# MULTI-LAYERED HISTORICITY OF THE PRESENT

Approaches to social science history

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# BASIC INCOME AND DEMOCRACY

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The idea of basic income, a sum of money provided without conditions by the state to every person in working age permanently resident in the country was about to come to the fore in Finnish public discussion at the end of the 1980s. The same was true of responding to the discontent with representative democracy among citizens. The two issues that were kept apart from each other stayed, however, in the background since the depression of the next decade changed the direction of politics: the new agenda that has later been termed neoliberal was not favourable for these kinds of reforms. Since the turn of the century a new situation has gradually emerged as the present article suggests. Carrying out basic income implies a new kind of politics: policies generated also from the citizens' situation, their demands and initiatives.

Basic income emerged in the 1980s, in the case of the present writer, as a solution to the contradiction created by unemployment policies based on means testing: satisfying the demand of labour by administrative means was obstructed by measures aimed at securing the livelihood of those out of work. This conclusion ended my treatise on unemployment in 20<sup>th</sup> century Finnish politics that was commissioned by the then Ministry of Labour and published in the spring of 1989.<sup>1</sup>

Two decades later it is my contention that the policies of the welfare state have to be reassessed because the sources of livelihood have been profoundly transformed and the risk of prolonged unemployment has markedly increased. At the same time, the culture of labour has been altered in a way that has made life uncertain in a novel way and triggered mental problems to displace physical burden as the employees' main worry. Basic income is an adequate starting-point for reorienting the welfare state.

As regards democracy, the legitimacy of the existing political institutions was shaken by the late 1980s because of the citizens' dissatisfaction. New conditions for civil activity had emerged since the 1960s with the disappearance of the traditional misery at the same time as the age-old social structure was broken down. Freedom from cultural predestination and the sense of

Kalela, Jorma (1989) *Työttömyys 1900-luvun suomalaisessa yhteiskuntapolitiikassa.* Helsinki: Valtion Painatuskeskus ja Työvoimaministeriö, 208–227.

increasing opportunities had been reinforced by a general rise in the level of income and the basic services provided by the welfare state. However, the citizens' new perspectives on the future were not reflected in politics.<sup>2</sup>

Political parties were, as Pauli Kettunen wrote in 1987, imprisoned by patterns of action that had materialised during the first years of the twentieth century. The way they responded to people's resentments and sought to redress what were regarded as injustices did not work any longer. The logic of combining 'interest articulation from below' and 'knowledge from above' was out of date. Politicians did not realise that their solutions were taken as patronising since people regarded themselves as capable of looking after their own interests.<sup>3</sup>

At the outset of the twenty-first century there is hardly any reciprocity left. Political parties represent the state in relation to citizens rather than the other way round. They seek justification from the citizens for state policies rather than argue for the needs and interests of their voters. In this kind of situation that is common to all EU countries basic income opens an avenue to creating a citizen-generated democracy.

#### Employment as the source of livelihood

The possibility of determining one's way of life advanced in parallel with the emergence of paid work as the dominant source of livelihood from the 1960s on. In turn, with the depression of the 1990s the context of everyday life began to assume new features as a result of ever advancing commodification: social relations are nowadays mediated by purchase-power, for instance. Individual competitiveness determines the view on unemployment: not having a job is regarded as a personal defect rather than a social evil.

It is in the social circumstances that came into view with the first years of the 21<sup>st</sup> century, sometimes characterised with the term consumerism, that the new topicality of basic income has its origins. The reform has also got a new kind of backing. The idea was presented by individual scholars and politicians in the 1980s and 1990s while it has had constantly increasing popular support

from the turn of the century on. Even two political parties, the Greens and Left Alliance, endorse officially the reform.<sup>4</sup>

A new stage began with the foundation in 2011 of a network that affiliated itself the following year to Basic Income Earth Network (BIEN). The Finnish organisation unites people from all points of the political spectrum; they are convinced of the need to realise the reform, their different views on its substance notwithstanding. In February 2013 BIEN Finland launched its campaign for a citizens' initiative that obliges the parliament to take a stand in the matter if the 50 000 signatures required have been collected.<sup>5</sup>

In accordance with the idea of BIEN Finland the present article represents only the views of its author even if he is an active member of the organisation. My interpretation is that the enlarging support of basic income reflects two kinds of attitudes. There is, firstly, the uncertainty of life resulting from changes in employment. A particular source for popular dissatisfaction is the various effects of the transforming culture of labour. Secondly, there is popular resentment about public policies with a special source for anger in the jungle of forms needed to apply for benefits. In addition to the unmanageability of the welfare state, opposition arises from its obliging undercurrent.

The function of this article is to demonstrate that the recent changes, shared by most EU countries, have made basic income a sensible political aim. The idea is, however, not to discuss the merits and weaknesses of the several different suggestions regarding the substance of the reform since the available space does not allow it. Besides, such a deliberation is inevitable if the parliament takes the citizens' initiative seriously. Discussing basic income is like opening Pandora's box: it compels one to take a stand on all the present fundamental political issues.

As a historian of politics, my interest in basic income is related to the present state of democracy characterised as it is by two renegaded basic features. The need to curb arbitrary use of power, appearing as it does today, in the guise of decisions made beyond the reach of representatives for citizens has practically passed from sight in most EU countries. At the same time, the idea of policies generated and advocated by the citizens themselves plays a

<sup>2</sup> A summary of the new conditions for civil activity that had emerged since the 1960s was the theme of Kalela, Jorma (1990) 'Kansalaiset, poliittinen järjestelmä ja yhteiskuntamoraali'. Tiedepolitiikka, Vol. 15, Issue 2, 5–16.

Kettunen, Pauli (1987) 'Vuoden 1906 Suomi, vuoden 1918 Suomi, Nyky-Suomi. In Alapuro, Risto, Liikanen, Ilkka, Smeds, Kerstin & Stenius, Henrik (eds.) Kansa liikkeessä, Helsinki: Kirjayhtymä, 284–287.

About the idea of basic income in Finland from the 1980s to the present, see Pertti Koistinen and Johanna Perkiö (forthcoming) Good and Bad Times of Social Innovations – The case of universal basic income in Finland.

The activities of BIEN Finland can be followed at www.perustulo.org See also Johanna Perkiö ja Kaisu Suopanki (eds. 2012) *Perustulon aika*. Helsinki: Into. A similar kind of citizens' initiative was endorsed by the EU commission in January 2013; the required number of signatures within EU is one million.

minimal role in public affairs. What potential for a revival of democracy is embedded in basic income?

#### Transforming sources of livelihood from the 1990s on

'Work is the best way to social security' has been the emblem of all Finnish governments. This status was not shaken by the collapse of its economic foundation during the booming late 1990s and early 2000s. The country experienced the probably most powerful upswing in its history which also saw the formation of an unprecedentedly large body of people who were permanently or repeatedly out of work. It became apparent that joblessness did not disappear with rapid economic growth and that such a growth did not presuppose full employment. Instead, poverty had increased during the boom.<sup>6</sup>

The 1990s change in the labour market has turned out to be irreversible, and yet it has been paid hardly any attention to in the public discussion. By contrast, the unspecified slogan 'the need to create new jobs' serves as justification for practically all economic policy measures. That the risk of prolonged shortage of paid work is a constant part of life for the families of about two hundred thousand Finns has been virtually swept under the carpet. The new situation as regards regular employment results in part from changes in the demand for labour; the general influence of these changes has also been underestimated.

Full-time steady employment is not any longer the normal way of earning the necessities of life even if the majority of people still do traditional paid work. As early as by the first years of the 21st century it was apparent that hundreds of thousands people had 'atypical labour relationships'. They were hired to do temporary jobs, doing short-time labour, linked to employment agencies. employed themselves e.g. as graphic artists or had become superficial and often unwilling entrepreneurs as the result of outsourcing. It is the irregularity of employment that unites these people and justifies calling them, to paraphrase the sociologist Guy Standing's vocabulary, the 'new labour'.<sup>7</sup>

The permanent rise of unemployment to a higher level<sup>8</sup> and sporadic employment have thrown the welfare state off balance because the benefits granted presuppose that the recipients have stable full-time employment. This characteristic has been strengthened by the post-1980s social policies in which the level of benefits has been related to wages and salaries. As a result, the present welfare state discriminates, even at retirement, against those with a weak position in the labour market. There is a distinct inequality with regard to benefits.

Speaking about 'unusual jobs' in the way part of the media and even some trade-unionists still do in the case of about every fourth employed Finn is unreasonable. There simply are not traditional jobs for everyone any longer. This aspect of the labour market is intimately connected to the appearance of the 'new work' analysed, in addition to Standing, by sociologists Richard Sennet and Jussi Vähämäki, for instance. 'New work' is distinguished by a ceaseless conversion of the culture of labour.

Workers are today expected to think of their own life as a project, the idea of which is to produce a self-sufficient member of the staff. A carefully devised portfolio, not any longer a bare CV, demonstrates the potential employee's capabilities. Being able to keep the job, in turn, demands constant updating of one's occupational competence, in most cases by the employees themselves, in their own time and at their own expense. The worker is also expected to internalise the company view on the production; entrepreneurial approach has been elevated to the status of the norm that dominates working life. This kind of a profile for the employee is quite a challenge to the trade unions, especially since the border between the worker and the entrepreneur has become a line drawn in water. <sup>10</sup>

The three Finnish governments at the 21st century have elevated entrepreneurship to a crucial objective of public policies. As is to be expected, the number of companies has grown remarkably but with an interesting nuance connected to changes in the culture of labour. Some of the people

Kalela, Jorma (2002) 'Syntyikö Suomeen 1990-luvulla uusi alaluokka?'. In Blomberg, Helena, Hannikainen, Matti & Kettunen, Pauli (eds.) Lamakirja. Näkökulmia 1990-luvun talouskriisiin ja sen historiallisiin konteksteihin. Turku: Kirja-Aurora.

<sup>7</sup> Standing's term for the same group of employee's is 'precariat'. Standing, Guy (2009) Work after Globalization. Building Occupational Citizenship, Cheltenham, UK and Northampton, MA, USA: Edward Elgar.

<sup>8</sup> Before the depression the rate of employment was about 74% while during this century it has been well under 70 %.

<sup>9</sup> More detailed about 'new work', see Kalela, Jorma (2008) 'Markkinavoimat ja "uusi työ". In Ojajärvi, Jussi & Steinby, Liisa (ed.) Minä ja markkinavoimat. Yksilö, kulttuuri ja yhteiskunta uusliberalismin valtakaudella. Helsinki: Avain. About Sennet, see his (2006) The Culture of the New Capitalism (Yale University Press; New Haven & London, and for Vähämäki, Kalela 2008 that discusses his texts in relation to those of Sennet's.

<sup>10</sup> Kettunen, Pauli (2002) 'Suunnitelmataloudesta kansalliseen innovaatiojärjestelmään'. In Blomberg, Hannikainen & Kettunen, 38–40. More generally about changes in the culture of labour, see also Kettunen, Pauli (2008) Globalisaatio ja kansallinen me. Kansallisen katseen historiallinen kritiikki. Tampere: Vastapaino.

who constitute 'new labour' have simultaneously many sources of livelihood: one may be at the same time, say, a company director, a journalist, a supply teacher, a personal trainer, a caretaker and a graphic artist. This development does not mean that the contradiction between employer and employee has had its day; what is needed is separating the questions of livelihood and employment in politics.

Managing one's occupation has also been impeded in way that makes establishing one's own identity difficult. The life span of many skills is shortening and the institutions in relation to which the employee has to situate him- or herself are fragmenting. Celebrating potential ability is about to replace craftsmanship in 'new work' and the employee is expected to orient to the short term and be willing to abandon past experience. Drawing on social memory has been thwarted and one's own life-narrative has to be created out of disjointed bits.

Competition between workers is also a key aspect of 'new work'. At the place of work this characteristic is often realised by the way of creating rivalling teams or by linking wages to the execution of tasks. Outside work the same function is performed first and foremost by the scarcity of jobs. These methods of intensifying the workers' performance antagonise structurally the basic idea of the trade unions that is based on the elimination of competition between workers.<sup>11</sup>

'More working days are lost each year as a result of stress than through strikes' is one way of illuminating the change from physical burden to mental problems as the crucial characteristic of 'new work'<sup>12</sup>. The impressive sales of Juha Siltala's book, dealing with 'the brief history of worsening working life', in turn, indicates that a large number of Finns have recognised their own situation in its pages. Work is not only distressing but the very concept of it has become ambiguous.<sup>13</sup>

The consequences of 'new work' outside the place of work have been considerable since they are in line with the other aspects of what Sennet calls the 'culture of new capitalism'. Income disparities have significantly increased in all industrial countries since the 1990s and their effect has been strengthened

by the austerity measures characteristic of economic policies in the 2010s. Poverty has intensified.<sup>14</sup>

Finland has not ratified the European Social Charter as regards fair remuneration because of the country's collective bargaining system. The argument is that there is no need for minimum wages because the pay and minimum conditions of employment in the agreements are binding for all employers in the branch in question. This has not, however, hindered the increase of relative poverty. A constantly growing number of employed workers have fallen below the 60% of national median income, the relative poverty line set by the EU.

That there are persons whose earnings are not sufficient to provide a decent livelihood either because the wage is too low or the employment is sporadic has been a constant theme of discussion everywhere in the Western world since the beginning of the present century. The burden of personal reproduction is especially heavy on the unemployed who have to maintain their capacity as a potential employee. Searching for a job, applying for welfare benefits by filling an infinite number of forms and seeking additional income are time-consuming and costly efforts.

Food queues that do not disappear remind us of the harsh conditions in which many employees have to take care of their personal reproduction, not to speak of the unemployed. Keeping up one's capability to work by way of continual training, for instance, is expected from the employed poor, too. The question is of meeting requirements that are necessary for the functioning of a market economy but have been marginalised in public policies. The same is true of collective bargaining; the unions should also recognise work that is not labour instead of concentrating only on labour.

Taken together, the risk of prolonged unemployment, 'new labour' and 'new work', highlight a life with uncertainty and the associated sense of insecurity as the uppermost aspect. The worst drawback from the point of view of those in precarious jobs is the unpredictability of their own and their family's life situation. Difficulties in planning for the future impose a mental strain, make it difficult to start a family and have children and may even be an obstacle to

<sup>11</sup> Kalela, Jorma (2009A) 'Denial of Politics as Government Policy'. In Tiitinen, Seppo & al. (eds) Challenges for Finland and Democracy. Parliament of Finland Centennial 12. Helsinki: Edita.

<sup>12</sup> The quotation refers to present-day Britain (Madeleine Bunting's review 'Loose connection' of Sennet's book mentioned in the note 9, New Statesman 13 March 2006), but undoubtedly applies to Finland as well.

<sup>13</sup> Kalela 2009A, note 14.

<sup>14</sup> Kalela, Jorma (2006) 'Nollakuusi ja vasemmiston poliittiset arvot'. In Ahvenisto, Inkeri & Mäki, Kirsi (eds) Kansalaisvaikuttaminen ajassa. Näkökulmia suomalaiseen kansalaisvaikuttamiseen suurlakosta 2000-luvulle. Helsinki: Työväen historian ja perinteen tutkimuksen seura.

Key incentives for discussion have been Barbara Ehrenreich's two books: (2001) Nickel and Dimed.: On (Not) Getting By In America. New York, NY.: Metropolitan Books/Henry Holt and (2005) Bait and Switch: The (Futile) Pursuit of the American Dream. New York, NY.: Metropolitan Books.

obtaining a loan or a mortgage. Steady livelihood has become an unfulfilled dream for a growing number of Finns.

As regards the response of the welfare state<sup>16</sup>, the confused public debate about shortage of employment introduces its fundamental weakness. The level of unemployment that is presented as a precise percentage, for instance, gives the impression of a uniform body while the question is, in fact, of the very opposite. Secondly, there is much of futile debate about exact numbers characterising those out of work; the very constitution of this diverse group makes every definition controversial. However, it is possible to divide the unemployed in three groups that are relatively indisputable even as regard their sizes.<sup>17</sup>

Those with a good change to find a job at a relatively short interval constitute only about every seventh of all the unemployed or, starting from the 210 000 according to Statistics Finland, some 30 000 people. The point is that the vast majority are chronically or permanently out of work. Included in the larger part are the other extreme of the unemployed: those who have already lost their faith in life and may hardly ever find, or even seek for a job. The number of these social excluded people may be as high as 50 000 meaning that there are about 130 000 people who 'want to work but can't find it', as Sennet describes their situation.

The largest group of the unemployed does not constitute of 'losers', as they often are characterised in public; they do not dip into their neighbour's purse for their livelihood. They are neither poorly educated nor do they lack expertise; among them are even many with a higher education degree. The difficulties they have met while seeking for a job originate in outdated skills or skills that are not in demand, and this calls for expanding and recycling their competence as the way to find a job. However, this is what the state has refused to provide and this denial justifies the term displaced. Worth noticing is that the kind of retraining needed is the very thing one would expect from the public authorities with a view on the current debate around the labour market.

The main worry of the economic decision-makers and the experts in the Finland of the 2010s is the shortage of labour expected to arise in the near future. Various remedies for addressing the problem have been suggested, raising the retirement age and importing skilled foreign labour, for instance.

Considering the heat of this discussion it is, logically, surprising that hardly any attention has been paid to the potentials embedded in the displaced majority of the unemployed. On the contrary, these people have virtually been thought of as a burden on the economy.

Expressing surprise at state policies is, actually, superficial since there was already in the 1980s a tendency to split the country's workforce into two parts on the basis of employability. In the 1998 reform of public policies on labour administration the division was finalised. Since then the main focus has been on 'fulltime jobseekers' while the majority of the unemployed has been approached in terms of preventing their marginalisation. This pre-emptive aim, and alleviating poverty in general, 'will be conditional upon meeting the goals set for employment', as is stated in the Government Programme from 2003, for instance. Unless the authorities can arrange jobs for the unemployed in question, they may grant the support needed only at their discretion. This principle leads, among other things, to counterproductive results with a view to an imminent shortage of labour.

The discretion originates in the late 19<sup>th</sup> century thinking which calls for oversight in order to prevent abuses of reforms; this principle remains imperative in the 21<sup>st</sup> century even if it hinders efforts to increase the rate of employment. The unemployed who cannot be provided with jobs are actually treated, to use Sennet's vocabulary, as 'useless people'. The retraining courses organised are regarded by the unemployed, unavoidably, simply as requirements for receiving unemployment benefits - instead of opening a perspective for improving their own conditions of life. As a result, the compulsoriness of the training rules out learning skills that expand the trainee's existing competence and are in demand from the employers' angle. This potential for strengthening the trainee's motivation might be realised by basic income whereas the present stipulations have brought about training that is experienced (in most cases) as senseless and quite seldom leads to a job.

The realisation of basic income has been, in other words, prevented by the spectre of moral decline that is the alleged result of obtaining support for livelihood without something being given in return. What should be discussed is the enduring viability of this moral idea, and that is a political issue. Still, denying complementary public support for securing the necessities of life is irrational from an economical perspective too, as was argued above. Two additional arguments should also be remembered. Firstly, with regard to the much-discussed public indebtedness it is possible to realise basic income cost-

More detailed about government policies, see Kalela 2009A and Kalela, Jorma (2009B) 'Politiikan kieltämisen politiikka'. In Taimio, Heikki (ed.) Kurssin muutos: Kestävään kasvuun ja hyvintointiin. Helsinki: Työväen Sivistysliitto.

<sup>17</sup> The three groups come close to the three segments of customers applied by Ministry of Employment and Economy. See Henkilöasiakkuusstrategia. TEM028:00/2009, 10-12.

effectively, and secondly, the reform would make the country's economy more competitive through inviting the people to contribute to the official 'national innovation-boosting project'.

Policies towards the misplaced majority of the unemployed serve as an introduction to the general problem at issue as regards the welfare state. What has pulled together criticisms from various angles is the conclusion that there is too much bureaucracy. It is an insuperable task for both politicians and scholars to manage a totality consisting of more than one hundred different, often mutually contradictory, benefits - not to speak of citizens in need of support. At an everyday level the anger is created by the 'benefit jungle' consisting of an infinite number of forms to be filled that frustrates the applicants and prevents local authorities both in social and labour administration from availing themselves of the training they gained in higher education.

Dissolving the unnecessary bureaucracy is the logical remedy and there also is a large consensus about its necessity. The way to proceed is, however, disputed. The merit of basic income is to provide a well substantiated starting-point, but it also offers a perspective beyond mere reorganising public benefits to those in need of support. Once realised the reform demonstrates that it may not be futile in the future to try to press those in power to admit the usefulness of the independent activity of citizens.

## New conditions for civil activity up to 1980s

The emergence of paid work as the dominant source of livelihood from the 1960s on was accompanied by strong optimism concerning the future; the country was developing towards brighter times. The new opportunities were highlighted, for example, by the disappearance of traditional forms of pauperism; 'the faces of poverty changed when unemployment came out as the main cause of poverty'. <sup>19</sup> In general, the Finland of the 1980s did not lag behind other industrialised countries as regards its socio-economic structure nor are its present economic and political problems any longer distinctively Finnish ones.

From the angle politics the time from the 1960s to the 1980s was a transitional period into the present circumstances. Struggles around issues

which in retrospect can be called the building of the welfare state engaged political parties to such a degree that they missed the profound changes that took place at the level of everyday life. First and foremost, they failed to see the way people apprehended their transformed social reality.<sup>20</sup>

With the view on civil activity the most profound novelty from the 1960s and 1970s was the breaking up of the previous, pyramid-like structure of social inequality based on the source of livelihood. The lowest rung of society had consisted of workers and smallholders, the next level of farmers, then came the middle class with the very small upper class at the top. This order was replaced by one based on purchase-power after the depression of the 1990s; the pyramid has been substituted by a cube balanced on one of its corners as the metaphor. The lowest stratum consists today of the socially excluded and the highest of the really rich with the huge 'middle class' in between.

The disappearance of the traditional structure of social inequality was attended by the citizens' transformed position: political independence and activity took the place of dutiful compliance. The new guise acquired by authorities at the level of everyday life illuminates one of the crucial aspects in this change: local officials did not any longer appear as agents of public power but as persons supplying the various services that citizens are entitled to demand. Instead, for example, of queuing to be accepted onto the register of those without a job a person was entitled to unemployment benefit.

As regards their relation to politics, the citizen took on the same attitude as they did to their way of life. There was no question of compromising one's freedom of judgement: s/he makes his/her own decisions even though the opportunities to choose might be limited, freedom of choice largely illusory and even the alternatives ready-planned by the various markets. Yet, the political parties talked down to the citizens. They were imprisoned, as was noted earlier (000), by practises characteristic of a society that had already vanished.

The last two decades have been distinguished by a difference between the political views of the citizens and those of the political parties that was well under way during the depression of the 1990s. Although both sides were united in the belief that economic inevitabilities cannot be changed by political means, the interpretations of what had taken place diverged. From the citizens' point of view, politicians had surrendered in the face of the social difficulties that globalisation had brought with it while the decision-makers thought that they had opted for the correct societal policy presupposed by preserving the Finnish competitiveness.

<sup>19</sup> Quotation from Antti Häkkinen and Jarmo Peltola (2001) 'On the Social History of Unemployment and Poverty in Finland 1860–2000. In Jorma Kalela & al. (eds) Down from the heavens, Up from the ashes. The Finnish economic crisis of the 1990s in the light of economic and social research. VATT-julkaisuja 27:6. Helsinki: Government Institute for Economic Research. 332.

<sup>20</sup> This conclusion could be verified already 1990, see Kalela 1990.

#### Denial of politics as government policy from the 1990s on

The thinning of democracy, shrinking spheres of democratic governance and the citizens' missing protests in the face of it have characterised Finnish politics since the 1990s. Two processes have been crucial here. The dominating one started with the elevation of international competitiveness in the course of depression to the position of the supreme criterion for all policy decisions. As recently as the 1970s it had been just one prerequisite for economic growth, equitable with, say education. Survival in the globalised competition has been the justification for policies that have led to the tightening subordination of politics to economic growth.

The second process emerging in the post-depression Finland is actually a consequence of the first one: silent popular acceptance of the growing inequality and uncertainty of everyday life. For the governments the two trends, the inevitable effects of globalisation and minimising their harmful repercussions, belong to their stated agenda. The problems are regrettable but it must be understood that the freedom of action in solving them is limited since without a competitive and solid economy there will be no citizens' welfare either. The official rhetoric conveys the belief that the problems of citizens will also be solved just as long as economic growth continues.<sup>22</sup>

A kind of competition-state that acts for the 'national competitiveness community', as Pauli Kettunen puts it, is the image governments have in mind when getting down to politics. The presumption is that there exist 'correct' ways of guaranteeing success in the globalised world which calls for specifying the targets on the basis of a competent prediction of economic development. In this sense, both the starting-point and the aims governments pursue have been taken for given, that is, the direction of politics has been reduced to responding to changes in the global environment. This logic of approaching competitiveness has been summarised in the so-called managerial language or discourse.

As a framework for political activity the managerial discourse has acquired the status of the politically correct way of thinking. It is accepted as pre-set frame of reference within which debates about government and opposition policies must remain. As a paradigm this discourse embraces all societal phenomena that influence competitiveness and interprets what is involved in them. It also determines the matters that are relevant in light of any given situation, in other words, defines the current agenda.

Embedded in the managerial discourse is the idea that Finland's attractiveness as a location for capital and production is a matter that unites 'us'. Each individual is shown that s/he can promote national competitiveness and the ensuring economic growth. By participating in working life they contribute to national innovation-boosting project and in this way fulfil their civic duty. Mobilising the people for 'our' common task is reflected also in the official rhetoric: welfare society has replaced welfare state. In a similar way raising the employment rate has taken the previous place of fighting unemployment. The weak point of the managerial logic is, of course, the insidious nature of 'we' as a concept. It conceals both people's inequality and their divergent priorities

The managerial logic is illuminated by the virtual non-existence of the large majority of the unemployed. Neither those regarded as marginalised nor the displaced do constitute an obstacle to international competitiveness and have, as a result, no place in the primary agenda. Such a position would require either that the existence of these groups seriously harms Finland's image or that providing them with a livelihood becomes a burden on public finances. Until then the vast majority of those without a job remain an isolated, secondary 'political' problem. This tendency to value people on the basis on their contribution to international competitiveness has also contributed to the missing attention paid to the displaced as a labour reserve.

The welfare state has also been approached in terms of the managerial discourse: the question is of the infrastructure needed for success in global competition. The logic of reacting to problems in the system is piecemeal corrections since there is no need to touch the sound basic idea. The result has been an unmanageable totality of benefits with their contradictions as was underlined above (336) Claims that the very idea of the public assistance allowances is in danger, not to speak of the allegations that the welfare state has been gradually dismantled, are in the government way of thinking defamation, at best. The same approach is displayed in the subordination of benefits as a means of regulating the labour market (above 335): the welfare offered has an instrumental rather than an intrinsic value.

<sup>21</sup> This chapter is an abridgment of Kalela 2009A and Kalela 2009B. See also Kalela, Jorma (2005) 'Perinteisen politiikan loppu'. In Pernaa, Ville & Niemi, Mari K. (eds) Suomalaisen yhteiskunnan poliittinen historia. Helsinki: Edita.

<sup>22</sup> The various aspects of the managerial discourse is a theme running through Kettunen 2008. The idea was first presented by Leena Eräsaari (2002) in her Julkinen tila ja valtion yhtiöittäminen. Helsinki: Gaudeamus. It is important to note that the discourse in question is not just a Finnish phenomenon, but an international one. See for example Ross McKibbin (2006) 'The Destruction of the Public Sphere', London Review of Books, 5 January, pp. 3–6, that would be an apt description of the way of thinking that also dominates Finnish politics.

With a view to citizens' participation the essential element in the managerial discourse is thinking about the use of power one-sided 'from above'. The governments vow to advance the welfare of citizens but since their perspective on this task is kept within the bounds of international competitiveness their policies are remote from how the people experience their situation. It really is difficult for the citizens to see the connection between matters that are central to their everyday lives and the political agenda. And since the political parties share this agenda it is no wonder that dialogue between the citizens and political parties hardly works any longer.

Consensus about the managerial discourse as the framework for politics has also decreased differences between the political parties. From the citizens' perspective they disagree about the ways of dealing with current problems rather than about the substance of what should be done. The citizens' position comes close to the status of judges at a figure skating or a diving competition. They give points for the style by voting or through opinion polls, but do not themselves participate in the performance. Nor do they choose the competitors.

Quite a few citizens do feel that they are treated as the objects of the parties' activities and a resource for them rather than political subjects. They have hardly experienced any alternative kinds of politics. The idea that those who have suffered from some shortcoming would themselves both define the problem and point out the resolution is for them a mere theoretical possibility at best.

### Citizen-generated politics

With a view on politics in present Western democracies, there is an unmistakable need to terminate the trend towards people's increasing inequality. A means to this end but as well as a goal in itself is the necessity of developing ways that ensure a real effect for the citizens' views on the political agenda and for their priorities. An alternative to the present form of representative democracy is called for and basic income opens a perspective in that direction.

In addition to securing a minimum level of income for the unemployed; basic income would also provide a stabilising and supporting effect in everyday life. While counterbalancing the growing insecurity it would also be a compensation for the unpaid reproduction work. As a policy target basic income would function as an incentive to those out of work to expand and recycle their existing competence.

Furthermore, the reform should be viewed in the same perspective in which the various schemes of citizen's wage like child home care allowance and study grants have been devised. As a gratuitous system, basic income would enlarge this way of thinking, since no particular activity is required for this benefit.

As regards politics in general basic income means using carrots instead of sticks, it is a step towards trusting people. In everyday life the reform would lessen the role of individual competitiveness in dealings with others. Basic income might also give courage to live to people whose lives are dominated by fear of being marginalised.

The realisation of basic income would imply that growth-based policies are not an adequate way to ensure people's welfare. The reform would also demonstrate that securing international competitiveness is not the supreme criterion for making political decisions. Contributing to the good life of citizens is the dominating substance of politics, and interventions in the economy serve this goal.

The idea of democracy is to guarantee that the use of power serves the citizens' good life and that necessitates conditions in which their voice really makes a difference. Public spaces, institutions and policies must reflect views that originate in people's own experiences as well as their initiatives and demands.

Bottommost, the reform would open the perspective for a brighter future, a society in which people have the possibility of choosing their source of livelihood and constructing good life for themselves. Steps in this direction are provided, among other things, by the citizens' initiative with a view on political practices and basic income as regards a context for political discussion. The future might seem, for the first time since the 1980s, a brighter one.

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