Green Basic Income?
Abstract

Can basic income be considered “green”? The essay examines how basic income is related to post-productivism and sustainable development. According to critics of economic growth and the proponents of sustainable development it is necessary to elaborate new policies and approaches to find sustainable way of living. BI scientists have searched the relation between basic income and greenness. It seems that BI as itself is not green but the greenness of BI depends of the policies and funding models it is combined with.
Introduction

Basic Income provides a stream of regular cash income to every citizen or resident in a given political community. BI is both universal and universal, meaning it is not a categorical benefit and that recipient are not required to perform any duties in return. BI is paid regardless of whether the recipient has other sources of income and irrespective of disposable income. Basic income can be full in a sense that it is large enough to meet the person’s basic needs or it can be partial. (Widerquist et al 2013).

Basic Income seems to be a popular idea within the Green Parties around Europe. Therefore we must ask: is there something particularly green about basic income? In our essay we look into this question. In the first part of our essay we introduce our framing approaches: the concept of sustainable development and the critique for economic growth including post-productivism. In the second part we look into articles written on the issue. In the third part we draw conclusions. Due to scarcity of academic writing concerning green basic income, we highlight that more research is needed to evaluate how different policies might affect the sustainability of BI. Also more consideration is needed to address ideological issues such as how BI relates to the idea of autonomy and universalism often linked to it.

Sustainable development

According to WWF Living Planet Report 2016, global ecological footprint should not exceed the limits of the planet which is a so called One Planet Footprint. Living Planet Index reveals that global populations of fish, birds, mammals, amphibians and reptiles declined by 58 per cent between 1970 and 2012. Natural resource use does not yet have commonly agreed limits for sustainability.

According to UNEP report (2011), human well-being and its improvement, now and for a still growing world population in the future, is based upon the availability of natural resources such as energy, materials, water and land.
Environmental boundaries are planetary boundaries developed by a group of earth system and environmental scientists within the Stockholm Resilience Centre. They propose a new approach to global sustainability: planetary boundaries within which they expect humanity can operate safely. Environmental boundaries consist of nine boundaries of which humanity has already transgressed three: climate change, rate of biodiversity loss and changes to the global nitrogen cycle. (Rockström et al 2011)

World population is projected to grow from 6.1 billion in 2000 to 8.9 billion in 2050, increasing 47 percent. Although growth rates will fall, the annual increase in world population will remain large: 57 million a year on average between 2000 and 2050. Over 50 years the increase will be more than twice the current population of China, or more than twice the current population of all more developed regions combined1.

Given that the limitations to the use of the planet are closing in on us, it is necessary to consider how social policy is reinforcing or preventing the over usage of natural resources.

**Criticism to economic growth**

Alongside and within the discussion of sustainable development is the criticism towards the ideology of economic growth. In the book “Talous kasvun jälkeen” (The Economy after the Growth, 2016) a group of scientists claim that the current growth-based market economy is socially and ecologically unsustainable and that we should actively seek alternatives. They argue that the system is based on faulty assumptions and maintained by corrupted beliefs.

In his book “The Great Transformation” Karl Polanyi has argued that the modern market economy has detached from the social reality and become autonomous. The discussion of economics has been said to become separated from the political discussion of justice and wellbeing as whole. In a society organised by neoliberal principles, the value of goods and

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1 UN: world population prospects, The 2004 revision
services are determined by the process of supply and demand. This kind of economic system is corrupted by the process of valuation since the value is not based on the necessity of the thing concerning survival or development. For example one does not need diamonds to survive but they are one of the most valuable things on Earth. Supply and demand also fails to recognise indirect or secondary influences the product can have. (Joutsenlammi, Hirvilammi, Ulvila & Wilén 2016, p. 22-26).

Another issue that has been discussed in the field of economics is austerity. The austerity of things is socially constructed since the value of many items is not based on the true availability. From an ecological perspective it can be asked whether the natural resources are valued right considering they are scarce. With our current pace of utilizing the resources nature has not enough time to recover, which will eventually lead to exhaustion of the resources. The neoliberal economy is based on the idea that the natural resources are endless. It has been suggested that we should begin to live truly prudently and consider nature as something we should conserve. (ibid, p. 26-29).

For growth enthusiasts, economic growth is the main source of well-being, a balancer of labour market and a maintainer of welfare state, among other things. Industrialized nations have based their policies on on the idea of free markets since the rapid growth (in Finland after the WWII) produced wealth and increased well-being remarkably. The idea of growth was never abandoned, although over the years it became clear that the effects were no longer straightforward beneficial. (ibid, p. 66-68, 60-74).

The authors of Talous kasvun jälkeen argue that there are many myths surrounding the idea of economic growth. First, the writers argue that GNP or any other economical index is not accurate for measuring well-being. GNP only shows material well-being and even in the case of economic well-being, it doesn’t address the question of the division of economic goods. Increased wealth might cause more pollution or traffic jams. So, it seems that increased wealth might actually lead to harmful choices in consumption and life. (ibid, 72-74).

Secondly economical growth is not needed to maintain a decent welfare state. Finnish welfare state has been grounded on economic growth, paid labour and consumption. The growth in
production has enabled high employment rates and taxes gathered have been on the base of producing services and benefits. The welfare services have supported people so they have been able to participate in the labour markets. During recent years, plenty of books and articles have been published on the issue of wage labour in the post-production era (see Srnicek & Williams 2015; Ford 2015; Brynjolfsson & McAfee 2014). Frey and Osborne (2013) estimate that 47 percent of employment in the US is endangered due to automatisation, robots and general advancement in computerisation. The predictions pose a serious threat to the credibility of the growth model. Partly due to these estimates BI has been suggested as a solution to the disappearance of wage labour. Elon Musk, CEO of Tesla Motors, sees BI as inevitable as a result of automatisation.²

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² Interview by CNBC, 18 Nov 2016
Bivens & Mishel (2015) argue that wage stagnation in the US is connected to inequality and is not caused by a lack of productivity. GNP can grow while wages stagnate, meaning that productivity does not guarantee full employment. The authors of *Talous kasvun jälkeen* argue that it is necessary to replace the aim of economic growth with the principles of social justice and ecological ideas as the grounds for the welfare state. Taking new forms of work into consideration is a key tactic in tackling this issue. (Joutsenlammi et al, p. 76-81).

The third myth busted in the book is that economic growth guarantees a good labour market situation. The writers claim there is little proof. Especially when labour is becoming more precarious and insecure, it is important to find a new way of approaching things. Economic growth as a fundament of labour market is both ecologically and socially unsustainable. (ibid, p. 81-85) The writers argue that we should change the ideology behind labour market to achieve a more sustainable lifestyle based on well-being. For example part-time labour and basic income are introduced as policies that could support this idea. (ibid, p. 198-211).

The fourth myth, is the idea that economic growth would be a solution for ecological problems. In the past few decades, the ecological troubles have been framed within the context of economy and growth. The discussion has moved from political debate towards the idea of ecological growth. It is assumed that wealth produces greener technology etc. The authors decline this assumption and claim that growth in wealth most definitely causes increase in using natural resources in an unsustainable way. (ibid, p. 85-88).

The fifth argument the authors make is that unfortunately it is not possible to make truly ecological choices that decrease emissions and simultaneously increase economic growth. The sixth argument is that population growth shouldn’t be used as an argument to pass the enormous problems of consumption and growth. The authors argue that when we make population growth the main problem, the criticism towards consumption and societal issues are bypassed. (ibid, p. 93-96).

The seventh and eight arguments were introduced in a way formerly. Seventh is that financial economy has drifted apart from the real economy where there only is a limited set of resources. The authors argue that regulation is needed to control the financial economy. (ibid,
The eight argument is that the monetary system fails to recognise some types of value when it concentrates on the monetary value of things. Therefore seeking for monetary growth doesn’t necessarily produce well-being. (ibid, p. 102-109).

The authors argue that it is necessary to expand the concept of economy to make growth sustainable. If we included social and other immaterial things such as green values to the idea of economy, growth could be sustainable. (ibid, p. 59-62) The authors also claim that expanding the concept of labour could help us bring value to such activities as care and domestic work. (ibid, p. 138-140) Most of all, by valuing the ideals of well-being and ecology over the economical growth it is possible to find a sustainable way of living (ibid, 24-30). The discussion here is quite similar to the one that has been attended in the field of Basic Income research and it is to be addressed next.

Background and contradictions in green Basic Income debate

There have been many attempts to combine Basic Income and green values. These two ideologies may seem quite contradictory at first sight. That is because BI can be argued to require economic growth, which in many cases is detrimental to environment. Furthermore, Birnbaum (2009), leaning onto Milner (1920), notifies there is no certainty that basic income would diminish the economic growth, on the contrary: BI could stimulate economic growth.

Boulanger (2009) claims that BI might be useful in promoting sustainable consumption. Boulanger introduces three sustainable consumption strategies that could possibly be combined with BI and be used to stop the environmental crisis, though some of the them might be difficult to link with BI. Furthermore, they may have ‘re-bound effects’, which means that efficiency improvements in production and consumption might have some unseen negative consequences. Even so, Boulanger believes that combining elements from different
strategies could make consumption more sustainable – and BI might also be helpful in the process.

The first strategy Boulanger suggests is eco-efficiency, which means producing more goods using fewer resources. This ‘decoupling the growth’ doesn’t question the need for economic growth and the main responsibility of sustainability lies in production. Thus, one can question whether BI would have much effect on eco-efficiency since it could mainly be used to guide consumers’ behaviour through taxation. Consumers might buy more sustainably produced goods, if environmental taxes were used to guide consumption towards that goal. However, BI wouldn’t necessarily have a direct effect on production itself, so it’s hard to say to what degree industries would adopt more sustainable production processes.

The second strategy, sufficiency or “consuming enough” is connected to the cultural trend of dematerialization. It emphasizes restricting consumption and getting a maximum well-being from every product consumed. From this point of view, BI might make economic growth unnecessary by removing the need for jobs. Now growth is justified since it’s needed to create enough jobs to offer everyone a living. However, the problem is: how to design a BI scheme that satisfies people’s basic needs (economic sufficiency), but is also environmentally sustainable? It’s evident that consumption has to be reduced, but making people adopt a more moderate lifestyle would, besides new policies, require socio-economic, cultural and institutional changes.

Thirdly, Boulanger examines de-commodification as a sustainable consumption strategy that could be combined with BI. De-commodification basically means de-marketization, thus it consists of increasing the influence of non-market institutions and changing attitudes towards consumption. The idea is that if services and products were moved from markets to communal sphere, the limiting factor for consumption would be time, not income. On the other hand, sharing, lending and repairing things would reduce the demand for new products. However, the problem of de-commodification is lack of human resources, finances and technology. Boulanger argues that BI might partly be the answer because if people weren’t
dependent on paid jobs in labour market, they would have more time to participate in nonmarket activities. However, it can be questioned whether they would actually use their increased free time to engage in grassroots initiatives.

The same concern of voluntary participation is addressed by Fitzpatrick (2009), who examines the relationship of post-productivism and BI. Post-productivism promotes so-called ‘reproductive values’, which means it criticizes economic growth for growth’s sake and sees social value as more important than economic value. According to post-productivism, ecological values contribute to reproductive value and radical changes are needed to stop the environmental crises. From a post-productivist view, a BI would provide “minimal conditionality” (minimum income for all citizens without market-related conditions). That, in turn would assist “temporal adequacy” (people have more free time and more control over its use). However, if there are no conditions, increased free time might not be used in a way which promotes post-productive values.

Andersson (2009) suggests that depending on the actual policies, BI can either be detrimental to ecological sustainability or support it. He is quite critical towards the so-called “green basic income” because often the arguments for it are more or less futile and based rather on freedom or equality related values than ecological sustainability. It also seems somewhat contradictory that the Greens who support BI are argued to have a post-materialist orientation, but at the same time maintaining economic growth is often seen as a requirement for BI. The Green counter-arguments for this are that growth itself isn’t problematic as long as it’s environmentally friendly or that BI is a “necessarily evil” and the only way to promote equality is at the expense of ecological sustainability.

The idea of the latter argument is that increase in man-made capital (freedom, equality etc.) can compensate for decrease in natural capital. But isn’t this in conflict with the Green basic value of ecological sustainability? According to Andersson, combining BI with ecological values is not simple exactly because of this contradiction. Financing BI can be difficult without maintaining some kind of growth, which in turn is often harmful for environment. For example, using natural rents to establish a BI might increase social justice, but it would
make people rely more on non-renewable resources as the basis of their income. However, Andersson claims that well-designed environmental taxes combined with a redistributing BI might guide consumption into a more sustainable direction.

According to Birnbaum (2009) and Calder (2009), a profound tension in green basic income lies between sustainability and autonomy. The tension comes visible when pondering the funding and spending of basic income.

On one hand, green taxation seems like a perfectly sustainable way to fund basic income. On the other hand, it could lead us to a bizarre situation where the more people and companies pollute, the higher the basic income the state could afford to pay. Would the actors choose high level of basic income over sustainability? Hence, it can be strongly questioned if a green basic income funded through polluting can be green.

Considering the autonomy of people and their right for different lifestyles, people should be allowed to spend their basic income as they please, even unsustainably. However, if people are controlled to make sure they use their money sustainably, this would violate the autonomy and independence of people. Moving back to green taxation, new thoughts appeared during the peer-feedback. Green taxation would raise the prices of unsustainable products and then neither the companies nor the consumers are willing to make or buy these products. At this point, it seems like a beginning of a more sustainable future. Still, because the production chains are often complex, general rise of prices is possible if green taxation takes place. All in all, as a funder of basic income, green taxation appears capricious to fulfil the demand for sustainability.

There could be other options between autonomy and sustainability. Perhaps there could be some surveillance, limitations or guidance on how the basic income is spent. For example, it could be forbidden to buy a brand new car with a petrol engine. In addition, the state shouldn’t just leave it in forbidding consumers but also make incentives for sustainable consumption and incentives for companies and whole industries to produce sustainably. The question of surveillance or limitations lead to ask if BI is universal. If not, the whole idea of BI undergoes inflation. In addition, one could call it unfair if people who received basic
income, were forbidden to buy a petrol engine car while people who don’t get BI would not face the same regulation.

While Birnbaum is satisfied with listing the debate on green basic income so far and pondering the tension, Calder has been able to combine sustainability and autonomy in his article. The key is zero-fare public transportation. It would not only bring better opportunities for people to move around thus expanding autonomy but also decrease the need to own a car and therefore it would be environmentally friendly. Free of charge public transportation would be a concrete practice to help to diminish social exclusion and inequality, which can be seen through the segregation of neighbourhoods into the rich and the poor. Of course public transportation is not a complete solution to inequality, but together with BI it could really make a difference, Calder emphasizes. It can be questioned whether zero-fare public transportation even together with BI can diminish the inequality. Would people from all socio-economic backgrounds use zero-fare public transportation if they all received basic income? Or would only those who have basic income as their main source of income use public transportation while private vehicles would be used by the well-off?

How closely is basic income linked to zero-fare public transportation? Very loosely, unless we take a look at the bigger picture. Basic income can be interpreted as a way to relief inequality and improve chances to good life, just like zero-fare public transportation can be seen as one. It is very relevant to ponder what types of reforms the (green) basic income is connected to because other reforms can strengthen or weaken or simply shape the nature and impacts of basic income.

Autonomy doesn’t merely imply the right to multiple lifestyles but also to autonomous activities. These activities occur in autonomous sphere which is independent from, yet also linked to, market sphere and state sphere. Van Parijs (2009) examines autonomous sphere as a concept of political ecology. Unlike the market or the state sphere, autonomous sphere makes visible those activities that don’t “fit” to the bipolar sphere:
“It is in this sphere that we move, for example, when we mow the lawn or give birth, when we organise a street party or correct a Wikipedia entry, when we look for an inexpensive retirement home for an elderly neighbour or stick up posters in a tube station to advocate basic income, when we corner a vandal in the subway or teach our children how to carve a pumpkin.” (Van Parijs 2009, 2)

In addition, some activities fit neither to autonomous sphere nor to bipolar sphere:

“- -for intermediate activities: public enterprises between the state and the market, subsidized nonprofit associations between the state and the autonomous sphere, and maybe cooperatives and so-called local exchange systems (but not the black market) between the autonomous sphere and the market.” (Van Parijs 2009, 2)

Van Parijs reminds that the autonomous sphere doesn’t automatically contribute to sustainable development. Still, he encourages the green movement to pursue finding the means to combine sustainability, basic income and autonomous activities.

Many writers have argued that basic income itself is not sustainable. However, it might be possible to combine BI and sustainability. One way of doing that could be complementing economy-oriented GDP as the measure of growth with for example HDI (human development index). If the growth, that is often argued to be a necessity for implementing a BI, was more closely linked to HDI, it would serve as a foundation for green basic income. The ideal BI scheme supporting the ideology of green basic income could be a policy which guarantees both environmental sustainability and physical, mental and social well-being for as many people as possible. However, funding has been seen as a stumbling block in designing basic income schemes. Perhaps basic income could be partially funded by using the additional tax revenues, if local and international legislatives intervene in tax avoidance of large corporations.
Conclusion

BI itself isn’t green but there is a link between sustainable development and BI. The green influences are usually secondary factors. For example, related to labour markets it can be argued that less labour produces a more sustainable way of living. BI can be seen as means to reduce the importance of paid work, but the green effects are not inevitable. However, BI combined with changes in production and attitudes related to consumption could increase environmental sustainability. Since BI has an ability to reduce the demand for labour, economic growth might not be a necessity to guarantee jobs. Therefore, it might be possible to either reduce production or make it more ecologically efficient.

Besides making production more sustainable, a green basic income could also make care and domestic work more visible and valued. In addition, it could do the same to the activities that take place in autonomous sphere. These are effects that basically any BI scheme might have, which underlines the fact that BI itself isn’t about greenness or sustainability. There are many other factors related to BI than simply environmental questions that also shape the nature of possible BI schemes. Many writers have also argued that BI is contradictory with green values. This is partly because of the contradictions between autonomy and sustainability and partly because BI is seen as a tool to increase freedom and equality in society but not green values. It can also be argued that BI might require economic growth or even boost it.

One of such arguments is based on the idea that economic growth is needed for funding BI. There have also been suggestions to finance basic income through green taxes, but there are some major problems with these suggestions. Due to the complexity of production chains, green taxes might cause general rise in prices. There could also be some limitations or guidance on how people could spend their basic income in order to achieve ecological sustainability. However, it can be argued that restricting the use of BI would be against one of the main principles of basic income, autonomy. It is also important to note that basic income as a part of a new post-productivist economy would be built on the existing system. Since economic growth has been seen as a necessity for a long time, it’s possible that the society
isn’t yet ready to abandon the idea of growth. But the essential question is: what kind of growth is promoted?

In this essay, we have concentrated on the greenness of basic income in a sense of environmental sustainability, but the relationship between BI and political greenness is also worth considering. Basic Income has the support of many political parties so it’s not solely on Green’s agenda. Are the Greens in Europe supporting a BI that is in favour to sustainable development? Birnbaum sees basic income and greenness as two separate things and this is why he recommends green supporters of BI to stand either for basic income or greenness. Nevertheless, Van Parijs encourages green movement to try and find the ways to combine sustainability, autonomous activities and basic income. Still, the link between political Greenness and basic income could be examined more closely.

It seems that basic income itself isn’t green because the influences of BI depend on the BI scheme and policies it is combined with. The limited number of academic articles concerning green basic income shows that more research should be conducted. After all, climate change and the waning of natural resources compel us to find green solutions in all areas of societal living.
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