

ENSURING BASIC ECONOMIC SECURITY—KEY TO A SUSTAINABLE SOCIETY

BY SALLY LERNER

To be sustainable over the long term, a society must assure that all of its members have the basic resources required for them to participate fully in that society. After the end of World War II, Canada set off boldly to reach that goal and, to a notable extent, succeeded. Now, in the mid-1990s, Canadians are caught in a backward-running tide, our health care and other structures of social support

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ripped from under those who need them most, including the

growing ranks of the un- and underemployed. Hardest to swallow is the blame laid on the victims. Most to be feared and fought is the assertion by those in power that there are no alternatives. There are other choices, and to be sustainable as a society, Canada must make them.

NEW REALITIES

Economic globalization and technological change are irrevocably reshaping the nature of work: we are in the throes of a post-industrial revolution. Industrialized societies such as Canada must no longer perpetuate the myth that secure adequately waged employment is available to all who want it. The effect of this myth is to manufacture consent for deserting and stigmatizing those most in need, and dangerously postpone the effective societal action needed to steer global change in positive directions for Canada.

In the present context of jobless growth due to technological innovation and economic globalization, it is the growing polarization of industrialized societies—into an impoverished, “redundant”, deskilled large minority and a small, affluent technical-professional elite—that must be faced and squarely dealt with by decision makers. Who is in the middle? The increasingly “anxious class” flagged by United States Labor Secretary, Robert Reich, in 1992 (*The Work of Nations*).

Without decisive and inno-

vative action, this downward spiral, together with long-term unemployment for increasing numbers of individuals and families, will exact an even heavier toll than at present. It will be felt in reduced purchasing power and material standard of living as well as, more cruelly, in eroded self-esteem, family breakdown, rising crime rates, and all of the other well-documented consequences of unemployment and downward mobility. On this path lies the

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resort to some type of repression, or terrorism—or both. Surely, we do not want prison construction and operation to be a major growth area in Canada.

FINDING POSITIVE RESPONSES

How can we respond to these new realities? Justice dictates that we should not continue to penalize people who cannot find secure, living-wage work. We must examine other

mechanisms for allocating work and distributing income. These might include a shorter work week, job sharing, earlier retirement, and innovative mixes of these ideas in conjunction with sabbatical leaves based on some form of “time bank” that would allow individuals to accumulate waged time.

But work-time reduction can be viewed as only one component in a strategy to adapt to growing structural unemployment. And no strategy is likely to be successful in equitably addressing the new problems of income distribution without the introduction of some form of adequate and secure basic income. Certainly, there have been telling arguments in favour of progressive versions of the idea. The need to adequately compensate work vital to the well-being of communities, such as child and elder care, is one. Another is that current productivity and prosperity in the private sector owe much to social investment (taxpayers’ money) over time in health, education, law and order, R & D, and infrastructure. In this view, a secure basic income is a just means to underpin the peaceful transition to a new era of less traditional, less secure “employment”. There have also been vehement denunciations of any program to guarantee income on the grounds that such income would inevitably be meager, perhaps less than welfare, and that any type of “workfare” would simply subsidize bad wages or institutionalize unemployment.

INVESTING IN PEOPLE

What we need now is a well-designed research effort, building on existing British and other European models,

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sumption patterns might be a more effective and appropriate approach to staying within our ecological carrying capacity. Another important set of questions has to do with the distributional and equity issues raised by the strategy proposed here, and the ethical and practical issues raised by the fact that a large and growing fraction of the globe's human population exists in a state of extreme poverty. It also seems clear that the rise of various forms of ethnic nationalism, tribalism, sovereignty movements, and problems of governance across the world is connected in complex ways with the ongoing globalization of the world's economies.

DEMATERIALIZATION STRATEGIES

If dematerialization strategies do not incorporate measures designed to address the social imperative directly, it therefore seems likely that they are likely to fail, in part because the degree of social coherence required for such strategies to work will be unavailable. This suggests a need to consider strategies that address the linkage between ecological and economic issues and social well-being in new ways. The almost universal tendency in modern political decision making is to maximize economic growth in the expectation that such growth will lead to increases in human well-being; an alternative approach may be to develop policies that increase human well-being per unit of economic activity (e.g., per dollar of GDP). In other words, dematerialization strategies which uncouple matter-energy throughput from economic activity need to be complemented by "resocialization" strategies, which build social capi-

tal and uncouple economic activity from human well-being, for example, through the substitution of informal economy activities for consumption in industrialized countries. Such a double uncoupling recognizes that social well-being, economic activity, and environmental impact, though closely connected historically, are not identical, and that fostering a separation among them may allow human well-being to increase and adverse environmental impact to decline. This allows the explicit consideration of the issue of "overconsumption" introduced to the political agenda at the Earth Summit in Rio de Janeiro.

The approach to sustainable development sketched out here implies a linkage among ecological, economic, and social issues that is not customary in current public policy. It offers the potential of going beyond the current rhetoric (let alone the practice) of integrating environmental concerns into economic decision-making, because it suggests the need for a deeper level of integration and adds social and distributional issues to the mix. Whether such integration is feasible is another question. It seems clear, however, that it should be explored. The alternative is continuing incremental reforms on smaller, more manageable problems, combined with deadlock and inaction on the larger issues that will actually decide the outcome. 

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that identifies economically and socially feasible basic-income alternatives. Resources distributed more equally are investments in a socially sustainable — and desirable — Canadian future.

As Rifkin suggests in *The End of Work* (1995), social income paid out through non-profits for societally needed work, and at least partially government-provided, could be financed by closing down many welfare bureaucracies,

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discontinuing billions in subsidies to corporations, and levying an earmarked value-added tax (vat) on non-essential goods and services, or at least on "the goods and services of the high technology revolution"; a Tobin-type tax on unproductive financial speculation is a feasible option of the latter type. Like others

who envision the future similarly, Rifkin sees almost no paths to positive alternatives other than institution of a social income. It is clear to an increasing number of thoughtful analysts that there may be some extremely negative outcomes globally if those with power and wealth refuse to act in their own best interests by distributing resources so that individual dignity, community stability, and a sound consumer base are renewed and preserved.

The other major challenge in adapting to the new realities, of course, is to rethink the purposes and structure of formal education, so as to enable people to play a richer variety of roles in a society that has less need for "employees" and more for parents, artists, environmental stewards, community caretakers, and many other self-motivated makers and doers. The sooner instituting basic economic security for all allows us to turn our attention to this challenge, the sooner we will be back on course creating the kind of society we want to sustain in Canada. 

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