

NABIG Conference – June 2017

Consensus or Discord- It's Our Choice
A Values Based Framework For a Basic Income Model.

Barbara Boraks, Chair
Basic Income Initiative, Toronto

In these Sentiments, Sir, I agree to this Constitution, with all its Faults, if they are such; because I think a General Government necessary for us, and there is no Form of government but what may be a Blessing to the People if well administered; and I believe farther that this is likely to be well administered for a Course of Years, and can only end in Despotism as other Forms have done before it, when the People shall become so corrupted as to need Despotic Government, being incapable of any other.¹

This quote was taken from Franklin's final speech to the Constitution Convention in 1787. In his speech Franklin clearly states that there is no such thing as a perfect document: all we can hope for is that the established guiding principles will be interpreted and administered in such a manner as to reflect the moral values of wisdom, integrity and good will in order to help ensure the happiness of the people². But he also noted that when we lose sight of those values, we endanger ourselves and our societies.

What does this quote have to do with the issue of basic income and, more specifically, with the topic of this panel: Dignity or Degradation: What should be the value basis for building a benefit system.

I would like to suggest that, as Franklin noted, we need to articulate and support strong guiding principles for basic income and that this articulation needs to represent what the Harvard psychologist Joshua Greene calls a common currency of values³. This common currency can be stated as simply as the joining of two concepts: the golden rule - treat others the way we would like to be treated – and recognizing that we all, as Benjamin Franklin noted, want to be happy. Once we have committed to this common currency we need to ensure that the mechanics and details that are developed to support a basic income model reflect this common currency. We need to work across sectors and disciplines to show that we can listen to each other, that we can step outside of our own power structures and knowledge silo's and be able to say 'hey, I've never thought of that before'.

¹ Benjamin Franklin's speech to the Constitution Convention from the notes of James Madison.
http://www.pbs.org/benfranklin/pop_finalspeech.html

² 'Much of the Strength and Efficiency of any Government, in procuring and securing Happiness to the People depends on Opinion, on the general Opinion of the Goodness of that Government as well as of the Wisdom and Integrity of its Governors.' http://www.pbs.org/benfranklin/pop_finalspeech.html

³ Greene, Joshua. *Moral Tribes: Emotion, Reason, and the Gap Between Us and Them*. Penguin Books: New York, 2014

I would also like to suggest that the issue of basic income is important not only because of the issues everyone here today understands: the need to fix the current paternalistic benefit system which is keeping people in poverty; the relationship between inequity and marginalization and racialization; the changing work economy and growth of precarious work. I would like to suggest that the basic income concept is giving us a huge opportunity to work together across sectors, to find that common currency of value and to use it as the guide for the development of the mechanics. If we can do this then we will have shown that cooperation and the willingness to be guided by human decency can trump partisanship, self-serving agendas, and fear.

However, Greene emphasises that the skills required to develop and enact a common currency of values can be quite difficult to learn and to maintain. Greene defines morality as a set of psychological adaptations that allow otherwise selfish individuals to reap the benefits of cooperation. One such adaptation is the willingness to pay a personal cost to benefit others. He notes that these adaptations arise with groups, or as he calls them, tribes. Think of these tribes not just as cultural or religious tribes, but also as professional ones: business, political, legal, medical, and academic. They are the rules that allow everyone within the group to understand the processes common to a specific tribe. The problem we are faced with, notes Greene is that the very same moral thinking that enables cooperation within groups can undermine cooperation between groups.

You would think that the basic income issue would provide us – all of us in this room and many, many others – with the ability to cooperate across sectors; that the common cause of basic income would provide us with the impetus to rise above our individual definitions of morality. And it has – to a certain degree - but not nearly to the extent we need in order to move the issue beyond those ‘in the know’ and out to the vast majority of society who have either no interest in the issue or do not support it, for whatever reason. We continue to work in our silos and even though we pay lip service to words such as ‘vision’, ‘dignity’, ‘happiness’, ‘respect’ we don’t actually believe these words have any place in our evidence based, empirical and data driven worlds. We - as individuals, as tribes, as a society –need to up our game and build a case for basic income that reflects a solidarity of cause and a solidarity of vision as well as a solidarity of fact. And even harder – we need to be able to articulate it in such a manner that makes sense to those who are still grappling with the issue - each of whom has their own tribal perspectives and concerns. For example, we are well versed in the job losses due to the invasion of the robots issue, but how many people are aware that farmer suicide rates are the highest of any occupation⁴. In some American States, the farmer suicide rate is almost double

⁴ Rosmann, Michael. ‘Suicide rate of farmers higher than any other group’. Farm and Ranch, August 5, 2016. http://www.farmandranchguide.com/entertainment/country_living/farm_and_ranch_life/suicide-rate-of-farmers-higher-than-any-other-group/article_e1ee8bfc-5b13-11e6-a1cc-cfff7592815.html

the next occupational level – construction and extraction workers. In Canada, total farm debt rose from \$45 billion in 2003 to 96 billion by 2016⁵. Canadian farmers have to pay into employment insurance plans, but rarely qualify for it.⁶ In India, 80% of suicides are due to bank foreclosures – not money lenders, banks.⁷ It's not getting any better. Climate change is increasing economic instability for farmers⁸.

Please don't think that I am critical of empirical data –obviously I am not. What I am critical of is when we become so focussed on detail that we forget that detail should serve the vision – the guiding principles - and not the other way around. How many times have we heard the phrase “I need more detail before I can support the concept of a basic income”. Equally disturbing is when research and data are developed to fit narrow interests or agendas – or as Greene would state, the data is being interpreted to benefit and support the viewpoint of only one tribe, be they financial, political, academic, or social. All of us have stories that reflect the misuse of information for tribal agendas. Here are two short ones I have come across in the very recent past:

A few weeks ago I was listening to the radio. A news story came on that the Government of Ontario was moving towards a \$15 minimum wage. The reporter asked for a comment from a representative of a business organization. The representative said: we are very concerned about the negative impact a rise in minimum wage will have on businesses. We don't have the facts to prove that there will be a negative impact, but we would like the Government to put together a research panel to ascertain that there will be a negative impact.

At a conference I recently attended, one of the speakers was Walter Flores, the director of the Center for the Study of Equity and Governance in Health Systems in Guatemala. This is a civil society organization which advocates around issues affecting indigenous populations. Dr. Flores noted he can raise money for food or housing for Indigenous peoples, but when he asks for funds which would enable some Indigenous rep's to travel to Guatemala City in order to advocate for their land rights and their human rights, he fails. The metrics of how many people we can feed, or how many houses we can build makes sense to those making donations. The longer term issues of land management, health equity, respect, democratic co-operation, do

⁵ Statistics Canada.

<http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=0020008&&pattern=&stByVal=1&p1=1&p2=-1&tabMode=dataTable&csid=>

⁶ Wilson, Barry. 'Farmers skeptical of change to EI benefits.' The Western Producer. Nov. 12, 2009.

<http://www.producer.com/2009/11/farmers-skeptical-of-change-to-ei-benefits/>

⁷ The Indian Express, Jan. 17, 2017

<http://indianexpress.com/article/india/in-80-farmer-suicides-due-to-debt-loans-from-banks-not-moneylenders-4462930/>

⁸ Agriculture and Agri-Food Canada, Government of Canada. 'Impact of climate change on Canadian agriculture'.

<http://www.agr.gc.ca/eng/science-and-innovation/agricultural-practices/agriculture-and-climate/future-outlook/impact-of-climate-change-on-canadian-agriculture/?id=1329321987305>

not easily fall within the reporting mechanisms – and goals - by those in charge of the funds. I frequently come up against the same funding wall in Canada.

But such stories don't only apply to economic sectors. We also hear them every day from those groups whose mandate it is to serve the broader good. Take the example of the large social agency watching the development of the basic income concept but reticent to support it. Why? Because of the negative impact basic income may have on some of its own poverty support projects – the logic being that these projects may no longer be needed and the agency loses some of its turf; the labour unions who are concerned with potential job losses for their constituency some of whom are social support workers but some of whom are administrators of the current system. And consider the social justice warrior who sees basic income as a market driven plot to privatize all social support structures. Consider, also, the politician who is worried that his or her clear support for basic income may cause them to lose the next election, or some of their financial support. And what about the theologian, or economist, who warns that even though a basic income model could be an improvement on current paternalistic welfare systems, it could also be the beginning of the slippery slope from a labour exchange based work economy to a destructive grants based economy. A labour exchange based economy, according to some theologians and economists, leads to meaningful fulfillment and productive membership in the social good; a grants based economy leads to lack of fulfillment, addiction, and obesity.

Here is where it gets interesting: all of these points of view are valid. All of these perspectives raise important issues that need to be addressed. What is crucial, however, is the spirit with which the point of view is brought to the discussion arena. And here is where I would like to refer back to the quote from Benjamin Franklin and to Joshua Greene: Franklin wrote: 'there is no Form of government but what may be a Blessing to the People if well administered'. Greene wrote: 'We should put our divisive tribal feelings aside and do whatever produces the best overall result'. What, however, do we mean by 'well administered' or 'best result'? I would like to suggest that both these concepts mean bringing your ideas to the table with the goal of working with others to build a better system. It means arguing, disagreeing, listening, clarifying, being able to admit when you are wrong – but most of all, recognizing that your information is part of a bigger picture. It does not mean bringing your ideas to table only in order to prove you are right or to ensure your tribal interests are protected. This is not good administration. This is not seeking out a common currency of values or a common currency of fact. This is intertribal competition. This is empire building. Remember: an idea is not subject to broad questioning, discussion and critical testing can easily morph into an ideology. To paraphrase Bernie Sanders: some people would rather go down with the Titanic as long as they have first class seats.

Daron Acemoglu and James Robinson in their remarkable book: *Why Nations Fail*⁹ set out a very simple concept. Throughout history we have seen two types of political systems: extractive and inclusive. An extractive system has a narrow and unconstrained power structure. It is absolutist. An inclusive political system is pluralistic: it distributes power broadly and subjects this power to constraints. The economic systems which develop support these structures. An extractive political system extracts resources (both human and natural) to support the narrow concentration of power. An inclusive economic system creates more equitable distribution of resources which in turn facilitates the inclusive political institutions.

Throughout the book, Acemoglu and Robinson remind us that all economic systems are created by society – by people – by us.

All of us here today, or at least most of us, are privileged to be living in inclusive socio economic systems. These systems might appear to be a bit tarnished at the moment but therein lies the opportunity. We have the opportunity to show what can be done when we co-operate, that we can listen to each other. That we are prepared to do the very difficult work of acknowledging our personal or institutional agendas, and in some cases our egos, and working together to build a better social support system. That we can change the narrative. We can – and should - do this for any number of issues: the environment, indigenous rights or black lives or gender parity. But the thing is that basic income is actually a really great place to focus. Not only do poverty and inequity issues cross so many sectors, the direct relationship between poverty, inequity, precariousness and marginalization, fear, racialization, and bad health, are well known and documented. People who don't have to worry about where their next meal will come from have the time – and energy – to participate in democracy.

In Canada we already have basic income systems: Old Age Security, Guaranteed Income supplements and Child Benefit supplements. These were not difficult to implement – once the political will to do so was found. Please remember, important as it is to celebrate and embrace differences, political success requires a shared vision. The real test will be if all of our sectors and disciplines can agree that basic income needs to be implemented and to communicate this to all of our networks. If we can, just think what a message this sends. It shows we, as a civil society, can fix a problem; that we can cooperate in spite of the growth of partisan agendas. All we need to do is be prepared to compromise a little. Remember Greene's definition of morality? A set of psychological adaptations that allow otherwise selfish individuals to reap the

⁹ Acemoglu, Daron and Robinson, James. *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. Random House: New York, 2012.

benefits of cooperation. One such adaptation is the willingness to pay a personal cost to benefit others.

To business leader, and to those who have created million and billion dollar foundations to help solve social problems: yes, we need to build a basic income model that is fiscally responsible and we need your help to do this. But remember that liberal democracies already have a way for you to support and maintain inclusive societies – it's called taxes. If you don't want to pay a realistic amount, then you are tipping the balance towards an extractive system. As Bryan Stevenson has said, 'the opposite of poverty is not wealth, it's justice'. A just society is a happy society; a happy society is a creative society; and, as the work of Richard Florida has shown us, a creative society is an economically strong society.

To labour unions and social justice workers— yes, you are correct to be concerned about the privatization of many social support systems and yes we need your help to identify key support structures and how to maintain and build them. But can't you acknowledge that maybe a simplified administration system that is not punitive could be healthy for our longer term goals? Yes, some of your immediate membership may, and I mean may because we just don't know yet, lose their jobs. But your roots lie in helping those who can't help themselves. Most people in poverty aren't in unions.

To the academics, researchers, NGOs. Your research, your knowledge is invaluable. But please remember that a bigger picture exists and you need to be able to fit your work into this picture. I was at a conference where the discussion revolved around whether 'developing sustainably' was a better construct than 'sustainable development'. I can appreciate that this could be an interesting debate, but the effect it has on moving forward on basic income – or any issue - could actually be detrimental: details are important, but we shouldn't lose sight of the vision. By becoming so focussed on the 'weeds' we forget there are actually people drowning.

To Indigenous leaders, to faith based groups and individuals, to secular humanists. Keep reminding us that we are all part of bigger world for which we are all responsible. Many of you have the historic understanding of what happens when we judge OUR values as being more important than THEIR values. When we make no effort to find that common currency of value.

To the economists - economic financial modelling could be the make or break it aspect of basic income. But please remember that your roots do not lie in statistical analysis, but in an Economics, which has, historically, been the handmaiden of societal development. It asks the question: how can we make our world a better place. It understands the importance of human needs, human instability, human welfare, hope and hunger. It is the economics of Aristotle, Smith, Veblen, Malthus, Keynes, Minsky, Stiglitz, and Sen. This form of economics does not suffer from what Alfred North Whitehead has called the "fallacy of misplaced concreteness". It does not confuse precision with importance; it does not confuse significance with relevance.

To the politicians and government administrators - Theodore Roosevelt said: In any moment of decision, the best thing you can do is the right thing, the next best thing is the wrong thing, and the worst thing you can do is nothing. The right thing is to recognize that our world has changed over the past 50 years and to implement social policy that reflects this understanding. The fact is that enough quantitative AND qualitative data already exists to justify the implementation of a basic income model. The next best thing is to take this data and work to convince people that a basic income model is the right thing to do. The worst thing is to continue to tinker around the edges of an outdated social support system for the sake of political expediency. That's not leadership.

The purpose of the Basic Income Initiative is to bring all these voices to the table and to work together to identify the common currency of values and the common currency of fact in order to help ensure that a basic income model becomes one of the arrows in the quiver of 'best practices' and 'well administered'.

In closing, one last story. A few weeks ago I bumped into the head of a well-respected, well established NGO. I mentioned a TED talk given by Elon Musk I had just heard. The interviewer referred to Musk's many projects as being inspirational. Musk replied that even though inspiration is important his motivation came from a desire to think about the future and not be sad. The person I was with looked at me as if I had gone mad. I could see him thinking: what a silly statement. I don't think he fully appreciated how that vision – wanting to build a happier society – has inspired so many revolutions and has created so many changes - even the building of democratic institutions. It influenced Benjamin Franklin.

I sincerely hope that one day, history will determine that it influenced the people in this room.