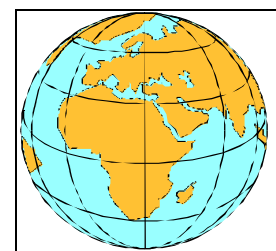




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“Liberate work by removing its tax burden and finance social security by taxing the consumption of goods, which most often are produced by machine.”

(+ unconditional Basic Income for all)

ELECTRONIC VIVANT- EUROPE

N° 62 (December) 2008)

Editorial

Already in 2002, Roland Duchâtelet, President of VIVANT, talked of the Basic Income as a tool for managing globalisation.

We here reproduce excerpts from his talk which prompts us to reflect on the present financial crisis, together with notes concerning a new book by Yoland Bresson “The Basic Income and beyond” (“*Au-delà du revenu d’existence*”).

**To resolve (prevent) a world crisis, a tool among others :
The Basic Income**

IN CASE OF CRISIS

(...) “A possible response to unbridled Capitalism would be a rapid unionisation of Third World countries. But given that unionisation has fallen off in many Western countries that seems unlikely.

*That is why **the best response** that one can think of to protect people against exploitation (and increasing poverty) is **to introduce a Basic Income** in all countries in the world, at the subsistence level of each country.*

*It allows people to refuse work, to survive, to send their children to school. **The local economy will develop far more quickly.***

And it enables the retention of the principle of free trade and the rules of the market, which have proved their economic superiority over communism.

(...)

The world is wealthy enough. The only problem is to create an economic system which makes good use of available human resources and shares out in a better way the fruits of this wealth, the result of research and automation.

The right response to the problem of globalisation is to introduce a Basic Income in every country in the world, for a universal allowance is compatible with a free trade economy. It is obvious when one takes the trouble to think about it ...”

IN CONCLUSION

*“If we do not manage to introduce the Basic Income **to correct** the labour market and the distribution of the fruits of progress, **the world will go into a deep crisis.***

Poor countries having no exports will not be able to develop their internal markets.

*Rich countries and their pension funds will no longer be able to finance their pensions. **Wonderful products may exist, but if the population cannot afford to buy them producers’ sales, profits and equity will slump.**”*

These excerpts from the talk given by Roland Duchâtelet in 2002 underline the significance today of the Basic Income for redistributing purchasing power and as a tool for handling the crisis.

In this month of October 2008 we have gone **from a global financial crisis to an economic crisis** affecting every country. Even China is affected, and they have accepted to join in the G 20 meeting in Washington of 15 November 2008, in order to take part in reforming the world financial (and economic) system.

The first objective is to put in place regulation which will protect the real economy.

How is it that China, undergoing considerable economic growth, can be so affected by the crisis?

Because:

-first, they have not yet developed enough domestic consumption to absorb their production;
-second, they are dependent on purchasing power in the richer countries – for example, 40% of what the USA consumes is imported from China.

This clearly shows that we are more and more dependent on each other, and more or less forced into solidarity.

The President of the European Commission recently declared : **“We swim together, or we sink together.”**

For José Barroso, the present crisis offers the opportunity for a “new Bretton Woods”, named after the small US town in which the agreements that set the rules of the game of a new financial order were made in July 1944.

The economy is a living thing (*“vivant”*), in the sociological sense of that term. For example, the fixed sum of 4 euros paid in Belgium to a senior citizen (65 or over) for undertaking a return journey by train constitutes a financial input for the railways **and** for society : the 4 euros actually go into the accounts of the railway company, the citizen makes a journey, spends money and indirectly pays VAT. The citizen gets about, keeps in better health and avoids medical costs for himself and for the social security system.

This shows that measures which set people free and open doors for them are a source (a cause) of further wealth. The same applies when senior citizens remain in paid employment.

Working 4 hours a week for as long as one can constitutes a **plus** for society and for the individual concerned ...

Guaranteeing financing of senior citizens through immigration can only be a provisional measure, for these immigrants, in their turn, will grow old and live longer.

In short, the economy is like an orchestral score, dependent on the composer, the publisher, the instruments and the players...

A single note out of place or poorly played may affect the whole endeavour as in the domino effect of the butterfly on the weather.

In a similar way, the Basic Income together with labour liberated from taxation is a source of wealth, for

- **in our countries**, it boosts consumption and local production, avoids needless flight of the means of production and obliges the Third World to find exports to survive, while developing a local economy based on purchasing power maintained, precisely, by the Basic Income;
- **in Third World countries**, it helps boost local food production and demands, for its functioning, a minimum presence in the State of the rule of law and of fiscal recognition (facilitated by electronic money), thus guaranteeing that exports (oil, raw materials, etc..) also support the purchasing power of the populace.

Introducing the Basic Income is, in a way, to move from debt-money to value-money, for **it results from a wager** on the socio-economic value of each individual.

To conclude, I take up again the words of Roland Duchâtelet :

“If we do not manage to introduce the Basic Income **to correct** the labour market and the distribution of the fruits of progress, **the world will go into a deep crisis.**”

Poor countries having no exports will not be able to develop their internal markets.

Rich countries and their pension funds will no longer be able to finance their pensions. **Wonderful products may exist, but if people cannot afford to buy them producers’ sales, profits and equity will slump.”**

... thus loudly proclaiming that the Basic Income constitutes a key tool for handling the world crisis.

Jean-Paul BRASSEUR

BEYOND THE BASIC INCOME

A new book by Yoland BRESSON *

« The historical events that we are experiencing can promote a collective awareness. These events are making the challenge essential and urgent. My contacts with the French government let me think that **even a slight opinion shift could make the project a reality.** The book can act as a **trigger** if it is widely known, read, commented and discussed »

Yoland Bresson

*aged 57, with 5 children. Professor of Economics, Faculty of Saint-Maur, University of Paris 12. Dean of Faculty and Director of the IUP (*Institut universitaire professionnalisé*). Director of the Diploma of Higher Studies “Human Capital” (*Diplôme d’études approfondies “Capital Humain”*).

PRESENTATION

Liberalism, with its free competitive markets, has invaded the world. Its ability to create wealth appears unlimited. But the more it is extended, the more equality is reduced: everywhere the rich get richer and the poor relatively poorer.

Should we accept that? Should we despair of trying to design a society with more freedom and equality? Have they become incompatible?

Marx taught us: « Men make their history but don't know it »

Now we no longer have to despair: we can act consciously in order to improve our societies and return dignity to politics.

The Basic Income (existence income) makes it an achievable goal. By separating the production of goods and the distribution of wealth, it opens a path to a more harmonious world; a world where

we will gradually choose together, in democracy, new sharing rules that should be transparent and revisable and should **transform wild liberalism into a brotherly liberalism.**

