

Robots are coming to take away jobs at all levels of the economy. Mass unemployment is inevitable, so how will people live? 'In my view the most effective solution is likely to be some form of basic income guarantee' (p256), says Martin Ford, author, and a Californian technology entrepreneur. Has he fallen for the Lump of Labour Fallacy? Economists would point out that new jobs have always been created in other parts of the economy despite repeated waves of job-destroying technologies.<sup>12</sup> Even so, this is the 'Business Book of The Year 2015' for the Financial Times.

Probably the most useful and informative part of this book relates to the technology of the robots that are replacing the jobs. A series of chapters describes the way in which software developments, automation, Artificial Intelligence, or to use the currently fashionable term, 'robots', are taking over. There are software apps for writing reports, for translating from one language to another, for making decisions about employees. The technology for driverless cars and trucks is well known. Professional activities like legal advice, tax consultancy and accounting can be largely replaced, or even off-shored. This all threatens the skilled white-collar jobs.

Automating jobs out of existence has not all been plain sailing. When human-machine collaboration is developed, lots of expert systems, even when they out-perform stand-alone experts, are not used because of resistance by the professionals. In university-level education great hopes has been invested in MOOCs—Massive On-line Open Courses. Many good units have been produced, but the idea of replacing full accredited degree courses has faltered on the validation of course certificates. In healthcare, especially eldercare, there is a huge and fast-expanding industry still heavily dependent on human workers, but it is proving difficult to invent effective robots to cater for the needs of the elderly. Despite these setbacks, the author is confident that solutions will be found and the jobs will go.

<sup>12</sup> I wrote an article about LoLF ten years ago for this publication. See: <http://citizensincome.org/news/citizens-income-newsletter-2008-issue-2/>



If robotisation is leading to widespread job destruction, then a Basic Income Guarantee scheme is the only way of ensuring everyone has enough to live, according to the author. He takes it for granted that leftist welfare-statist socialists are the natural supporters of Basic Income, but points out that even right-wing economists like Hayek and Friedman have also advocated a form of Basic Income.

Even so, accepting the need for BI may not be easy for the business-men readership. Basic Income - 'free money' - would undermine the incentive to accept jobs. Of course, BI can also be used to boost effective demand for the products of industry, by making up for the lack of income of the jobless consumers. Enterprise too would get a shot in the arm as the safety net of BI should encourage many more to have a go. New ideas for services and goods can flourish.

This is an interesting take on BI which will be presented to an audience of hard-nosed business people, not the usual sociologists and other academics. Seeing BI as a form of Enterprise Allowance should play well to the 'stand on your own two feet' ethic.

This book gives a good account of the ways robots are being developed to replace many jobs, especially the white-collar and professional jobs. It is encouraging to see how this businessman-turned-author follows his own logic and accepts the case for Basic Income.

Conall Boyle

**Roger Brown, *The Inequality Crisis: The facts and what we can do about it*, Policy Press, 2017, xii + 288 pp, pbk, 1 4473 3758 4, £12.99**

As Kate Pickett's foreword suggests, there is now plenty of information about the scale of inequality, and about the way that it is increasing; and there is now more understanding that inequality is a serious social risk: but action to reverse the trend has been conspicuously absent. Roger Brown's book adds to our understanding of the extent of wealth and income inequalities in the UK, and of the ways in which they are increasing; and, sadly, it adds to our understanding of the UK government's promises to act on the problem, and of its failure to do so.

The first chapter finds that the incomes and assets of the wealthiest have been increasing in value, and that earned incomes of those further down the earnings range have been declining in value. Chapter 2 understands that a certain level of inequality might be a spur to economic activity, but also finds that as

inequality increases it stifles economic growth, impedes social mobility, imposes a variety of other social ills, and hands political power to the wealthy.

Chapter 3 studies a number of causes of increasing inequality: globalisation, technological change, increasing returns to capital, and changes in employment patterns and household structure. As Brown suggests, it is the combination of these factors that is driving inequality. Chapter 4 offers a rather different perspective on the causes of inequality, and finds that significant factors have been neoliberal government policy, including 'austerity'; an increasing compression of wage-levels, partly brought about by trade union activity; a financial sector that is now 'too big to fail' and therefore able to attract government subsidy; and effective monopolies, such as rail operators and major energy providers, which are also able to attract subsidies from government. While the changes listed in chapter 3 are global in extent and therefore effect, those listed in chapter 4 have exhibited different levels of impact in different countries largely because their extents and effects are the result of country-specific institutional decisions.

The search for responses to inequality begins with chapter 5. Taxes on wealth, reducing tax allowances that benefit the wealthy, changes to corporate taxation, and increases in social expenditure, are all discussed. Ambiguous 'guaranteed minimum income for all' terminology is employed, and Tony Atkinson's Participation Income, and also a Basic Income for children, are preferred to a Citizen's Basic Income for all. The onerous and intrusive administration required for a Participation Income is not recognised.

Chapter 6 suggests increasing expenditure on 'active labour market' programmes, but has not taken account of research that shows that the sanctions related to such programmes are counter-productive. The chapter also makes suggestions in relation to trades unions, corporate governance, political party funding, media ownership, education policy, and financial sector regulation. Chapter 7 suggests that governments should be accountable to parliament for the level of inequality; that tackling tax avoidance and inefficient markets should be priorities; and that assets should be taxed at the same rates as income. Some discussions simply state the problem: for instance, to increase corporate tax rates might reduce revenue because the tax base is mobile. The chapter discusses government promises in relation to 'just managing families', corporate governance, and other fields, and shows that government actions have either had very little effect in the right direction or rather

too much in the opposite one. Chapter 7 also discusses the effect of inequality on the decision to leave the European Union, and the effects of private campaign funding on that outcome. The chapter concludes with a long list of government policies that exacerbate inequality.

This book is significant both for its broad canvas and for the level of detail that it contains. (For instance: as well as the kinds of rent-seeking discussed in other recent books, there is useful discussion of the pros and cons of professional self-regulation: the maintenance of standards on the one hand, and the possibility of rent-seeking on the other). A full quarter of the book comprises notes and references. The only major criticism to offer is that, as the author recognises, none of his suggestions have been costed. It would be useful to see the figures.

This book has particular significance for the Citizen's Basic Income debate. First of all, it makes it clear that inequality is caused by a very broad range of factors, that they all need to be tackled, and that tackling just one of them will not do the job: so no Citizen's Basic Income scheme can be an answer to inequality on its own. But the book is also full of examples of policies that some might have thought would reduce inequality but that in fact exacerbate it: for instance, government attempts to encourage savings do not in fact enable the poor to save but rather benefit those already able to save, and so tend to increase inequality. It would be very easy to construct a Citizen's Basic Income scheme that would exacerbate inequality without realising that that would be its effect. It is therefore essential that anyone who publishes an illustrative scheme should be able to show that their scheme would not increase inequality, and, even better, that it would reduce it.

At the end of her foreword Kate Pickett suggests that we should all read this book and then pass it on to someone else, because when enough of us come to understand the problem 'things will begin to change'. Let's hope that she's right.

**Otto Lehto, *Basic Income around the world: The unexpected benefits of unconditional cash transfers*, Adam Smith Institute, 2018, 49 pp, free to download at [www.adamsmith.org/research/basic-income-experiments](http://www.adamsmith.org/research/basic-income-experiments)**

In 2015, the Adam Smith Institute published a paper on Negative Income Tax written by Michael Story. This understood the benefits of free trade and automation, recognised the effects of free trade and automation on the income security of lower skilled

workers in developed countries, showed that current government benefits policies trapped people in poverty, and recommended a Negative Income Tax. On the bases that a Negative Income Tax could generate the same relationship between earned income and net income as a Citizen's Basic Income, and that a laboratory experiment had shown that labour supply could be higher with a Negative Income Tax than with a Citizen's Basic Income of the same value, Story recommended a Negative Income Tax rather than a Citizen's Basic Income. What the paper did not recognise was that in the context of today's increasingly diverse employment market a Negative Income Tax would not be anything like as easy to administer as a Citizen's Basic Income. Administration of a Negative Income Tax would necessarily involve both the Government and employers in the calculation and payment of the Negative Income Tax, and would therefore encounter the same problems as today's Universal Credit.

Lehto sets off from the same place as Story: the benefits of automation and globalisation, and their unfortunate effects on employment and income security. This means that protectionism must be avoided, and that

the crucial task is to design a safety net that provides economic security without slowing down economic, social and technological development. (p. 7)

Lehto rehearses the history of the neoclassical idea that a non-intrusive universal income in a context of free and open markets can be efficient both for society and for the economy:

Consistent and sustainable UBI models recognise the value of cash in mediating people's preferences and increasing distributive efficiency. (p. 12)

Lehto studies the effects of both conditional and unconditional cash transfers implemented, either permanently or temporarily, in a variety of countries, and finds both of them preferable to in-kind transfers. He finds conditional cash transfers preferable for children, and unconditional cash transfers preferable for adults. He questions the value of the results obtained from minimum income experiments in Canada and the USA during the 1970s, finds evidence from Alaska and Iran not to be generalisable, and finds evidence from the Namibian and Indian pilot projects interesting. He recognises the limitations of the current experiment in Finland, but sees it as 'heralding the way for an audacious string of global experiments' (p. 30). He is looking forward to results from experiments in Canada, the

USA, Scotland, Uganda, and Kenya, but has not understood that the project in Ontario is a long way from being a Citizen's Basic Income experiment.

Lehto finds that a Citizen's Basic Income would have 'the lowest chance of being hijacked by special interests, and the highest chance of being useful to its beneficiaries regardless of the circumstances' (p. 36). He understands that implementation might pose challenges (although, like Story, he does not understand how easy a Citizen's Basic Income would be to administer in comparison to a Negative Income Tax), and concludes that a Citizen's Basic Income 'is politically feasible, socially desirable and financially sustainable' (p. 36). As Lehto puts it:

Give everybody a little bit of money every month and tax it away (smartly and efficiently) from those who can afford it. If it sounds too good to be true, it's only because we have been conditioned to accept the premise that complexity in life situations requires complexity in governance. In fact, the very opposite is true: simplicity in welfare legislation is the best fit for a complex world. ...

... Only a combination of robust markets and a robust safety net can give people the incentives to take more risks, set up businesses and take up various jobs, in the knowledge that their basic security is taken care of, regardless of how creative – or destructive – the Schumpeterian maelstrom of global capitalism becomes. (p. 37)

Lehto has offered us a highly competent libertarian argument for Citizen's Basic Income.

**Sam Royston, *Broken Benefits: What's gone wrong with welfare reform*, Policy Press, xii + 387 pp, 1 4473 3326 5, pbk, £15**

This book might be better described as a library than as a book. That is not a criticism. The book is timely, detailed, well researched, and well written: not an easy combination to achieve in relation to the UK's benefits system.

Part I is introductory. It summarises the book's message – the high cost of the system; its insufficient support for working families; its dysfunctional administration; and the fact that contributory benefits, far from representing insurance-based provision, can actually leave people worse off. Then follows a history of social security benefits in the UK, which demonstrates how the Beveridge Report really did give birth to a 'British revolution' – that is, a revolution containing lots of continuity - as well as claiming that it did. Royston then suggests what

benefits are for: providing a safety net; increasing equality between households facing different circumstances; and promoting socially desirable behaviour, particularly in relation to work – here meaning employment.

Part II is a detailed exploration of the UK's benefits system. Part III explains recent changes: cuts, freezes, caps, an exacerbated couple penalty, and declining incentives to seek employment; and it finds that pensioners are treated far better by the system than working families. Part IV is well described by its title, 'Chaos, error and misjudgements', and is a detailed discussion of sickness and disability assessments, benefits sanctions, changes to state pension age, and the now localised Council Tax Reduction, and particularly the way in which such localisation makes a coordinated policy over marginal deduction rates impossible to implement. Part V studies longer term trends, and finds significant impacts on poverty rates, living standards, household debt, health, education, homelessness, housing security, social isolation, employment incentives, and the complexity of benefits.

The final part of the book suggests a number of changes that would give us 'better benefits', with the suggestions categorised under the different purposes of the benefits system outlined at the beginning of the book. In order to prevent poverty and destitution, some of the changes made to Housing Benefit and to benefits for people affected by disability or ill health will need to be reversed, the use of sanctions will have to be scaled back, waiting periods will have to be reduced, and a national crisis loan scheme will have to be reintroduced. In order to respond to household need, benefit caps will need to be reviewed, and changes will be needed to Pension Credit to fill the gap between working life and an increasing state pension age. In order to support socially desirable behaviours, employment must pay, so the 'cliff edges' of the benefits system will need to be removed, work allowances and not tax allowances will need to be increased, and couple penalties will need to be removed. The final substantive chapter asks that changes should not leave people worse off, and that changes should be understood. Royston sums up his prescription like this:

Alongside work to rebuild the safety net; respond flexibly to differences in household need; and more consistently promote socially desirable behaviours, we also need to reform social security in order to make it simpler from the perspective of the claimant. Addressing these four areas together could help to fix our broken benefits system. (p.345)

The concluding chapter emphasises that there is more than one goal for the benefits system, that cuts can cause inefficiency, that economic inequality matters, that National Insurance Contributions should count for something (so National Insurance benefits should not be reduced pound for pound when means-tested benefits are claimed), and that 'simplifying the benefits system shouldn't be the goal – simplifying it for the claimant should be' (p.350). True: but it is also true that a simpler system would be easier to understand.

Royston has fulfilled admirably the agenda that he set himself: that is, not to reform the benefits system, but to make the system work better than it does. It is never the task of a reviewer to criticise an author for not writing the book that the reviewer would have liked to see written: so what this review needs to say is the Royston's book should be taken as a model of careful detail, and that anyone who proposes genuine change to the benefits system should take the kind of trouble over the detail that Royston has taken. But having said that, it also has to be said that Royston's approach to the reform of the benefits system is insufficient. The world has changed since Beveridge wrote his report in 1942, yet we are still trying to make work a system designed for the 1940s. More radical change is surely required: and once a new trajectory has been decided upon, each step of the transition will need to be subjected to the kind of examination to which Royston has subjected today's creaking benefits system.

**Christopher Deeming and Paul Smyth (eds), *Reframing Global Social Policy: Social investment for sustainable and inclusive growth*, Policy Press, 2017, xv + 350 pp, 1 4473 3249 7, hbk, £90**

The editors believe that the economic policy tide is turning. The neoliberal tide is going out, and the 'shared prosperity'/'inclusive capitalism'/'social investment' tide is coming in. In this emerging new context, social policy is being 'reframed' by policy actors: that is, we are hearing new expressions, such as 'the social investment welfare state', and we are seeing social policies to match the new framework. The intention of the authors of this volume is to 'critically engage with the new and emerging policy frameworks and perspectives that are now being designed by policy actors for the remaking of global social policy for the 21<sup>st</sup> century' (p. 3).

Part I of the book studies the theoretical frameworks evidenced by new discourses. Chapter 1 asks how such concepts as 'social investment' might enable

policy actors to develop social policy that is as much about enabling people to participate in the economy as it is about protecting people from the effects of market failures. Chapter 2 asks whether the discussion might be enhanced by an 'inclusive growth' framework in more developed countries, and chapter 3 asks how an 'inclusive growth' perspective might enable economic and social policy to relate to each other in developing countries. Chapter 4, for which South Korea is a case study, suggests that the social investment and inclusive growth perspectives need each other.

Part II is about policy application. Chapter 5 defines inclusive income growth as 'growth that is accompanied by declining (income) inequality' (p. 129), and applies this perspective to the activities of a variety of financial institutions. It finds the concept of inclusive growth to be insufficiently defined, and develops its own tests for the presence of inclusive growth. Chapter 6 finds an inclusive labour contract to be an essential element of global social policy in today's context, with employment protections being tailored to the different circumstances of different countries. Chapter 7 thinks it doubtful that 'active labour market' policies operated in low-skilled employment markets in more developed countries will promote inclusive growth, and asks for 'income transfers that do not undermine work incentives in the current context' (p. 183). Chapter 8 describes vocational training as social investment; and chapter 9 asks that every area of social policy (healthcare, education, social services, etc.) should work together across the whole life course to further a social investment agenda. Chapter 10 finds that the fact that

more inclusive societies (either in terms of income or health) affects growth positively is reassuring on the one hand, but still puzzling on the other, because even though we find significant correlation we cannot claim causation from our data. (p. 247)

Chapter 10 also finds that more traditional 'social protection' programmes function as social investments and facilitate inclusive development; and that an increasing number of international institutions now recognise that 'many more governments are committed to using social protection to reduce poverty, invest in people, and achieve economic and development goals' (p. 267). Chapter 11 shows how policies aimed at 'social protection' can also represent 'social investment; and chapter 12 discusses a tendency at the end of the last century to concentrate social investment on children and on employment market activation, and to employ a

variety of institutional means (including the private sector) to meet policy goals.

Chapter 13 qualifies much that has gone before by revisiting limits to growth: a chapter that probably ought to have been earlier in the volume. The editors' concluding chapter finds that innovative 'social investment' social policy is generated more by developing countries than by developed ones characterised by 'austerity economics', and they suggest that both social investment and inclusive growth perspectives will be essential to the global social policy framework that we now need and that we can see emerging.

What is particularly interesting about this book is the way in which its diverse contributions are all evidence for new perspectives emerging from within current social and economic policy: the new evolving out of the old rather than coming from elsewhere to replace it, and at the same time being genuinely new. The same might be said of Citizen's Basic Income, which can be understood as both an evolution from within current tax and benefits policy, and as the emergence of something new. Perhaps both the social investment approach and Citizen's Basic Income are elements of a new paradigm. As an old paradigm hits problems, new ideas emerge and eventually coalesce into the new paradigm that the situation requires.

The editors suggest that the social policy trends that emerge from their volume do not yet represent a 'grand economic theory' to displace neoliberal austerity economics (p. 324): but perhaps they do. As they suggest, 'universal', 'rights based', 'inclusive', and 'social protection' might be replacing the 'safety net' ethos of today's social policy. The trends that they have noted fit this new model, and so does Citizen's Basic Income; the new tendency for development studies and social policy to work together that these authors have noticed is precisely a characteristic of the Citizen's Basic Income debate; and the need for social policy and economics to work together that the authors note is already an aspect of research on Citizen's Basic Income. Three of the authors discuss conditional cash transfers, and two mention studies that show that unconditional transfers are just as effective, but there is no mention of either the Namibian or the Indian Citizen's Basic Income pilot projects. While conditional cash transfers might represent steps towards a new social policy paradigm, it is Citizen's Basic Income that would represent the new paradigm itself. Perhaps if a second edition of the book is ever considered, a chapter might be given to such genuinely universal provisions as the UK's National Health Service, Citizen's Pensions in various countries, unconditional child benefits, and

experiments with unconditional incomes for working age adults, for it is these that best represent the new global social policy for which the editors and authors of this book are seeking.

**Bent Greve, *Technology and the Future of Work: The impact on labour markets and welfare states*, Edward Elgar, 2017, ix + 153 pp, 1 78643 428 9, hbk, £65**

This book stands on the complex boundary between two connected and lively debates: How will new technology change the employment market? And how will welfare states need to adapt to cope with changes to the employment market?

The introductory first chapter outlines a number of hypotheses on how technological change will change employment markets and welfare states: that automation will remove low-skilled jobs from the employment market, and low-skilled individuals will therefore find themselves unemployed or on low wages; that welfare states might become difficult to finance; that societies might become less coherent; and that 'there will be a stronger pressure in the more universal welfare states compared to the liberal and continental welfare state types' (p. 4). The first chapter also begins the description of emerging employment market trends: more people in involuntary temporary employment, more in part-time employment, and a decreasing employment rate for low-skilled individuals.

Chapter 2 offers a useful history of technological change and of its dual effects on employment – both the destruction and the creation of jobs – and concludes that current and future technological change will probably destroy jobs but not create many new ones. Chapter 3 outlines current technological change, and suggests that, unlike during previous automations, high-skilled jobs could be at risk; and he also suggests that European integration will be put at risk by those countries still with large agricultural and manufacturing industries suffering disproportionately large falls in employment. Chapter 4 discusses new globalised market platforms, such as those for employing software writers, leading to low-paid self-employment.

Chapter 5 asks whether we will see a hollowing out of the employment market – that is, some remaining low-paid jobs for the low-skilled, and some remaining highly-paid jobs for the highly-skilled, but few reasonably paid semi-skilled jobs – and finds both a split employment market and a complex picture characterised by increasing precariousness.

Chapter 6 finds that trades unions' ability to stabilise the employment market in terms of wage levels and numbers of employees at a variety of skills levels will continue to decline, and that welfare states might have to fulfil a more active role in relation to working conditions. Chapter 7 suggests that the lower income tax revenues implied by employment market changes will make welfare states more difficult to fund; that more effort will be required to ensure that companies pay sufficient tax (especially considering that much of the modern technology from which they benefit was developed with public financial support); that economic activity negotiated through new market platforms will need to be taxed where the activity takes place; and that it might be useful to establish an employment status between the employee and the self-employed (which is what the recent Taylor review in the UK has suggested).

Chapter 8 discusses rising inequality, and concludes that progressive taxation will be crucial to ensuring both coherent societies and the future of welfare states. Chapter 9 suggests that as the number of low-wage jobs declines, and more kinds of work can be undertaken anywhere in the world, economic migration might tail off. Chapter 10 asks about the consequences of all of these changes for our societies, and discusses two possible scenarios. 'The dark side' would be characterised by 'dramatically fewer jobs, with increasing inequality and a welfare state which is difficult to finance' (p. 124). 'The bright side' would be

where new technologies imply better living standards and options than before ... many new jobs will be created ... [There could be] fewer working hours, and/or new types of jobs with new challenges ... it could be a time of new ways of living longer in relative prosperity as technology opens the way for better treatment, and also as existing jobs with a physical strain on the labour force are wiped out. (p. 126)

For the 'bright side' to become a reality, appropriate public policy will need to facilitate lifelong learning, wealth redistribution, lower working hours, enhanced quality of life, and a 'guaranteed minimum income – conditions to be attached' (p. 127).

Unfortunately, the discussion of a 'guaranteed minimum income' in chapter 7 is bedevilled by confusing terminology. The problem lies with the term 'guaranteed minimum income' (p. 95). This could either mean that the government guarantees that each household will reach a stated income level (through a means-tested benefit), or it could mean a guarantee of a Citizen's Income, in which case the

word 'guarantee' is redundant. The use of the term 'guaranteed citizen's income', and the author's statement that a 'guaranteed minimum income' is sometimes called a Citizen's Income, suggests that 'guaranteed minimum income' is in fact understood by the author to be an unconditional income for each individual, and is not the 'minimum income' discussed earlier in the chapter.

Either way, Greve decides not to discuss a Citizen's Income, but instead to study a Participation Income. He recognises the difficulty of deciding what counts as 'participation', but does not address either the difficulty of administering a Participation Income, nor the fact that on the basis of Tony Atkinson's criteria only 1% of the UK's would be deprived of it at the cost of considerable administrative expenditure and bureaucratic intrusion.<sup>13</sup> Greve then confuses the value of an income tax personal allowance with a Negative Income Tax (which it isn't: the personal allowance would have a fixed value, whereas a Negative Income Tax would reduce as wages rose). He then uses the term 'basic income' to describe an income that employs 'a variety of means-testing or needs assessment' (p. 96), when what the term normally means is an unconditional income. This is perhaps the most disappointing section of the book. It is under-researched, it employs confusing terminology, and it contributes nothing to the important debate as to whether an unconditional income would be useful to societies facing significant employment market change.

Having said that, most of this book addresses a vital topic in an accessible way. If a second edition is ever written then a well-researched and clearer section on Citizen's Basic Income would considerably enhance it and make it an even more useful resource for an important debate.

**Patricia Kennett and Noemi Lendvai-Bainton, *Handbook of European Social Policy*, Edward Elgar, 2017, xviii + 458 pp, hbk, 1 78347 645 9, £160**

According to the Oxford English Dictionary, a 'handbook' was

Originally: a book small enough to be easily portable ... Later also more generally: any book (usually but not necessarily concise) giving information such as facts on a particular subject, guidance in some art or occupation, instructions

<sup>13</sup> Malcolm Torry, *The Feasibility of Citizen's Income* (Palgrave Macmillan, 2016), pp. 124-6, 134-9.

for operating a machine, or information for tourists

This book certainly isn't small, but it does 'give information such as facts on a particular subject' and 'guidance in some art or occupation'. But don't lots of books that are not called handbooks do that? What publishers now seem to mean by 'handbook' is 'this book is a comprehensive treatment of the subject so it's the only book that you and your students will need'. Does this book fit such a description?

The first section, on 'perspectives on European welfare states', contains chapters on social policy ideas and language, cultural political economy, gender inequalities, and social investment. A particularly interesting chapter points out how a country's economy and welfare state regime will often share characteristics because they have deep roots in the same history. Also, although recent austerity measures have reduced all European welfare states' generosity, and have brought conservative and social democratic welfare state regimes closer to each other, both of them are still quite different from more liberal regimes.

The second section of the book is on international and regional institutions and social policy, and is mainly about European Union institutions. Here a chapter on European citizenship and social rights suggests that a 'European minimum income scheme' would strengthen European identity and solidarity and would more fully integrate Europe's labour market. 'Minimum income scheme' is left undefined, but probably means a means-tested benefit, which would be very complicated to administer in the context of Europe's wide variety of different tax and benefits regimes. A European Citizen's Basic Income – an unconditional income for every individual – would be far more feasible to implement, and because everybody would receive it, it would have more of a positive effect on European identity and solidarity.

The third section compares welfare states and societies across Europe. Here we have chapters on Central and Eastern Europe, southern Europe, the Nordic countries, and the UK and Ireland. The chapter on Ireland and the UK suggests that these two welfare states are now becoming the model for Europe as a whole: a conclusion that needs to be compared with the conclusion that we noted in the first section.

The fourth section complements the third by treating the subject thematically: so, we have chapters on labour market policies, education policy, care work, and pensions. An outlier is a chapter on the territorial dimension of social policies. Missing are healthcare

and social security benefits. This matters. Because healthcare is not given the attention that it deserves, the UK's National Health Service is ignored, so its welfare state looks more liberal than it is; and because pensions get a chapter of their own, and unemployment benefit is dealt with in the context of a chapter on the labour market, social security benefits are not treated together, and both means-tested benefits and such unconditional benefits as the UK's Child Benefit are not given the treatment that they deserve.

The final section of the book studies emerging challenges: poverty and social exclusion; climate change; multiculturalism; and the social legitimacy of welfare states. An outlier here is a chapter on Hungary, which implicitly asks whether other countries might eventually see the same turn to authoritarian neoliberalism and a welfare state that looks rather like the Poor Law. The final chapter asks some important questions about Europe's – by which it means the EU's – social project.

This book is in many ways a genuine 'handbook'. Given the price, it is doubtful whether many people will buy it: but it will be a useful reference book for researchers and students who can borrow it from their institutions' libraries.

**William Kingston, *How Capitalism Destroyed Itself: Technology displaced by financial innovation*, Edward Elgar, 2017, ix + 174 pp, 1 78536 773 1, hbk, £65**

Capitalism is so much a part of the world that we live in, and even of who we are, that we might find it difficult to recognise that there is nothing inevitable about it. We have created its institutions, and they can decay as easily as they can thrive. So-called 'free markets' are never free, and are always prone to manipulation by the powerful; and private property can cease to be a useful social institution, and instead become an instrument of domination. Capitalism might be dying, and this book is about what's gone wrong:

Those who deal in money got control of the laws relating to it, which made Western economies less capable of generating real wealth, because it became so much more profitable to invest in financial innovation than in technology. (p. vii)

The author does not appear to have read Guy Standing's *The Corruption of Capitalism* (Biteback Publishing, 2016), perhaps because he finished writing his book before Standing's was published. Their messages, both in general and in detail, are very

similar. They both recognise the importance of intellectual property rights, designed to encourage innovation, but now monopolised by the wealthy in order to increase their wealth; and both are critical of a financial industry that has captured the institutions that ought to be controlling it.

Kingston's first chapter describes capitalism's development, its characteristics, its modern history (structured in relation to Kondratieff waves), and its success at fostering innovation.

The second chapter charts the early history of capitalism and its institutions from the ancient Greeks, through early Christian writers, to the Reformation and the Enlightenment. (The monasteries of the Middle Ages were particularly important locations for the application of scientific knowledge to practical application.)

Chapter 3 recounts the capture of democracy by financial interests, and then a history of intellectual property rights, of US corporations' effective control of global property rights legislation, of the loss of any sense that intellectual property rights are meant to serve the public good, and of financial interests employing property rights legislation to stifle innovation rather than encourage it.

In chapter 4, Kingston dubs as 'alchemy' the ways in which banks create credit, and therefore money, and he recounts the ways in which governments have enabled banks to create even more money by giving them limited liability, providing central banks as lenders of last resort, guaranteeing customers' deposits, and allowing banks and auditors to become largely unregulated. Kingston also recounts how wealthy corporations have taken control of trade agreements, thus corrupting so-called 'free trade'.

In his final chapter, Kingston asks what could have been done to save capitalism. He suggests transparency in relation to the owners of companies; that banks should lose their limited liability; that trade mark registrations should be time-limited; that property rights in information should be eliminated; that governments should fund research; that poorer countries should be allowed access to patented information. He argues that a Citizen's Basic Income should be implemented because of its ability to incentivise employment and self-employment, and because, if it was structured as a National Dividend, it would be in everyone's interests to encourage innovation in order to create the wealth that would then be equally shared.

Much of this book is based on Schumpeter's prediction of capitalism's difficulties, which initially

looked as if they had been proved wrong, but now appear prescient. One of Schumpeter's worries was that democracy would mean that states would not be able to resist their populations' demands for public services and transfers, which would require debt financing, and would therefore require governments to prevent banks from failing. As Kingston points out (p. 33), the provision of public services enables corporations to make money out of government contracts rather than out of technological innovation, and the provision of transfers invites lobbying by interest groups. One of his arguments for Citizen's Basic Income is that it would reduce the lobbying of elected politicians.

In his epilogue, Kingston describes quantitative easing as capitalism's life support machine. This pretty well sums up his view of the situation.

One minor criticism: the book could have been better structured. Chapter 2, on the early history, ought to have come first; and the first part of chapter 3, on the corruption of democracy, would have been better later in the book.

As Kingston points out, it is when the privileged have ceased to take seriously their responsibilities that empires have risked revolution, and that this might be the situation that we are now in. This is a bleak book, and an important one. We might not agree with everything in it, but the overall argument is persuasive. It is high time that our governments got themselves out of their election cycle mentality, asked about the long-term good of our economies and our societies, and took some action.

**Bruce Nixon, *The 21<sup>st</sup> Century Revolution: A call to greatness*, Acorn Independent Press, 291 pp, 1 911079 03 3, pbk, £9.99**

In one sense there is nothing new about this book about everything. It outlines the challenges facing us: climate change, poverty, inequality, austerity, low wages, unemployment, flawed semi-democratic institutions, and so on; it notices signs of hope in pressure groups and individual and group initiatives; and it suggests solutions. The distinctive aspect of the book is its statement that it will employ 'systems thinking': 'the process of understanding how systems influence one another within a whole ... rather than reacting to specific parts ... we need to look at the whole system and identify the fundamental issues before creating solutions' (p. 19). So, for instance, the difficulties facing the NHS need for their solution health education, lifestyle and diet change, a sugar tax, and more people walking and cycling.



The sections of the book that outline the challenges that we face are, to say the least, depressing. This is not a criticism. The challenges that we and our planet face really are massive, and Nixon leaves us in no doubt of either the extent of the difficulties or the difficulty of doing anything about them. But what of the solutions? Take, for instance, the solutions that he proposes to problems with our semi-democratic institutions: 'We need political leaders with stature ... We need political leaders who think strategically and selflessly about our long-term future ...' (p. 51); and at the same time 'online voting could be utilised by the electorate to tell their MP which way to vote on an issue ... Every MP should do this' (p. 34). And in his paragraph on a Citizen's Income, Nixon proposes paying for it by 'eliminating or reducing government borrowing (and hence avoiding the costs of interest on government debt)' (p.214). In neither case does he appear to see the contradiction.

Everywhere we find either incompatible ideas, as with these, or we find clear ideas with which it is impossible to argue – 'academia freed from corporate interference, and tax havens closed' (p. 60) - with no recognition of the difficulty of achieving such laudable aims. We are told what needs to happen, but not how it will happen. If change is to occur, then we need to know which institutions will need to do what, and which policy steps will achieve the required change – and we need to recognise that the first step must be in the interests of institutions as they are today, otherwise it won't happen, and neither will any of the others. Politics is the art of the possible, and there is rather too little detailed proof of possibility.

The book is engagingly chaotic, rushing from issue to issue via long quotations from newspapers and websites and throwaway sentences with no content: 'Another invaluable approach is Consensus Design ([www.christopherday.eu/](http://www.christopherday.eu/))' (p. 51). Perhaps it is, but we cannot judge because we are not told what it is. There is plenty of discussion of where systems thinking is not happening (for instance, in relation to the debate about a new runway at Heathrow – a debate that has taken no account of additional flights' impact on carbon emissions): but there is nothing like enough positive systems thinking. More often, we are treated to a scatter of briefly described problems accompanied by bold fixes that are unlikely to be politically feasible. However, the 'problem/solution' pairing does work where a relatively small group of people can take matters into their own hands and create change (as when economics students establish their own more plural curricula, or the 2010 Living Wage campaign persuaded a thousand companies to pay a Living Wage); or when it is in the interests of

corporations to create the necessary change – and here the examples relate to renewable energy solutions for climate change.

The book ends with a list of organisations (mainly pressure groups and think tanks) and an appendix about systems thinking, but no bibliography or index. As for systems thinking: perhaps there ought to have been some recognition in chapter 5, which is all about neoliberalism, that the neoliberal ideology is in fact systems thinking par excellence, and that it was driven into the hearts of our institutions by the kind of strategizing that Nixon would like to see accompanying his own prescriptions.

But having said all of that, there really is something quite beguiling about this book. The chaos of seemingly intractable problems and apparently infeasible solutions is shot through with a utopian optimism that is catching. We want the solutions to succeed, even if we can't see how many of them could. A quotation that could stand for the book as a whole is Nelson Mandela's: 'It always seems impossible until it is done.' (p. 139). Maybe we will be able to look back in three or four decades, if we're still alive then, and see that some of the changes that we thought impossible have come about.

**Wim van Oorschot, Femke Roosa, Bart Meuleman and Tim Reeskens, *The Social Legitimacy of Targeted Welfare: Attitudes to welfare deservingness*, Edward Elgar, 2017, xviii + 366 pp, hbk, 1 78536 720 5, £105**

'Who should get what, and why?' (p. 4) is a question at the heart of the debate about the legitimacy of welfare states and the reform of benefits systems; and it is at the heart of this timely, well-researched, well-written, well-edited and important book.

In their introduction, van Oorschot and Roosma find that there are three research approaches to their subject: study of the institutional characteristics of benefits; study of public images of target groups; and study of how the public views the deservingness of different groups. In relation to these three different perspectives, they find that targeting divides society into recipients and non-recipients, thus reducing social legitimacy, whereas more universal benefits achieve greater social legitimacy; and that the public has negative images of people in poverty, the unemployed, black single mothers, and immigrants. They find that public perception of deservingness is reduced where someone is thought to have failed to exercise 'control' over their neediness, where the poor person's 'attitude' is less than compliant, where 'reciprocity' appears to be lacking, where someone's

'identity' is different from ours, and where 'need' is less than other people's perceived needs. These 'CARIN' factors function together to generate public perceptions of undeservingness; and such perceptions of deservingness relate to the institutional design of benefits systems and public images of target groups to generate social legitimacy or illegitimacy for benefits systems. This book is mainly about the five deservingness criteria, but the reader will often find that perceptions of deservingness sometimes overlap with public image, and that institutional design often responds to deservingness criteria, so the boundaries between the three factors are not always clear.

The book is divided into ten sections, although again the reader will discover overlap. Part II, following the introduction, studies geographical, temporal and social-structural variations in deservingness rankings, and finds that it is difficult to establish a universal ranking of deservingness, and that there are rather a lot of 'welfare egalitarians' who choose not to rank different groups in terms of their deservingness. It also finds that 'control' and 'reciprocity' factors affect both legislation and perceptions of deservingness; that 'identity' affects only perceptions of deservingness; and that 'need' and 'attitude' affect neither very much.

Part III, on the cognitive basis of deservingness opinions, finds that incorrect beliefs about benefits are associated with perceptions of undeservingness; and that negative unconscious attitudes towards unemployment benefit recipients correlate with the view that the level of unemployment benefit should be reduced. Part IV finds gender and racial biases in media images used in relation to poverty, and that different 'CARIN' factors are employed in relation to different groups. Part V finds that a higher unemployment rate reduces support for unemployment benefit conditionality, as does higher numbers of recipients of unemployment benefit; and that benefits retrenchment can increase perceptions of deservingness, as can GDP growth. This latter result is important as it confirms other research that has found that policy change affects public opinion as well as public opinion influencing policy change.<sup>14</sup>

Part VI finds a complex picture in relation to the strength of the obligations that members of the public expect benefits recipients to face. Part VII finds that social workers, in close contact with the details of

<sup>14</sup> Staffan Kumlin and Isabelle Stadelmann-Steffen (eds), *How Welfare States Shape the Democratic Public: Policy feedback, participation, voting, and attitudes*, Cheltenham: Edward Elgar, 2014.

benefits recipients' lives, are more likely to think claimants deserving than administrators who do not experience such close relationships with claimants. In relation to discretion exercised by street level bureaucrats, it finds that deservingness assessment affects the implementation of policy, and, in particular, that higher perceived 'need' affects decisions to a greater extent than perceptions of 'reciprocity', 'legislation', 'control' or 'attitude'. This part of the book also finds a correlation between self-interest and deservingness opinions, and no relationship between deservingness opinions and either income level or level of education.

Part VIII finds that the 'CARIN' criteria have more effect in relation to generally disliked groups, such as immigrants, than to other groups. It also suggests that the presence of larger numbers of immigrants causes a society to experience differentiated levels of trust in different groups, which undermines the more generalised trust on which a welfare state depends. Part IX finds that in the United States the rich are generally perceived to be undeserving, and in particular undeserving of tax cuts. The book's final chapter concludes that 'welfare legitimacy seems to presuppose that beneficiaries of policies are viewed as deserving to the degree that they meet one or more of the CARIN criteria' (p. 341).

The statement on page 19 that 'survey studies in the Netherlands ... indicate that only a minority of about 20 to 30 per cent are in favour [of a Citizen's Basic Income]' is now out of date. The figure is now close to 50%.<sup>15</sup> This is not a criticism of the book: it is rather a statement that public opinion can change very fast; which in turn suggests that, in relation to unconditional benefits, the CARIN factors are becoming less relevant than they were. This is perhaps due to increasing levels of uncertainty in relation to the economy, the employment market, and ageing. More of us are now aware that we might need the welfare state. It would be interesting to see the research on which this book is based repeated in five years. Conclusions might have to be revised: and as the salience of the CARIN factors changes, we might find unconditional benefits implemented for more groups of people, and we might find – as the book suggests – that universal benefits can achieve greater social legitimacy than targeted ones, and that a welfare state changing in a universal and unconditional direction can cause changing public opinion to reduce even further the effect of the CARIN factors.

<sup>15</sup> <http://citizensincome.org/wp-content/uploads/2017/11/European-Social-Survey-survey-on-Basic-Income.pdf>

**Hans-Uwe Otto, Melanie Walker and Holger Ziegler (eds), *Capability-promoting Policies: Enhancing individual and social development*, Policy Press, xiii + 317 pp, 1 4473 3431 6, hbk, £90**

'Opportunities to flourish' is what the Amartya Sen's 'capabilities' approach to human development is all about. So, the question that this book sets out to answer is this: What are the policies that will facilitate multidimensional flourishing?

The book's introduction recognises that human development requires an income and various public services: but, also, that these are not sufficient conditions for human flourishing, and that enhancing people's opportunities is the end in view. (Economic growth is also assumed to be a requirement, which of course it isn't.) So, the book aims

to outline a new approach towards more socially balanced and innovative capability-promoting policy activities, models and programmes that reduce social and human suffering and have the potential to lead to more inclusive societies that make life worthwhile, and thus to their more emancipatory transformation. (p. 7)

The criterion by which public policy should be judged is whether or not it enhances people's capabilities and therefore their freedom.

The first part of the book tackles conceptual challenges. Reiko Gotoh suggests that Sen's capabilities approach and Rawls' 'veil of ignorance' theory of justice between them require that equality should be a normative criterion when public policy is designed. Klein and Ballon insist that the individual's ability to make decisions is an essential element of the capabilities approach, and that the means by which policy is made and carried out are as important as the ends. And Indira Mahendravada includes community empowerment, and especially the empowerment of women, as policy goals. The final chapter of the section is a case study of central American development plans evaluated in the light of a capabilities approach.

The second part of the book employs case studies to ask how institutional structures and civil society might serve a capabilities human development approach. A study of Buenos Aires finds that culture and religion enable residents of informal settlements to be active agents in making their lives more fulfilling; research on New York finds that the diverse cultural characteristics of different neighbourhoods can be as important as public policy; research in Italy discovers persistent inequality, and

young people to be particularly vulnerable; and research in South Africa finds informal workers to be lacking in opportunities and capabilities. A common theme is the importance of policy that enhances people's ability to 'make choices that will improve their social and economic status, and that ... the choices that disadvantaged participants are able to make will help them to live lives of value' (p. 175).

The third section of the book is all about children, young people, and education. In the context of child protection in the UK, 'what is required is a paradigm shift from a narrow focus on risk ... to one that fundamentally aims to promote the wellbeing of children and their families' (p. 195). In Australia, a concentration on adult employment market participation is found to restrict children's capabilities. A chapter on educational institutions asks that education should be focused on enhancing pupils' capabilities, and that schooling should be inclusive rather than segregated; another chapter asks for a capability-promoting curriculum in early years education; and another asks that education for children with special needs should be capability-enhancing in practice and not just in theory. The final chapter in this section emphasises education's independent moral relevance, apart from any connections with other dimensions of human development.

No book can do everything, and it would be unfair to suggest that this book should have included explorations of how a capabilities approach to development might relate to housing policy, social security systems, healthcare, and so on. A concentration on one particular policy field – in this case education – can be useful. However, it does raise the question as to what this book would have looked like if the policy field chosen had been income maintenance. What would a capabilities approach to human development require of tax and benefits systems? What kinds of social security benefits would most enhance individuals' and communities' capabilities, and their ability to make choices? Probably unconditional benefits rather than means-tested or social insurance benefits: but we would need to see the book before we could draw that conclusion. In the meantime, this well-researched volume can function as a model for any author who might wish to research capabilities-enhancing policies in other social policy fields.

**Chris Hughes, *Fair Shot: Rethinking inequality and how we earn*, Bloomsbury, 2018, 214 pp, 1 4088 9979 3, hbk, £12.99**

This is two books, deftly woven into one. It is Chris Hughes' autobiography, and it's an argument for a means-tested Participation Income. As we shall see, the way in which Hughes connects the two is flawed, but it's a fascinating story.

In the first chapter Hughes relates how he found himself involved in the birth of Facebook, making him a billionaire. In chapter 2 he recognises that that vast wealth was the result of pure chance - the fact that he shared a room at university with Mark Zuckerberg; and he recognises that

the problem isn't that our new economy has fuelled the rise of Facebook and mega-winners. It's that the growth of the ultra-wealthy has come at the expense of everyday Americans. Rapid technological advances, globalization, and financialization are pulling the rug out from under the middle class and lower-income Americans. The same forces that enabled the rise of Facebook, Google, and Amazon have undermined the stability and economic opportunity that most Americans have a right to expect. (p. 41)

Chapter 3 relates Hughes' early attempts to use his money to benefit the world's poor, his disillusionment with service-providing NGOs, his growing understanding that cash transfers are more effective than providing goods and services, and his realisation that the same might be true for the USA's precariat, which he describes in chapter 4. In chapter 5, he proposes a 'guaranteed income': a means-tested and work-tested benefit of '\$500 a month to every adult who lives in a household making less than \$50,000 per year and who is working in some way' (p. 93). As he says:

to be clear, I'm not proposing a universal basic income. Proponents of that idea favour giving every American, regardless of their wealth or whether they work, \$1,000 a month with no strings attached at a cost of several trillion dollars. (p. 94).

In chapter 6 Hughes looks back to his childhood and to his father's employment as a sales rep for a paper manufacturer and his mother's employment as a teacher: both 'worthwhile work'.

What we need ... is a policy that provides people with opportunities to find the kinds of fulfilling work they want and deserve. The best way to guarantee that is to empower people with cash to secure extra training, pay for childcare, or move to a place with more opportunities. (p. 109)

He then decides that the definition of 'work' to be employed when deciding whether a household is 'working', and therefore able to receive the work-tested income that he proposes, should include caring for children and older people or being in higher education. The means-tested and work-tested benefit has become a means-tested 'participation income'.

Chapter 7 contains two contrasting elements of Hughes' life-story: his highly successful involvement with the community organising aspect of Barack Obama's campaign to be elected president of the United States; and then his failure to make the journal *The New Republic* profitable. The latter experience has clearly left some deep enthusiasm-abating scars, and is the reason for Hughes' Economic Security Project pursuing a variety of income guarantee ideas and rather more quietly the Basic Income proposal. Both the Alaska Permanent Fund Dividend and the rather complicated Earned Income Tax Credit inspire Hughes' proposal for 'a guaranteed income built on the framework of the EITC' (p. 157): a monthly means-tested participation income.

There is of course nothing inevitable about the connection that Hughes has made between the autobiography and the proposal for a means-tested participation income. If he had recognised that the definition of a Basic Income as an unconditional income paid to every individual says nothing about the amount to be paid; that the means-tested and 'work'-tested nature of his proposal would compromise the simplicity and financial stability that he so prizes; and that paying a Basic Income to every individual would be highly efficient and would be easily affordable if it was paid at the level that he envisages and if the wealthy paid additional tax of a value higher than their Basic Incomes, then he might have come to a different conclusion. We are not offered figures for such an affordable Basic Income in the USA, but a Basic Income of £273 per month for every individual would be perfectly feasible in the UK, suggesting that a similar level might be feasible on the other side of the Atlantic. Such a Basic Income would offer all of the advantages of Hughes' proposal, it would provide a solid financial floor for everyone, and not just for those who are 'working', and it would require no bureaucratic intrusion to test whether a household was 'working'.

But having said that, Hughes' story is fascinating, the book will involve its readers in some of the most vital questions of our time, and the book's publication will be one of Hughes' significant successes.