
UNIVERSAL INCOME SYSTEMS & DEMOCRATIC SOVEREIGNTY: A POSITION PAPER



Towards a future where everyone will receive at the least an unconditional minimum wage income, placed on top of ones existing income, regardless of financial status, for his or her "job" as the sovereign of a free and democratic society.

Cycles and the Job of the Sovereignty: Democracy Vs Monarchy

(Prepared and researched by Patrick Danahey on behalf of C.E.R.E.S. for UUI Action NZ, Nelson, 1997)

Historical Precedents

"What greater equality can there be in a city, [but] where the people are the absolute rulers [sovereigns] of the land?" a justification by the people for their system of the governance of Argos prior to 600 BC to foreign proponents of monarchic views (*Euripides*, (480-406 BC) The Suppliants).

1. Almost throughout the entire corpus of western literature that forms the backbone to university liberal arts programmes one can find this constant cyclical struggle between humanity alternating as the sovereign governing body of its institutions versus it being enslaved to its institutions via some despotic ruling power (9). "For from Plato and philosophy I had learned this lesson, that certain revolutions are natural to all republics, which alternately come under the power of monarchs, democracies, and aristocracies." *On Divination Bk.2* 50BC Cicero. "When the sovereignty of the people themselves is thus realised the republic is established; and it is no longer necessary to give up the reins of government to those by whom they...might again destroy all the new institutions by their arbitrary and absolute will." *The Science of Right* chp.52 Kant.
2. It is not so much the physical structure or the labels used to describe it that determines where the power lies within a society (i.e. just because the majority of people label their government a democracy doesn't mean that it is. Or if a government was a democracy two years ago it doesn't mean that it still is today even though everyone is still performing the same rituals.); but rather, it is revealed in the daily operations, perceptions, priorities, and values of intrinsic worth of the people within that society. James Frazer in his monumental work of the 12 volume series the Golden Bough documents at length, from around the world, various stages of the sacred kingship. In them we find that designated or representative kings comprised, in many cases, the lowest status attainable within those societies to the point where no one wanted to be king. Quite frequently kings had to be imported from other tribes (10). To take two examples. "...in Cambodia it is often necessary to force the kingships of Fire and Water upon the reluctant successors, and in the Savage Island the monarchy actually came

to an end because at last no one could be induced to accept the dangerous distinction.” *The Burden of Royalty, The golden Bough* p.233 Frazer.

3. The concept of sovereignty has played a central role to all of our major religions. Whether it be the feminine Shekhinah of the Jewish faith, the flaitna na Erinne of the early Irish or Celtic religions, the Den of the Magi, the sacred Queen/king of the early matriarchal cultures, and the enlightenment of Buddhism, Hinduism, and early Christianity. The Maori are also rediscovering this meaning in their Tino rangatiratanga. Traditionally, all cultures can trace a common religious link to their inherited sovereignty via variations of the cult of the "Cosmic Centre" (e.g. the tree cult). People would, at their various sacred festivals, all wear crowns of leaves demonstrating their shared sovereignty and their oneness with the "Cosmic Tree". Many people still put up Christmas trees as their ancestors did long ago. A key principle to this system, which can still be found in the early sacred texts, was the idea that we are all connected to the great Cosmic Tree, which is the central hub of the universe. All the changing forms and names that we experience in our world are the changing leaves of the Tree or the institutions. All that animates the changing aspects of our world is the eternal aspect of the Tree: the sovereignty. The task then, as it is now, albeit in a slightly different form, is to maintain our true identity with our sovereignty (as opposed to our institutional roles) to affect a healthy sustainable relationship with our institutions as it relates to our environment and ourselves.

What is the historical basis for Universal income systems?

It is based on the principle of common stewardship of the land from the early land laws. This was basic to almost all indigenous societies. Everyone had unconditional rights to the land and its resources relative to their individual needs. Some samples include: the idea of land rotation being practised up until the late 1800's in Argyllshire Scotland (This was the early practice of regularly redistributing the land to everyone so that everyone had enough land on which to live. It was the basis of equal sovereignty and one's individual power as well. This system probably finds its origins in the early matriarchal phratry structure.) . The Jubilee Year in the traditional Judaic system (every 50 years) also included regular land redistribution and the clearing of all debts. No one would be continually allowed to stay in debt.

- Thomas Paine in his "Rights of Man" (1792) advocated a universal wage that he called the "National Fund". It was land rent based. His argument was that any person, who had private property to the exclusion of others having an unconditional right to their land, had not paid enough. I.e. they stole it!
- The concept of a national dividend in various forms has been a part of serious election campaign platforms since the early sixties in America. In 1972 it reached its most generous culmination with Tobin's "Demogrant" as part of George McGovern's democratic election campaign. Unfortunately he lost to Nixon, who also had a universal income platform (although quite meaner in amounts) that lost in the Senate.
- Some mid eastern countries such as Saudi Arabia share all of their wealth amongst their citizens. Everyone in Saudi Arabia is rich by NZ standards.
- Norway has an unconditional "dole system" i.e. no compulsory work requirement.
- New Zealand during the late 1980's, up until the "employment contracts act" had an undeclared "unconditional dole" throughout the majority of the country. The country has a higher unemployment rate now, with compulsory labour than it did then.
- The Basic Income European Network (BIEN) includes 19, member countries.
- There is an international Green Party network that supports a Universal Income as part of their shared platforms.
- There have been two national conferences on the Universal Income in New Zealand.
- Nobel Prize winning economists from both left and right winged perspectives have advocated it. I.e. Jan Tinbergen (major developer of modern macro-economic theory), James Mead, Milton Friedman (Right winged monetarist guru), and James Tobin (left wing economist, author of the "Tobin Tax"--a financial transaction tax aimed at controlling unbridled "speculation"--as well as the "Demogrant".) James Robertson (Futurist economist), has advocated funding a universal income by eliminating the income tax system and replacing it with a resource tax system.

Universal Income Systems: Future 2000

Universal Income Systems - Creating A Sustainable Future

Universal income systems are income schemes that fulfil the minimum basic requirements inherent in the International Bill of Human Rights. Some of the “key” requirements are as follows:

1. the *unconditional* “right to life and security of person”.
2. the basic right to be free from the fear of poverty.
3. the right to be able to adequately care for one’s family.

The minimum wage standard, by law, must be adequate enough that one person's income is sufficient enough to raise and care for his/her household. This means that fewer people would have to be in the work force and would thereby create more jobs for those who really want and need them.

4. the right to be free from forced or compulsory labour programmes.
5. the right to self-determination.
6. the right to experience the equality of status that we all share living in a democratic society.
7. the right to be compensated in the event of unemployment.
8. the right to freely participate in the cultural activities of one’s community.
9. the right to compensation for each person’s responsibilities in a democratic society. In a democratic society every person has the job and responsibilities of that nation's acting sovereign. (Democracy = Gk. Demos [people]+krates [ruler]) whose primary job responsibilities include:

- monitoring and securing human rights for everyone,
- working in harmony with our natural environment and protecting it for future generations,
- supporting a healthy commercial environment,
- and supporting the expense, education, and well-being of the sovereignty: the people. These responsibilities have been traditionally recognised by monarchic societies as responsibilities of the monarch (e.g. see Adam Smith "An Inquiry into the Nature and Causes of the Wealth of Nations" as well as James Frasers The Golden Bough). In a democracy these responsibilities of the monarch transfer over to the people.

In a monarchic system the monarch receives taxes, in part, for the payment of his/her job as that nation's sovereign. So likewise in a democratic society, taxes are paid, in part, as rent payments to the proprietors of the "public domain": the sovereignty or the people (to whom also falls the above job responsibilities.).

The concept of "unemployment" in a "democratic society", therefore, is a contradiction in terms. How can the acting sovereign or boss of a society [the people] be considered to be unemployed, i.e. have no job, or in need of meaningful work?

In conjunction with the foregoing rights, which help to form the parameters of a given income system’s legitimacy, the system must also accommodate the mandate to move towards a free education system for all, along with an equal access health system--which by definition would probably also have to be free for everyone (For additional parameters, see the International Bill of Human Rights. Contact the Universal Income Trust for more information.).



Unconditional Universal Income - Ending Unemployment & Poverty

1. This is one form of a universal income system. It is at the *least* a minimum wage

income adjusted to the cost of living and placed on top of one's existing income regardless of financial status. This income is sufficient enough to meet the legal requirements for one person's ability to raise a household. Note that the words "wage" and "income" is used interchangeably. This is to reinforce the point that the income is earned.

2. It is unconditional. There are no strings attached apart from those stated in points 3 and 4 below. No one has the right to take it away from anyone else. If there is an economic problem, the society will generate income without taking people's "basic right to life minimum wage" away from them.
3. It is universal. The income is provided to everyone living in a country such as Aotearoa/New Zealand whose primary taxes are paid to the government. This would include all citizens and permanent residents, but would exclude, for example, US military personnel living in New Zealand who pay their primary taxes to the US government.
4. The "right to life" wage is provided for the responsibilities each individual has for his/her role as a sovereign in a democratic society. (See Charter of UN, Article 2 for principle of equal sovereignty in a democratic society. See #9 under Universal Income Systems Defined and Explained for a listing of those responsibilities. They may be also found throughout the International Bill of Human Rights.)

Some Common Questions

Q. If everyone gets a UII what do we do with people who blow it all on stuff/drugs/church/grog etc?

A. The question implies at least two possible interpretations:

- 1) the efficacy of what people will spend their money on, and
- 2) what happens if they waste their money and run out?

The answer to the question then, is that, since everyone is the paid sovereign of that society it is nobody's business what other people do with their paycheques. We do not ask what politicians, CEO's, lawyers, teachers, and etc. do with their private paycheques, so why are we concerned with what low-income people do with theirs? So

long as people are not violating other people's rights, damaging the environment, and so on what is the problem?

The key is that we need to remember what our own job responsibilities are in a democratic society (see above). They do not include prying into or judging other people's personal lives. If they have a problem and are seeking our help then it is their responsibility to confide in us. At that point we can intervene, provide support, and help as needed. As far as people irresponsibly wasting their money and running out of it, this is more of a problem with moderate to higher income earners in terms of gambling at casinos, stocks and so forth. New Zealand, and many other countries that have had a strong social welfare based economy, show very little statistics that this is, or has been, a significant problem for beneficiaries.

Central to the issue of a country adopting a UII is the necessary revamping of that nations education system in accordance with the International Bill of Human Rights.

"If all people are to be rulers, which is what democracy means, then all people must be educated as rulers; nine tenths of them cannot continue to be trained as slaves. The alternative to educating all people as rulers is to return to a government in which a small elite will rule the great uneducated, slavish masses. This will represent a tacit, if not an explicit agreement, with an ancient Greek conviction that some men [and women] are by nature fit only to be slaves. In the judgement of perennialists, we are operating our schools as if most people were fit only for servile occupations, not for the obligations of free citizenship." Robert Hutchins, "The conflict in education". P.66.

I might add that many eastern countries and so-called "spiritual political" groups have similar sentiments as it relates to nine tenths of the people being fit only for servitude.

It is interesting that there are now a variety of economic proposals illustrating how by simple means low income countries such as NZ, can now fund UII schemes with very modest adaptations

of the existing tax structures. The main problem is no longer can we afford it; but rather, why should we do it.

Q. What form of "policing" would occur to ensure that people are behaving like responsible sovereigns i.e. that they are doing their jobs?

A. The answer is simple: none. It is up to each individual to perform their responsibilities according to their best sensibilities as they see fit. As each individual shares the highest status attainable with everyone else, the reigning sovereign of a free and democratic society, no individual has any power over another in terms of controlling his or her pay/work.

Remember, we are talking about a democracy: everyone is the boss. There is no "boss of the bosses" in a democracy.

The wisdom of the governing power exists within everyone. Therefore no individual or group has exclusive rights to divine wisdom over others by law. If certain people wish to wave or subordinate their individual rights to another they can, but they will still retain the resources to reclaim their lives, status, and responsibilities whenever they wish. See [UUI and the Environment](#) for more information and examples.

Q. You still haven't sufficiently answered for me about what to do with those people who do nothing?

A. If you have really ever seen someone who can and does nothing, you have found the story of the millennium. Call up a major movie producer, TV mini-series production team, circus, and or etc. Make yourself the next multi-millionaire with that story and retire. The fact is that even dead bodies are working. They nurture the soil in the form of compost. This in turn feeds the plants, animals and ultimately you. The real question being asked then is "what do we do about people whose work some people in our society don't value?" This question can be directed to most of our government officials, services, multi-national organisations, and so forth. As mentioned earlier, paired with the advent of an Unconditional Universal Income, must be the revamping of the

educational system. It must educate people about what comprises responsible citizenship and people's relationship to their institutions. It is a maxim of almost all accepted models of "Human Learning", that, in order to foster responsible citizenship in others we must emulate those values ourselves.

The biggest problem our society has right now isn't all those people out there who are doing nothing that we need to do something about. Rather, it is what to do with all those people out there who think that there are all those people out there doing nothing that we need to do something about.

It is this "socially conditioned" mentality that is one of the major stumbling blocks to a society achieving a universal income. It prevents us from being able, as a society, to live in harmony with our natural environment.

It requires the citizens of a society to have to live in a "nanny culture" which, being non-sustainable, has no wisdom guiding it.

UUI and the Environment

Q. How would a UUI address the immensity of our present environmental problems if at all?

A. It first needs to be stressed that...

a UUI is not a panacea for ending all social and environmental problems; but rather, it is an essential tool empowering us to be able to work through them.

At the root of primary social, political, economic, and environmental problems facing any country lays the lack of understanding about the nature of the people's relationship with their institutions. Responsibility for the actions of institutions rests entirely with the people experiencing the effects of those actions: the sovereignty. For example, city councillors cannot assume responsibility for the health or lives of the people in their community i.e. they cannot give life back to a person who died from a poisoned water supply that was mismanaged by city council. It is, ultimately, the people's responsibility in a given community to monitor their city council's actions on environmental controls, as it is the people

whose lives are at risk, not the councillors. This illustrates the reciprocally reinforcing nature of the job of the people as sovereigns. It shows why it is not necessary, nor effective, to have a designated "Boss of the Sovereigns" to motivate responsible actions from the people.

A UUI provides, at a minimum, a minimum wage salary that is paid on top of one's existing income. This means that people who work for environmentally sensitive organisations will not have to work as many hours to receive the same amount of income. Loggers, for example, can reduce the amount of trees they cut down and preserve their way of life by not destroying them all. It will also be viable for them to use "selective cutting" rather than "clear cutting" practices, since it would then be both in their economic, as well as aesthetic interests to do so.

People will not have to drive to places far away from where they live in order to work to survive. They can reduce their hours if they wish and find part time jobs locally to supplement their income for their individual lifestyle needs.

Everyone will have an unconditional living income that allows him or her to explore alternative lifestyle situations that are more harmonious with their natural environment if they wish. They will have the time and resources to pursue necessary political actions and public education campaigns effectively as they arise.

We will no longer have to pursue mindless "job creation" projects where they are not needed (i.e. building roads through native forests or parks just for the purpose of creating jobs.). Everyone will already have a job.

A UUI, in general, will provide better protection of our environment. People will be able to regulate institutions by withdrawing their support from those



damaging the environment and offering support to those institutions that promote a healthy sustainable environment.

Social Problems: Violence and Crime

Q. What effects would a UUI have on violence and crime?

A. At this point, to those who have been following the article we can see that in a world where everyone is the boss or sovereign there is no unemployment. Physical and psychological poverty would be rendered almost obsolete. The status issues associated with power conflicts and violence between races, sexes, and the various other classes of people would dramatically decline, because everyone would share the highest status attainable in a free society. They would have equal access to essential life resources. For example, in the case of domestic violence, where women may find themselves entrapped within dysfunctional or violent relationships, they would have the financial resources readily available to easily leave and start their own lives. This would be likewise true in the reverse cases for males. Crime that is based on stealing would diminish. In Auckland, up until the late 1980's, "honesty boxes" with large amounts of money used to lay unattended on the streets for newspapers. During those times people had reasonable incomes and therefore had no real need to steal: so they didn't.

Further Benefits of a UUI

1. It raises the incentive for those seeking further employment, or additional income, to take up part-time and temporary employment. Also, a vast array of studies from around the world reveals that basic resources like access to the telecommunication systems networks, information technologies, and transportation are vital to obtaining employment. A UUI ensures that people will have this access. The NZ government's recent Social Security Amendment sanctions on beneficiaries ensure that they won't. Hence, this government's present plan can be shown, to increase unemployment and despair.
2. Benefits for employers include the relief of minimum wage law requirements, as everyone will already receive a minimum wage income from the "public pool". The

economy will also be revitalised, such that more people will have money to purchase goods and services. The purchasing power of the dollar will increase. Workers will be more enthusiastic, skilled and co-operative. These factors combined will lead to an overall increase in sustainable productivity.

Q. What about the global economic effects on a UUI?

A. Many of the Universal Income proposals are based on the existing internal tax structures of a society and are therefore independent to a large degree of external market forces. They have been supported and validated by many national economists as well as by internationally renowned "Nobel Prize" winning economists.

Q. Taxes? Why should I pay more of my hard earned tax dollars to those "dole bludgers"?

A. The unemployment benefit in NZ has not traditionally been funded out of income tax. It has been paid primarily out of "deficit financing".

There is no such thing as a group of people called "taxpayers" who pay for those who don't pay taxes. Everyone in NZ, including those on the "benefit" pay taxes. Further, every single person who pays taxes in NZ is on the "Dole". The biggest "dole bludgers" are those people in NZ who have the most money.

(The dole is here being defined as an unconditional handout.)

Those who have the most money get the largest tax returns (rebates), breaks, and subsidies in terms of "real income".

Low-income earners have to pay the highest percentage of their income in taxes via user pay schemes in order to cover the shortfall in taxes which are not being paid by the rich and higher income earners. E.g. A person whose annual income is \$10,000 or less compared with a person or family who earns \$100,000 pays over 1000% more every time they use the same publicly owned resources such as water under "user pay" resource taxes. The people own public resources collectively. Everyone owns an equal share of the resources. Therefore, throughout history civilised societies have traditionally recognised that people

should pay a percentage of their income on taxes in terms of equity as opposed to flat rates. Low-income earners are also paying twice for the same service. The question is why are the poor to the middle-income earners paying for the rich and high-income earners to be on the dole?

(Remember that almost all beneficiaries have been and are actually working for their income; despite the media propaganda that is contrary to the government's own studies.) Most of the rich have obtained their wealth from what economists call "unearned income". This includes inheritance, interest, rent and so forth. Add to this the privatisation of public resources without public consent, the illegal compulsory work schemes with its subsequent financial sanctions on the poor, and we have the outright criminal behaviour that is ripping NZ and other countries apart.

[Note. Financial sanctions placed on the poor, means taking the basics of food and shelter away from them. It is the death penalty for many, the children being the most vulnerable. **PLEASE LET'S WAKE UP AND PUT AN END TO THESE CRIMINAL BEHAVIOURS!**]

It is absolutely essential that if we are to have an egalitarian democratic society that can live in harmony with nature, everyone must receive his or her rightful entitlement to, at the least, an unconditional minimum wage living income. Not just the upper-income people. The money is there, the people need it, it belongs to them, and the laws are in place. Lets Join Together and GET OUR RIGHTFUL PAYCHEQUES AS THE SOVEREIGNS OF A FREE AND DEMOCRATIC SOCIETY!!!!

Q. I have heard of a UBI as well, how is a UUI different from a UBI?

A. A UBI is strictly talking about an unconditional cash payment without, at this point in time, subscribing to any specifically agreed purpose for which it is being allocated.

There are two aspects to any universal income proposal, which are necessary to take into account in order to measure the effectiveness in achieving the stated outcome:

(1) **How it will be funded i.e. the amount people will receive and where it will come from.**

(2) **The purpose for which the money is allocated i.e. who will receive it and why.**

To use standard technical terms, the first part comprises the "reinforcer" components, and

the second part determines what is being reinforced.

This means that various universal income type proposals can achieve very different outcomes.

These outcomes are not only based on who receives the money and how much this is, but also on what the money is allocated for, as well as how well the recipients are aware of that fact. These factors combined form the basis for setting up proper evaluation scales that can measure the overall effectiveness of the varying proposals' abilities to achieve their stated objectives. For example, an unconditional cash dividend does not end unemployment. The major social and environmental problems will still be held in tact. At present a UBI cannot be any higher than a basic living income. A UUI, as well as other Universal Income proposals do not have this limitation. The people have the choice to set the level at higher rates if they wish. The only limitation is that they cannot go below a basic living income as established by the International Bill of Human Rights.

For a more complete discussion of the differences read UUI/UBI: A Revolution of Human Consciousness Report for UBI Conference 1998, by Patrick Danahey. (Obtainable, free, from the Universal Income Trust on it's website.)

The primary focus of UBI has been on the development and promotion of specific funding proposals. Some of these are quite exciting. For more information on UBI and the proposals see the UBI web site.

Q. Are there any legal precedents for the justification of Universal Income systems?

A. Yes, see the Submission to the Social Service Select Committee on the Petitions 1996/1017 for the Adoption of an Unconditional Universal Income for all New Zealand Citizens and Permanent Residents. In short it summarises that international human rights laws supersede NZ statute laws. The Auckland District Law Society's report Human Rights Law from Domestic and International Sources, Section 5.37, states that under Article 27 of the Vienna Convention of Treaties "...the national law of the State may not be relied on as a justification for failure to perform its obligations under an international treaty."

Under the Bangalore Principles, principles no. 7-9, "It is within the proper nature of the judicial process and well-established judicial functions for national courts to have regard to international

obligations which a country undertakes whether or not they have been incorporated into domestic law..." The Bangalore Principles have been reaffirmed by the 1993 High Level Judicial Colloquium in Bloemfontein, South Africa. New Zealand was represented by Rt Hon Sir Robin Cooke, XBE, President of the Court of Appeal. Further, in the Bloemfontein statement, it was stated "that it is during the times of public emergency that fundamental rights are most at risk and when courts must be vigilant in their protection.... In democratic societies fundamental human rights are more than just paper aspirations. They form part of the law. In a society ruled by law... all branches of government—the legislature and the executive, as well as the judiciary itself... must act in accordance with the law".

Q. Who supports the basic concept of Universal Income Systems?

A. UUI and universal income systems in general, far from being outer "fringe" ideas, are those economic policies that conform to mainstream international human rights laws. They form what the consensus of international opinion recognise as comprising the essential elements of a civilised society.

Some supporters of the basic concepts of Universal Income Systems have included: The World Council of Churches, NZ National Council Of Women, The Peoples Charter, the Dalai Lama, Martin Luther King Jr., Noam Chomsky, Buckminster Fuller, and Bertrand Russell.

We have reached a stage in our history where our government officials no longer know their actual relationship to themselves, institutions, and the environment. Our way of life has become a threat to our environment and ourselves, and as such, is no longer sustainable. Therefore, the Universal Income Movement cannot be anything less than an education that allows people to re-ascend to their rightful heritage: their shared sovereignty and the re-establishment of basic human rights for everyone.



(For more detailed information on these and/or other issues contact the Universal Income Trust.
Ph. (03) 545-7273 or (03) 547-6865
E-mail: ceres7@netaccess.co.nz, 1 Erin St. Nelson NZ)