



UNCONDITIONAL BASIC INCOME EUROPE

Eurodividend and EU Basic Income for Children: Models to deepen European solidarity?

Conference – 26/27 April 2018

Unconditional Basic Income Europe (UBIE) will host, in cooperation with Netzwerk Grundeinkommen (Basic Income Network Germany) an international expert meeting and public evening event on the topic of **“Eurodividend and EU Basic Income for Children: Models to deepen European solidarity”**

The conference is planned to be held on 26/27 April 2018 in Berlin, Germany. Language of the expert meeting will be English, language of the public evening debate will be German and English.

Conference objective

In the last years, some proposals of partial basic income models were brought into the debate of renewing Europe by making it more social. Our event will create a space for researchers and policy makers to explore two possible forms: a Eurodividend and a EU Basic Income for Children.

A Eurodividend is a partial basic income granted unconditionally to all EU citizens and legal long-term residents. The proposal, launched by the philosopher Philippe van Parijs ([v. Parijs 2013](#)) is conceptualized as a modest income floor averaging 200 euro per month. It would be distributed to all residents of EU member states on an individual basis and without means testing or work requirements.

A Eurodividend is not meant to replace national minimum income schemes. Instead, it would provide a cushion upon which EU member states can pursue their own welfare arrangements

to ensure a decent life for all their citizens. The introduction of a Eurodividend aims to enable the development of a fair, stable and efficient European social model. It embodies a European commitment to social citizenship with a policy that is 'European' in substance, easy to administer and transparent.

A European Basic Income for Children (BIC) is a universal income transfer unconditionally granted to all families with children, without means test. Studies show that having children is a key indicator for being at risk of poverty. By ensuring that children are taken out of poverty across the continent, it would help to fulfill one of the key EU 2020 goals. The Unicef Institute Child Poverty Insights launched this proposal in 2014: "At first sight it might appear far-fetched to introduce a Child Basic Income Europe-wide, but similar schemes already exist in most European countries and might be thought of as a rather modest extension of current policies." ([Child Poverty Insights 2014](#)).

An EU-BIC would also reduce inequalities within and between member states: In the European Commission research note "The distributive and cross country effects of a Child Basic Income for the European Union" Levy et al. explored the within and between country distributional implications of an illustrative European Basic Income for Children operated and funded at EU level. ([Levy et al 2012](#))

The ambition is to stimulate more research on concrete proposals and reinforce the credibility of these concepts in European policy debates.

At our expert meeting, we intend to discuss the two proposals from three specific angles:

1. Implementation
2. Macroeconomic effects
3. Financial feasibility

The first theme will examine the public management aspects associated with the introduction of these proposals by asking how could a Eurodividend or a European Basic Income for Children be implemented? Should they be introduced in an incremental way? What would be considered an appropriate level of payment? How would transfer payments be organised?

The second theme will explore their potential macroeconomic effects. For example, could a Eurodividend or a EU-BIC act as an automatic stabiliser for the Eurozone or even for the EU as a whole? Could it help to ease migration-related pressures and improve regional cohesion?

The third theme will delve into financing considerations. We will be looking at a range of possible financing models along with their relative advantages and disadvantages.

This conference starts a research agenda which will continue over the following months. The final objective is to publish substantial policy proposals and present them at an event with European policy makers in Brussels.

Background

Ill-matched to modern demands, our current social security systems more often than not fail to improve the welfare of the very poorest in society. Means-tested minimum income schemes have non-uptake rates ranging from 20-60%. Since 2008, poverty and income inequality has increased across the European Union, and simply getting people into jobs no longer represents an adequate escape from poverty. Currently, one third of people in employment are defined as being at risk of poverty. To address the tensions emerging from current societal transformations, which are threatening to reverse the process of European integration, we need to look beyond simple job creation.

Moreover, increasing economic inequalities have driven macroeconomic instability. Decreasing levels of disposable income among European consumers has led to a collapse in aggregate demand, driving down economic investment and leading to an overall slowdown of economic growth. The ECB's recent public consideration of "helicopter money" – a lump sum payment provided directly to citizens – is recognition that Quantitative Easing has failed to reinvigorate the real economy. By contrast, a Eurodividend or a EU Basic Income for Children would provide a direct economic stimulus by regularly putting money into the private bank accounts of European entrepreneurs and consumers.

We invite you to explore with us the macroeconomic implications and financial feasibility of a European partial basic income in the form of a Eurodividend and/or a EU Basic Income for Children.

Conference format

The expert meeting will be structured around a series of oral presentations, which will scrutinise specific aspects within our three main themes. These presentations will be interspersed with discussions which will compare the advantages and disadvantages of different proposals.

We aim to facilitate an exploration of the two proposals in an open, broad and critical way. We very much welcome alternative and challenging submissions.

Conference themes

The goal of the expert meeting is to create a platform for an in-depth analysis of possible methods of implementation, the economic implications and the financial feasibility of the proposals considered. At the conference, we intend to give space to detailed presentations and

discussions with about three input papers per theme. We will also make it possible to give short highlights of additional contributions at the event and in the conference publication.

Implementation

This theme aims to explore the question: how could a Eurodividend or a European Basic Income for children be implemented? Within this theme, we want to examine alternative basic income models, which could be applied to a European context. The main questions to be addressed are:

- Would an incremental, step-by-step introduction be advisable and possible?
- What level of payment should be provided?
- How would national tax and transfer systems be adjusted?
- Should the payments be differentiated by country/region?
- Should payments be based on citizenship, residence or participation?
- How should a recipient receive payments?
- How would countries opt in or out of this transfer mechanisms?
- What agency should be responsible for administering transfers?
- Would changes to the EU treaties be necessary?

Macroeconomic effects

This theme focuses on the macroeconomic effects that a Eurodividend or a European Basic Income for Children might produce? For example it will analyse potential distribution effects both within and between member states, the impact proposals might have on social and economic imbalances, or their outcomes in terms of poverty and social inequality across Europe. The main questions to be addressed are:

- How effective would a Eurodividend or a European Basic Income for Children be as an automatic stabiliser?
- Would these policies have a multiplier effect?
- How would they affect inflation, aggregate demand, and productivity?
- What effect would they have on the labor market and labor market policy regulations?
- Could a Eurodividend or a EU Basic Income for Children help to reduce poverty and social inequality inside the countries?
- What effect would they have on internal and external migration?

Financial feasibility

This theme will explore the funding possibilities to finance a Eurodividend or a European Basic Income for Children. It seeks to identify possible funding schemes and to analyse the

effect these respective models would have on current tax and transfer systems. Contributions should examine the advantages and disadvantages of different financing mechanisms, such as:

- Income tax
- Business/corporation tax
- Capital gains tax
- Value added tax
- Financial transaction tax
- Land value tax
- Consumption/sales tax (e.g. value added tax)
- Environmental tax (e.g. carbon emissions tax)
- Revenue from public assets (e.g. natural resources)
- Negative interest rates
- Money creation (e.g. Quantitative Easing for People)
- Reductions to public expenditure (e.g. corporate subsidies or administration costs)
- Reallocation of current EU funds
- Savings to public expenditure (e.g. healthcare and crime expenditure)

Timetable

- Call for proposals / Invitations to experts: 15 December 2017
- Deadline for submissions: 15 February 2018
- Notification of acceptance: 28 February 2018
- Deadline for registration: 15 April 2018
- Deadline for full papers: 15 April 2018
- Conference: 26/27 April 2018
- Final high level event in Brussels: September/October 2018

Draft programme

26 April 2018 - Expert Meeting Day 1

9:30 Registration

10:00 Conference Opening

10:15 Keynote Lecture: Steps towards Basic Income as a new social contract for Europe

- Claus Offe (t.b.c.)

11:00 Introduction - The Eurodividend idea

- Yannick Vanderborght / François Denout

Feasibility of an Eurodividend

11:30 First parallel workshops phase:

- Implementation of a eurodividend
- Macroeconomic effects of a eurodividend
- Financial feasibility of a eurodividend

13:30 Lunch break

14:30 Second parallel workshops phase

16:30 Coffee break

17:00 Plenary session: presentation of workshop results

Public Evening Debate (English/German)

19:00 Closing debate: Refreshing the EU reform debate through the Eurodividend and the Child Basic Income proposal

- László Andor (t.b.c.)
- Philippe van Parijs
- Ulrike Guérot (t.b.c.)
- Lorenzo Morselli, European Alternatives / DiEM25 (t.b.c.)
- Speaker of Netzwerk Grundeinkommen
- Barb Jacobson, UBIE (moderation)

21:00 Reception

27 April 2018 - Expert Meeting Day 2

Feasibility of an EU Basic Income for Children

09:00 Opening

09:15 First parallel workshops phase:

- Implementation of an EU Basic Income for Children
- Macroeconomic effects of an EU Basic Income for Children
- Financial feasibility of an EU Basic Income for Children

11:00 Coffee break

11:30 Second parallel workshops phase

13:30 Lunch break

14:30 Plenary session: presentation of workshop results

16:00 Conference Closing

The organiser

Unconditional Basic Income Europe (UBIE) is an international network of activists and initiatives. We advocate for the implementation of Unconditional Basic Income – an amount of money, paid on a regular basis to each individual unconditionally and universally, high enough to ensure a material existence and participation in society – in Europe as a step to an emancipatory welfare system, and for its recognition as a Universal Human Right.

UBIE was born out of the European Citizens' Initiative for an Unconditional Basic Income in 2013/14, which gathered the support of over 300,000 EU citizens. Today, we connect over 300 active members from 25 countries across the continent.

We organise regular meetings in cities all over Europe, develop projects and campaigns to promote basic income, and raise public awareness as well as support among decision makers at the European and national levels. As a result of our efforts, basic income is now on the agenda in the policy debates of many European countries.

UBIE is officially registered as an International Non-Profit Association (AISBL – Association internationale sans but lucratif) in Brussels.

Partnerships

UBIE is currently evaluating partnership possibilities with the following organisations:

- Hertie School of Governance, Berlin and the Hertie Foundation
- Heinrich Böll Foundation
- Rosa Luxemburg Foundation
- European Alternatives
- Democracy International

Contact

Ulrich Schachtschneider

UBIE Board Member

ulrich@ubie.org

+49 1523 3668466