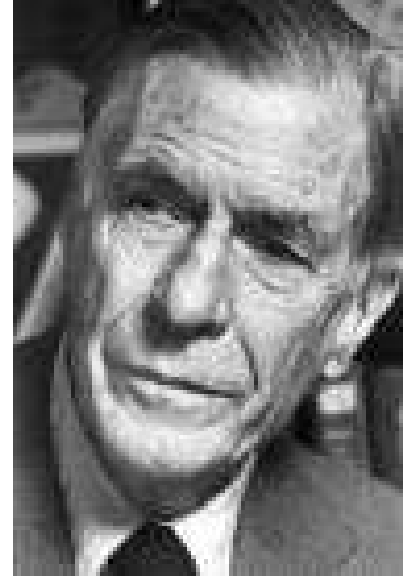


Økonomer, med sympati for Basic Income tanken

## John Kenneth Galbraith, 1908-2006

### Kort biografi

Canadisk-amerikansk økonom. Galbraith var professor på Harvard frem til 1975. Han fungerede som rådgiver for præsident John F. Kennedy og var ambassadør i Indien 1961-63. Galbraith var keynesiansk og institutionel økonom. Igennem en række populære samfundskritiske bøger fremlagde han analyser af nye tendenser i de moderne kapitalistiske industrisamfund. Han argumenterede altid for en formindskelse af den sociale ulighed og udtrykte i den forbindelse flere gange sympati for borgerløns-/basisindkomsttankegangen.



### Dokumentation

#### **Newsletter of the Basic Income European Network BASIC INCOME 33 AUTUMN 1999: John Kenneth Galbraith: Three decades of support for basic income**

In the address he gave on the occasion of his being awarded an honorary degree from the LES (and reproduced in the *Guardian*, 29.06.1999 and in the *Toronto Globe and Mail*, 06.07.1999), John Kenneth Galbraith, the 90-year old critical economist and Harvard professor, started off with some thoughts on the ambivalence of work and closed with "two pieces of the unfinished business of the century and millennium that have high visibility and urgency". One is the massive stock of nuclear weapons. The other is the very large number of the very poor even in the richest of countries. "The answer or part of the answer is rather clear: everybody should be guaranteed a decent basic income. A rich country such as the US can well afford to keep everybody out of poverty. Some, it will be said, will seize upon the income and won't work. So it is now with more limited welfare, as it is called. Let us accept some resort to leisure by the poor as well as by the rich."

Galbraith cannot be said to lack consistency. In a little-known essay published over thirty years earlier ("The Starvation of the Cities" [1966], reprinted in *A View from the Stands*), he stated:

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"There is no single cure for poverty, but we should not, in our sophistication, be afraid of the obvious. [...] So far, my approach to the problem of poverty has been strongly traditional: we should help them to help themselves. That is good, whereas merely to help them has always been considered bad. Now I venture to think the time has come to re-examine these good Calvinist tenets, which fit so well with our idea of what saves money. *We need to consider the one prompt and effective solution for poverty, which is to provide everyone with a minimum income. The arguments against this proposal are numerous, but most of them are excuses for not thinking about a solution, even one that is so exceedingly plausible.* It would, it is said, destroy incentives. Yet we now have a welfare system that could not be better designed to destroy incentive if we wanted it that way. We give the needy income, and we take away that income if the recipient gets even the poorest job. Thus we tax the marginal income of the welfare recipient at rates of 100 percent or more. A minimum income, it is said, would keep people out of the labor market. But we do not want all the people with inadequate income to work. In 1964, of the 14.8 million children classified by the Department of Health, Education and Welfare as poor, nearly a third were in families headed by a woman. And three fifths of the children in families headed by women were so classified. Most of those women should not be working. Idleness, we agree, is demoralizing. But even here there is a question: Why is leisure so uniformly bad for the poor and so uniformly good for the exceptionally well-to-do? We can easily afford an income floor. It would cost about \$20 billion to bring everyone up to what the Department of HEW considers a reasonable minimum. This is a third less than the amount by which personal income rose last year. It is not so much more than we will spend during the next fiscal year to restore freedom, democracy and religious liberty, as these are defined by the experts, in Vietnam. *And there is no antidote for poverty that is quite so certain in its effects as the provision of income.*"

**Here are excerpts from a seminar conducted by John Kenneth Galbraith, Paul M. Warburg Professor of Economics Emeritus, at Harvard University, at the Nieman Foundation December 9, 1998. Galbraith on the Continuing Influence of Affluence**  
<http://www.nieman.harvard.edu/events/seminars/galbraith2.html>

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Q. -- I want to go back to the statement you made about the two economies in America. You've got the very rich, you've got a nation that's increasingly very rich and very poor. What is the long-term consequence of that? Is our increasing poverty going to negate economic growth or permanent stability?

A. -- I would hope the long-term effect of it would be a much sharper recognition of the fact. The two answers are each indispensable. One is something that could well be afforded, a basic income for all people, enough to keep all people out of poverty. We talk a great deal about freedom. Nothing so denies a person freedom as a total absence of money. This is one of the most repressive things that there is. And I am an advocate, and I've long been an advocate, of a basic income, which, as I say, we can well afford, and I would, needless to say, like to see it coupled with the associated public services, namely education, health care, and housing. Going along with that, we should have continued and strong use of the progressive income tax. Nothing so measures progress as a few screams of anguish from the very rich. One of the great developments of the last 100 years came from a Republican president, President Taft, namely the progressive income tax. I would like to see you all advocate, in your country or in the United States, the enormous effect of the progressive income tax on individual enterprise. Nothing stirs people to effort so much as the need to protect their after-tax income. Make that point editorially, constantly, consistently.

Q. -- Two quick follow-ups, two things that you said. Firstly, you said that you have hope that we might finally establish some sort of a basic floor beneath which we would not let people fall. Do we not seem to be moving in just the other direction, less and less willing in this country on the part of both politicians and the general populace to extend welfare benefits or anything for the poor? And second, this question of whether we will continue with a progressive income tax, with Bill Bradley now admitting, finally, that he wants to be president, are we going to hear more and more about flat taxes? Is there any good case to be made by someone like Bradley, who says that he is, in fact, has these same concerns that we're talking about, for a flat tax?

A. -- I don't make my recommendations by their popularity. And I don't assume that, because I urge these two things, that they are on the downslide to adoption. On the contrary, there is a point here which I would urge everybody to have in mind. As the economy develops and well-being develops

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as it has in the United States or Canada, you move more people into the brackets where self-satisfaction is in some measure, normal, and where people are more and more inclined to the oldest tendency of the affluent, the oldest tendency of the rich, which is to say, "I made it, and so can anybody else," and to say that government and public health stand in the way of progress, to develop all sorts of theories which reward them and their well-being and, effectively, deny it to those who are still in need. In some ways, you are better off if you're poor in a poor country than if you're poor in a rich country, because the unquestioned tendency of the affluent is to justify their affluence and ignore the people who do not share it, or to attribute their failure to their own shortcomings. So, in asserting something like the need for a basic, secure income in a rich country, I am also saying something that is, in effect, denied by an increasing number of people who are rich. I don't have any great inner confidence, or any unlimited confidence, but we should not conceal what may be the only solution. We have this terrible fear that people who have such a basic income will not work, will resort to leisure. But here we are in a community where leisure is assumed to be absolutely necessary. Nothing is so needed by a Harvard professor as an adequate access to leisure. And we always have a certain number who, getting tenure, see that as an open door to leisure. That doesn't provoke criticism. But if somebody down below Central Square doesn't work, then it's serious.

**Challenges of the New Millennium. John Kenneth Galbraith talks with Asimina Caminis  
Finance & Development, December 1999**

<http://www.geocities.com/Eureka/Concourse/8751/edisi04/galbraith.htm>

John Kenneth Galbraith, Paul M. Warburg Professor of Economics Emeritus at Harvard University, discusses the major events of the past century and takes a look at the challenges ahead, in this conversation with Asimina Caminis, Senior Editor of Finance & Development.

*So-called labor market rigidities—minimum wage, job protection, social security taxes—are often blamed for Europe's high unemployment rates, while flexible labor markets are credited with high rates of job creation in the United States. Is this trade-off inevitable?*

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You have to know what you're trading. If you're asking what produces the maximum rate of growth and if that is the total objective of life, perhaps there is too much rigidity in the European social system. If you're asking what gives a contented and happy life and if that is your objective, you're likely to come out with a very different answer. I'm very willing to sacrifice some entrepreneurial freedom in return for a more civilized existence, and I don't think, parenthetically, that the trade-off is very great. I think we can have a substantially higher minimum wage in the United States without doing any serious damage to economic growth—more likely, none at all. And I also feel, as I said earlier, that we can give a basic income to the poor without doing any damage. It may even be that the flow of aggregate income, to use an old Keynesian term, will be more secure as a result. The poor will always spend their money; the rich may not.