

Ecological Society, Democracy and Basic Income for All
- Critique and Transformation of Daly -

Jeong-Im Kwon (Research professor at Han Shin University, Korea)

1. Introduction

Democracy is necessary for building of any society and its reproduction. Because a society to which the majority of people doesn't agree is politically neither feasible nor sustainable. This request for democracy is equal for an ecological society, i.e. eco-society. Highlighting democracy as an indispensable element of an eco-society, I will study in this paper on the relationship between the universal unconditional basic income (BI), democracy and an eco-society.

When it comes to the basic income, it has become a crucial keyword in the debates on the democracy and eco-society due to its emancipatory characteristics; guaranteeing individuals' subsistence: protecting social basic rights: de-commodifying labor power. So the BI is able to emancipate all members of a society from any bondage of state, enterprise, family and interest groups.

In respect of politics, this means that BI gives all economic basis for promotion through which all individuals become real free and active political subjects. In other words, this means that BI facilitates real free and active participation in political decision making of all. Finally, BI gives the economic basis for genuine democracy and it's deepening and extension.

The eco-society objecting to quantitative economic growth and anti-ecological industry would necessitate the BI, because it is able to facilitate eco-friendly autonomous work and life. In fact the ecological building of a society is one of the important themes leading contemporary debates

on the BI. Regarding the existing standards of economic development, many prominent theorists of advocating the BI have proved that the implementation of it is not the matter of possibility of economic realization but that of political will (Füllsack, 2002: 123). So the advocates of the BI refute the ideology of 'economic growth' which is justified for solving unemployment. In addition with the introduction of the BI, eco- friendly BI theorists have pay attention to any possible ways of refusing to work in anti-ecological industries while facilitating eco-friendly autonomous work and life.

In conclusion, I posit that the BI has potential power of facilitating the depth and width of democracy and of building ecological society. For this, I will explain relations among democracy, eco-society and the BI in detail. First of all I will present that there are virtuous circles among democracy, eco-society and the BI by explaining the mechanisms and the methods of these relations. As a conclusion, I will argue that the deepening and extending democracy based on the BI should be uppermost necessary for building eco-society in terms of rationality and efficiency as well.

In order to reach this conclusion, I will take a detour of critically examining H.E.Daly's theory of the eco-society. I have two reasons why I confront his proposal as follows; first of all, Daly conceives the idea of the eco-society combined with 'democracy' and 'guaranteed income': secondly, there is a difference between Daly's ecological project with his notion of 'guaranteed income' and the ecological society with 'the BI' I am in line with. So I will pinpoint the limitations of Daly's guaranteed income model based on selective welfare policy in which the unit of beneficiaries are limited to family not being extended to individuals. Furthermore, because of selective welfare paradigm and its anti-democratic philosophical premises, his theory exhibits some characteristic difficulties. I will argue that these difficulties would be overcome through BI and direct democracy based on BI. Through this, I will show that a virtuous circle can be among BI, democracy and an eco-society.

In the following section, I will explain the positive aspects of Daly's eco-project and its limitations as well. I will also suggest an alternative for his model to show virtuous circuitous relations among democracy, eco-society and the BI. Furthermore, I will argue that the deepening and extension of democracy based on BI is urgently requested for an eco-society, in respect of rationality and efficiency too.

2. Positive results and limits of Daly's eco-project

Daly's eco-project results from his devoted study on the problems of capitalism. He regards ecological crisis and unequal distributions as the greatest sufferings originated from capitalism. As the direct cause of the suffering, he refers to the ideology of "growth economy" (Daly/Cobb, 1994: 2). And as the cause of growth economy, he points out that the neoclassic has become the main-stream economy. According to him, the neo-classical economists separate 'community' and 'physical world' from economy (ibid: 191). He also criticizes the neo-classical economists for their exclusion of 'shared community values' (ibid:140) and the ecological or physical limit of economy from economic thoughts and practices. On the contrary he plans to conceive an ecological economics which takes community values and the physical limit of economy into account. He believes that replacing the main-stream economics led by the neo-classical with his new economics will result in overcoming problems caused from capitalism.

Given that Daly emphasizes the notion of community and its values in his new economics, his ecological economics is based on his perspective of community. Therefore, in order to understand his project, it is necessary to inquire into his philosophical concept of community.

First, for him, a community is a society in which the affiliation to that community becomes a part of forming the identity of it as its member. Secondly, he regards a community as a democratic society in which its members or individuals actively participate into decision-making processes in the community. Thirdly, a community is an eco-community in which the participation and responsibility of members in and for bio-sphere are accentuated and the bio-physical basis and limit of the community are preserved. Fourthly, he regards a community as a society which should respect the diversity of members and take responsibility for its members' economic subsistence as well.

This philosophical viewpoint of society as a community is totally different from the neo-classical economists' perspective of society based on methodological individualism. In contrast with this

individualism, Daly adopts holism. So he analyzes the society with a prism of holism (ibid: 7) in which an object is examined through the surveys of its parts and the relations among them. By the way, the holism let him introduce for his community a new element in capitalistic economy and market, i.e. 'planning'. As a result, the capitalistic character of existing economy and market becomes weak. Through this, he promotes the virtual emancipation of economy and market from the domination of the capital.¹ For the inquiry into this, I will focus on explaining two major tasks of the community ; one is the eco-task of preservation of bio-physical basis for the community : another is the distributive task of economic responsibility for the members. For this I will clarify his notion of the economy of community, his eco-policy and distributive policy.

1)

Daly's concept of the economy of community is summarized into following two parts. The first is originated from Aristotle's view point of economy. Aristotle divides economy into *oikos* and *chrematistics*. While *chrematistics* seeks the maximization of exchange value in short term, *oikos* pursues use value in long term in order to meet "need" of family members. Aristotle regards *oikos* as the genuine economy (ibid: 139).

In order to propose an alternative economics, Daly accepts Aristotle's notion of economy and applies it to his critique of modern economy. He calls modern economy and modern economics the economy of *chrematistics*, i.e. growth economy for the infinite increase of exchange value. On the contrary to this, he presents the economy of community as an economy which meets "basic needs" (ibid: 269) of all members of the community, and which is therefore "a relatively self-sufficient one" (ibid: 268). Its distributive task is directly derived from the notion of the economy of community.

¹ Most abstractly, a market can be defined as the space of equivalent transfer. Of course, in reality, a market functions under certain institutional and legal conditions through which certain economic system is characterized as such, e.g. capitalistic. This means that capitalistic economy cannot be identified with market economy, and that a post-capitalistic market is possible.

The second part of the vision of the economy of community is related to the second law of thermodynamics. As Georgescu-Roegen did, Daly directly applies this law to socio-economy as its law of evolution. Based on this, he presents the economy of a community or an ecological economy as a steady-state economy in which the scale of the physical elements of economy such as population and resources are maintained constantly (Daly, 1991: 17).² For this, he prohibits quantitative growth of economy, and he promotes qualitative development through greater efficiency of the use of matter/energy or the development of immaterial moral or spirit (ibid: 177). The eco-task of his community stems from this vision of the economy of community as an ecological economy. However, he believes that the transition of current capitalistic economy into a steady-state economy is impossible without institutional reduction of inequality. Thus both eco-task and distributional task of community are overlapped.

In conclusion, Daly's thought of the economy of community is summarized as an ecological economy in a steady-state in which basic needs of members are fulfilled relatively enough, with qualitative development instead of quantitative growth and institutional diminution of inequality.

Corresponded to this notion of the economy of community, Daly's economy of community does not aim at only providing its individual members with goods and services. With holism, he sets up economic goal in the dimension of whole socio-economy too, in order to create and maintain the socio-economic relations for the attainment of the ecological and distributive tasks. Yet, for this, he regards the market as dangerous which grows out of the control of a community (Daly/Cobb, 1994: 164). According to him, the relationships and the bio-physic base of community can be destroyed by such market (ibid). However, he acknowledges the positive function of the market for efficient allocation of resources.

For the economy and market of community, on the one hand Daly proposes that the community should control the market to create and maintain economic orders for the community.

² The Quantity of resources is limited. But this limitation is relative to the development of science, life style etc. In this context, the steady-state economy should be interpreted not statically but dynamically.

Specifically he criticizes monopolistic capital and monopolistic profit, because they can destroy the community by discouraging healthy competitions among its members and widening the gap between the poor and the rich (ibid: 46f).³ Furthermore he will reinforce shared community values as well (ibid: 140).

On the other hand, Daly sets up the goal that the whole community should complete ecological and distributive task that the market cannot fulfill. For this, he proposes the installation of “an independent policy instrument” (Daly, 1992:185). Let’s inquire into his policy for the fulfillment of the eco- task firstly.

Daly’s eco-task takes concrete form as the yield and maintenance of the optimal “physical scale of the economy” which results from the rational control of “population” and “per capita resource use” (Daly/cobb, 1994: 240). He regards the problem of “the scale decision” as “a collective, social decision” (Daly, 1991: 221) and as the problem on which future generation and the life of other species are dependent. Therefore, he thinks that the scale problem cannot be solved through market or other individualistic measures (ibid: 241). Instead he introduces ‘planning’ to solve scale problem.

By the way, he differentiates his ”rational collective planning” from an “arrogant” “central planning” which is against free competition, and which presumes the possession of omnipotent knowledge (Daly/Cobb, 1994: 205). Simultaneously, he will practice the result of this planning through the market, because of his conviction on the market as the efficient instrument of resource allocation. According to him, the scale or optimal use of emission and land is controlled better through taxation. Therefore, he will control the optimal use scale of these through taxation.

³ In fact, for minimizing of entropy as well, he proposes decentralized small plants as ideal form of plant (ibid: 205). In order to combine plants with local community for maximization of eco-effect and correcting inequality, Daly proposes worker-owned plants (ibid: 294) or “Employer Shareholder Ownership” (Daly, 2011: 448) or “Community Shareholder Ownership Programs” (ibid: 449) in which the Ownership of laborers is combined with their participation in decision making in plants.

But for other resources, he will first determine the optimal scale of use. Next, he will divide this quantity into certain units and he will sell them in the market by auction.

In terms of the population scale, similar procedure and manners are applied. According to him, all get the equal license to birth. After the reckoning optimal population and comparing this with present population, it is calculated how many licenses are needed for giving birth to a baby. Next, licenses are sold by auction.⁴

In conclusion Daly's policy for an ecological economy is summarized into two components: rational collective planning and the market whose capitalistic character is weakened. At this point, the ground of regarding his market as a weakened form of capitalistic market is not restricted to introducing the element of 'planning'. Another ground for this regarding is that he intends to control the market through the deconstruction of monopolistic capital and the reinforcement of the shared community values. Eventually, for building of an eco-society, he will get rid of harmful characters of capitalism. In this context, his eco-project shows post-capitalistic character. Of course, he explicitly regards his community as a capitalistic society in which more capitalists exist than in present society. Perhaps, because of this, he may be generous for the speculation market which can stem from the auction of the licenses for resource use (Daly, 1992: 189) or for birth. But the possible problems from the new speculative market suggest that Daly's economy and market should break off capitalistic negative character more thoroughly.

2)

Let's inquire into Daly's distribution task. According to him, this task cannot be fulfilled through the market because the resource allocation through the market presupposes given distribution (Daly/Farley, 2011: 303). Therefore, he regards the establishment of wishful distribution order for a community as the prerequisite for income distribution through the market. In this context, Daly's policy frame for ecological economy, i.e., "rational collective planning" combined with the market whose capitalistic character is weakened, is carried for his distribution policy too.

⁴ According to Daly, the license for birth can be given as a gift (Daly/Cobb, 1994: 244).

As presented earlier, Daly's basic viewpoint of the distribution in a community is the institutional reduction of inequality for the steady-state. He makes this concrete as "the principle of limited inequality" (Daly/Cobb, 1994: 331). According to him, this principle is more suitable for the maintenance of a community than the principle of "complete equality" or "unlimited inequality".

Whereas the principle of complete equality negates all differences in a community, the principle of unlimited inequality can ruin the solidarity among its members. In contrast to these, the limited inequality is the principle which respects the difference of members with the enforcement of solidarity. Daly sets up for the limited inequality, on the one hand, an acceptable limit of the highest bracket of income which is tenfold of the lowest bracket (ibid). On the other hand, he proposes guaranteed income policy. Let's inquire into Daly's distribution policy, especially his guaranteed income policy. Let's start with the philosophical principle of this policy.

According to Daly, a community should not impose its members on works which stain man's dignity, or which are disagreeable. Furthermore, a community should provide the chance of useful work with the wage of a certain level for all who will work. Finally, he insists that no one's subsistence should depend on work (ibid: 313). In other words, according to him, no one should work only because of his subsistence. This means that he asks community for the economic guarantee for its members, so that all members can refuse the work which they do not want. In fact, this is the request for an unconditional universal BI or guaranteed income.⁵

He reifies this vision for a guaranteed income through his application of the model of negative income tax (NIT) of Friedman. But, because of this, his guaranteed income policy deviates in greater or lesser from his philosophical principle of that. Let's inquire into his guaranteed income policy, above all.

Like the NIT policy, Daly's beneficiary unit of guaranteed income policy is not individual but family. As well, his policy is based on the selective welfare model which benefits only families

⁵ In USA, guaranteed income covers unconditional universal BI and the income from negative income tax.

with income under the minimum cost of living. Furthermore, like Friedman, Daly will assist not the total amount of the minimum cost of living but the certain proportion of that for the incentive to work. But his motive for incentive to work is different from that of Friedman. Friedman's motive is to promote the willingness of worker to work, however the work is cheap. But Daly's motive is the sustainability of a community.

Like Friedman, Daly will abolish the minimum wage system too. But the motive of that is also the sustainability of a community, especially, the prevention of the outflow of capital to other countries. Above all, according to his vision of a community in which 'the basic needs' of the members are satisfied, Daly sets higher benefit than Friedman (ibid: 320).

By the way, this redistributive policy through the high rate taxation on high-income earner accords with his another redistributive policy, i.e. the policy of setting the limit of income inequality. Furthermore, besides revenue from the sale of depletion quotas (ibid: 324), he sets the taxation on resources which should be conserved and used as finances of his guaranteed income policy. This taxation brings eco-effects, i.e. the economizing "on the scarcest factor by its high price" and the maximizing "the productivity of the scarcest factor" (ibid: 116). Furthermore, the retrogressive character of this taxation is offset through the redistribution of the revenue from this taxation. Finally, he secures concrete moments for what integrates his eco-policy, redistributive policy and their effects.

But Daly's guaranteed income policy has all weaknesses of NIT which are compared with merits of BI. e.g. the administrative cost of the selection, the building of blind spot of welfare, moral hazard like poverty traps, income inversion problem, stigmatization effect etc. (Kang, 2014; 2f).

Moreover, Daly's guaranteed income policy is contradictory with his call for the economic independence of individual members which a community should guarantee. First, the-beneficiary unit of his policy is not individual recipient but family. Second, his policy forces the members of selected family to work with low wage and bad work conditions through the provision of benefit under the minimum cost of living. This is contradictory with Daly's philosophical principles of

guaranteed income, i.e., with the principle of the prohibition from the works which stain man's dignity, or which are disagreeable, with the principle of provision of the chance for useful work with the wage of a certain level for all who will work, and with the principle according to which no one should work only for his subsistence. By the way, the maintenance of these principles is not guaranteed for the family members whose income is over the minimal cost of living. Since, in order to live, they can depend on the work not wanted, too.

This implies that the democratic character of his community is weakened noteworthy, if his policy of guaranteed income is put into practice. Since the economic independence of individuals from state, bureaucratic organizations, interest groups inclusive enterprise and family is not guaranteed. Consequently, the possibility of building political subjects who are real free and active is drastically weakened. In this case, this weakening of democracy is exacerbated through the fact that his policy is based on the selective model of welfare in which state or bureaucracy organization determines the selection of families benefited.

In conclusion Daly's policy of guaranteed income is not free from the bureaucratic and anti-democratic character inherent to the selective welfare model. Furthermore, his policy is not consistent with his call for the economic independence of individuals that his community should guarantee. Of course, this leads to the weakening of democracy. By the way, the two principles, i.e., the democratic principle which calls for active participation of individuals in decision-making of a community and the principle of guarantee for the economic independence of individuals are the important principles of the community of Daly. Under this aspect, Daly's policy of guaranteed income is not sufficient for these principles. Furthermore, his policy of guaranteed income is contradictory with these principles.

The reasons of his accommodation of the selective guaranteed income policy in spite of the weakening of those two principles can be following three. As mentioned earlier, the first is his intention of the maintenance of the incentive to work. But, as the established argumentation against selective welfare system shows good, especially in respect of the weakness of the

selective welfare system in comparison with BI like poverty traps, the more suitable institution for the incentive to work is not the selective welfare system but BI.

The second reason stems from his philosophical vision of society. Therefore, this restricts his eco-policy too. The third reason is related to his ambivalence about every wealth which is not the product of the work of an individual. Against the first reason, there are well established enough argumentations. Therefore, in next section, I will inquire into the second and third reason.

3. Daly's vision of society and common wealth

1)

Let's inquire into Daly's philosophical concept of society at first. As considered earlier, this vision is based on the holism above all. According to this, he surveys on the more ecological and equal socio-economic relationships with which the anti-ecological and unequal socio-economic relationships of 'modern' society are replaced. On the basis of these relationships, he will build a community which is more ecological and more equal. His eco-policy and guaranteed income policy are the core of his policies for this.

However he identifies the holism with the organicism (Daly/Cobb, 1994: 365). He does not distinguish between the holism and organicism. His compounding two shows that he does not clearly conceptualize the notion of holism.

The inquiries fulfilled on the base of the holism and the organicism are common with the fact that these inquiries are organized around its components and their relations. But, whereas the whole of the holism is no less than the components of an object and their relations, the whole of the organicism is the principle which determines the form, structure and change of the components of the object (Smuts, 1926: 86, 319). If an object is inquired according to the organicism, the object is regarded as the immanent development of its whole and as an organism which is controlled through a center, i.e. a mysterious substance which reifies and represents the

whole best (ibid.: 87).⁶ If an inorganic object e.g. a society is studied through the organicism, this method of thought assumes the form of the totalitarianism in which a society or a community or a center as its representative determines the functions of the parts of the whole society, and in which the latter function as means for the maintenance and prosperity of the former (Kwon, 2009: 39).⁷

However Daly does not distinguish between holism and organicism. His understanding of the holism is ambivalent. As a result, his eco-policy and redistributive policy are not free from the anti-democratic and bureaucratic character which stem from his organicistic bias. Let's inquire into this.

Even though the central moment of the policies of Daly for a steady state is the planning prior to the allocation through the market, he doesn't clearly propose who should be in charge of the planning. Considering that his guaranteed income policy is based on the selective welfare system, this subject can be the state or a bureaucratic apparatus which is comprised of the experts of the related administrations or sciences.

As a result it is highly likely that the general public tend to be excluded from the planning. In other words, it would be degenerated into an "arrogant" "central planning", i.e. an anti-democratic, totalitarian and bureaucratic planning. This possibility would be reinforced through his population policy according to which men can give birth to a baby only with the purchase of enough licenses, i.e. with the acknowledgement of the state.

In conclusion Daly's policies for a steady state don't break off bureaucratic program in which a state or a bureaucratic apparatus controls the general public in a totalitarian way in the name of the interest of the whole community. In other words, this means that his policies can be based on

⁶ Smuts shows the organicistic method of thought typically, although he names his method as the holism. The concept of the organism in this paper stems from that of v. Bertalanffy. He regards an organism as an entity which has a center, and which cannot be divided (v. Bertalanffy, 198: 73).

⁷ In fact, Smuts is one of the founders of apartheid in the republic of South Africa (Foster, 2002).

the organicism. Ironically his notion of community and its policies end up functioning as highly ranked in the community which is not based on holism but on organicism.

Finally, because of his ambivalence over the holism in terms of his vision of society, he cannot break off the organicism. This organicistic notion of society could debilitate individuals' economic rights while concentrating controlling powers into the hands of a few rulers-

2)

The third reason of Daly's retreat from both the democratic principles and the guaranteeing individuals' economic independence results from his ambivalent understanding of the wealth that is not created by their works.

Nowadays many sympathizes the opinion that all wealth not owed to individual work should be common wealth for communal pleasure by community members (Kwack, 2010:85). In addition the common wealth should be used for the purpose of the sustainable reproduction of socio-economy and the payment of the BI.

Daly only partly shares this opinion. For example, he categorizes land as common wealth and coins a catchphrase, "community ownership" of the land (Daly/Cobb, 1994: 258). Furthermore, in his book in 2011, he explicitly states that "people have equal entitlements to wealth created by nature and by society" (Daly/Farley, 2011: 446) or to wealth "created by nature, by society, or by the work of others" (ibid: 442). Regarding this he proposes that this common wealth should be distributed for all as a guaranteed income or "a minimum income" (ibid: 446).

By the way, the income of high-income earner, a kind of the finances for the guaranteed income in his book of 1994, can be divided in two parts; one, income resulted from the work of high-income earner: the other, common wealth. As proved well, the latter overwhelms the former.⁸ Therefore, the finances of the guaranteed income of Daly are ultimately common wealth.

⁸ Suggested through Daly's indirect definition of common wealth as "wealth by nature and by society", common wealth includes the bequeathed knowledge too. According to H. Simon, income results from 10%-knowledge which

But, simultaneously, Daly retreats more or less from the principle of common pleasure of this wealth and he shows ambivalence over the common wealth. For example, he acknowledges land privatization, if the land misuse is prevented, and if land could serve the common good (Daly/Cobb, 1994: 105).

Alternatively, under the influence of H. Gorge, he proposes a confiscatory land tax at or near its full rental value and its use for local finance (ibid: 256, 328). If the land tax is used quantitatively enough for all, it is not contradictory with the common wealth principle of land, at least in its effect. Since the part of the wealth which stems not from the work of land-owner or land-worker is shared by all as a result.

But, first, this policy of land privatization with land tax cannot solve the problem perfectly which results from the principled contradiction between the common wealth principle of land and the privatization of land. Second, he should not omit that there is a better alternative for the ownership of land. In other words, if not the exclusive right of land ownership but the exclusive right of land use is acknowledged on the condition of the land tax use for all, he can achieve his goal of the prevention from land abuse in line with the principle of the land as common wealth.

Moreover, if land privatization is acknowledged and there are extensive private land ownerships, there isn't a guarantee for that, policies for land owners to be carried out at the expense of share for all. Of course, for political compromise, present private land ownership can be acknowledged on the mentioned condition. But in that case, a gradual policy should be accompanied, whereupon land becomes common wealth.

Another weakness of land policy of Daly lies in the fact that the direct manager of the tax revenue is (local) government. Since this management doesn't guarantee the equal right and

the earner increases on the basis of 90%-bequeathed knowledge (Kang, 2014).

enjoyment to and of the tax revenue for all. This problem becomes reality, if the governmental policy financed through the tax revenue fails or is carried out in fact for a particular group.

In conclusion the greatest problem of Daly's policies of the land originate from the fact that the equal right to the wealth created in the land for all becomes imprecise because of the ambivalence over land as a common wealth. Furthermore, two problems are derived from this. First, the proposition that all people should in principle directly and democratically manage the common share and enjoy it could become imprecise too. Second, as a result, his request for the economic independence of all individuals could be weakened.

These problems of Daly in respect of land can be applied to common wealth in general. Since there is no moment in his project through which common wealth, i.e. wealth "created by nature, by society, or by the work of others" is managed ~~direct~~ democratically and enjoyed by all. Rather, according to him, the best use of this common wealth is "to fund much-needed expenditures on public goods" (Daly/Farley, 2011: 453) because of the possibility of spending resource with guaranteed income in cash (ibid).

Only because of political feasibility, he suggests cash transfer (ibid). But this means that he prefers the delegation of people's right to management and enjoy to government or a community. In this case, in fact, the government or a community determines the purpose of use and the real beneficiaries of common wealth. In this context, the government or a community is a power apparatus which is higher than individuals. The second best policy for the use of common wealth, i.e. his guaranteed income policy cannot miss the same problem, since this is based on a selective welfare system.

Therefore, because of his ambivalent understanding of common wealth, Daly prefers indirect representatives of common wealth to direct democratic management and enjoy of it, therefore to the more perfect guarantee of the economic independence of individuals. As a result retreating himself from democratic principles he tend to weaken individuals' economic independence.

In this context, the second reason of his retreat from democracy and the guarantee of the economic independence of individuals, i.e., the organicistic bias in his vision of society and the third reason for that, i.e. his ambivalent understanding of common wealth are complementary.

Let's summarize the argument of this section. Besides the reason of the maintenance to work, the project of Daly shows anti-democratic character because of the organicistic bias in his vision of society and his ambivalence over common wealth. This anti-democratic character is reinforced through the weakening of the guarantee of the economic independence of individuals which results from the mentioned two reasons.

This anti-democratic character brings about following negative two effects. First, the political feasibility of his project is undermined, since the majority of people cannot agree on this anti-democratic project. Second, this anti-democratic character can damage the rationality and effectiveness of his planning.

In the last section of the paper, I will present alternatives for Daly's model.

4. Survey on an alternative: for a good circulation relationship between BI, democracy and eco-society

1)

Before the survey on an alternative to Daly's eco-project, I would like to consider his project synthetically, based on the research so far achieved. In this paper, I have studied on his project around its fundamental principles and the policies through which these principles are reified. From this point of view, his project is summarized into three principles and two policies.

The first principle is eco-friendship which is represented through the policy for the ecological optimal scale of economy.

The second principle is more equal distribution through which the economic independence of individuals is guaranteed. This more equal distribution is a condition for the transition into the steady state too. The guaranteed income policy financed through common wealth is a representative policy for this. The third principle is democracy. For this, he emphasizes the active participation of individuals in political decision making in the community.

Concerning his “new paradigm” (Daly/Cobb, 1994; 7), i.e. the holism, he presents the society which he projects as a community which is based on the social relations reifying the three principles. For the carrying out his two policies, he introduces an element of planning. As exemplified through his proposal of the dissolution of monopolistic capitals or worker-owned plants, he intends to simultaneously correct the problems of capitalistic economy and market.

In spite of pioneering and fruitful results of the eco-community project of Daly, I emphasize its political infeasibility above all which stems from the anti-democratic character of his planning.

In fact, this anti-democratic character is reinforced through a redistributive policy of him, i.e. the guaranteed income policy. Since this policy is based on the selective welfare model, a bureaucratic apparatus decides on its beneficiary. Furthermore, this guaranteed income policy is contradictory with his principle of guarantee of economic independence of individuals.

Therefore, he fails to provide all individuals with the economic basis for democracy. To conclude, the principles of his project, especially, the principle of the guarantee of economic independence of all and the principle of democracy are reified by him not enough. Furthermore, there are elements in his eco-policy and his policy for economic independence which are contradictory with democracy, or which weaken democracy.

Abstracting Daly’s motive of the maintenance of the incentive to work, a reason of the problems of the project of Daly which is refuted enough by other theorists, I have discussed his organicist bias in his vision of society and his ambivalence over common wealth as the reasons for his problems. Therefore, for the survey on an alternative to his project, the correcting and replacing of these reasons are indispensable. By the way, following point of view and policy about common wealth makes the organicistic vision of society impossible. Therefore, the survey on an alternative to Daly’s project begins with the argument about common wealth.

2)

The form of possession for common wealth is neither private ownership nor collective ownership nor state ownership. The common wealth cannot be possessed by anyone, because it doesn't owe to work of any particular individual. The common wealth has stemmed either from nature or from the historical and social work of mankind. Therefore, future generations have equal right to the common wealth. In this context, there can be no just form of exclusive ownership for the common wealth. Everyone should have equal chance and right to the enjoyment of common wealth. For this, people should manage the common wealth together. For example, they should divide the wealth resulted from the common wealth into two parts; on the one hand, they should use a part of this wealth for the sustainable reproduction of the common wealth, on the other, they should distribute another part of that as the income for all.

In this case, the competence in individual share of common wealth should belong to each individual as BI in cash above all.⁹ The grounds are as follow. The first is the democratic principle of a political philosophy according to which a society or community should guarantee the activeness and autonomy of its real subjects, i.e. all individuals to the maximum possible. Accommodating this, in principle, the competence in individual share cannot be given to a third person other than the individual.

The second is a practical ground. It is that Individuals can be real beneficiaries of their share, only with BI in cash. For example, distributed individual share not as the form of BI but as the form of public goods, there can be people who doesn't need it or who is excluded from its benefit. Daly prefers a guaranteed income in kind to in cash for prevention of resource waste. But the institutionalization of eco-BI financed through a part or the whole of eco-tax (Kang, 2012, Kwon, 2012) can induce the frugality of resource use by virtue of the price rise of the resource.¹⁰ As a result, the eco-task of Daly, i.e. resource use in its ecological optimal scale can be fulfilled. Simultaneously, the regressive character of eco-tax can be compensated through this.

⁹ There are particular cases in which BI in kind is better than BI in cash. For this, see V. Parijs, 1995: 42-45.

¹⁰ As considered, Daly proposes an eco-tax for some resource and the use of the revenue from that as finances of guaranteed income, besides the revenue from the auction of resources. By the way, our proposal to eco-BI is against the auction of resources, because of the possible danger of speculation and collusion. In order to keep the

To conclude, acknowledged the enjoyment right to common wealth of all, the institution which is most suitable for this acknowledgement is the institution BI. If Daly acknowledges the principled right to common wealth of all, he can also admit BI as the alternative to his guaranteed income model which overcomes the limits of his model. Moreover, BI guarantees the economic independence of individuals better than his guaranteed income model. Through the former, the capability to democracy is more reinforced too. All these mean that BI fulfills other two principles of Daly's eco-community, i.e. the guarantee of economic independence and democracy better than his guaranteed income model also.

Furthermore, the enforcement of BI which is based on the enjoyment right to common wealth of all corrects his organicistic bias in the vision of society and his anti-democratic bureaucratic planning based on this bias. Let's consider this.

The method of management over common wealth to which all have enjoyment right can be only democracy. Since all have the right and duty to management over common wealth. In this case, the fact that BI provides all with the possibility to become real free and active political subjects, facilitates the direct democratic planning and management of the common wealth.¹¹

By the way, direct democratic participation and planning both are methods for the creation of a holistic rationality. As mentioned above, the holistic method is based on the analysis of the components of an object and their relations. Therefore, by a holistic study, the more plentiful the information of the object is, the better the result of the study is. This is especially appropriate for the study on a complex system which is composed of too many components, or in which there are strong interactions among its components.

optimal scale of resource use, we propose the control of tax rate elastically. Furthermore, corresponded to the sufficiency grade of the finances for BI, the revenue from eco-tax can be divided into the fund for ecological reproduction and the finances for BI.

¹¹ The study on direct democracy in this paper is limited to this principled abstract dimension.

The results of this holistic study will contain the holistic rationality which is not reduced to the sum of components of an object. By the holistic study on a society or a human eco-system, this implies that the best consequences of the study can result from the collaborated study in which not only experts but also ordinary members of that system, as many as possible, participate. This implies furthermore, in respect of the effectiveness of the solving the problems of that system, the best consequences result from this collaborated study into which direct democratic principle is integrated.

As argued above, the acknowledgement of the enjoyment right to common wealth of all shows the possibility of the correct of the anti-democratic and bureaucratic bias of Daly, since this acknowledgement makes clear that the real subjects of the management and planning over common wealth are not a bureaucratic apparatus but all community members.¹² And through this, that acknowledgement suggests also the solving the problem about the political feasibility of Daly's project, which results from its anti-democratic character. Moreover, it opens a new point of view in respect of the rationality and effectiveness for solving social problems like eco-problems.¹³

In conclusion, in order to overcome the limits of Daly's project of an eco-community, his guaranteed income policy should be replaced with BI, based on the consistent stance on common wealth. Connected to BI and as a part of BI, the eco-BI should be carried out also. Furthermore, Daly's bureaucratic planning should be replaced with direct democratic planning. In this case, the three principles of Daly's project become not contradictory to each other. Moreover, in this case, these three principles can be reified sufficiently. Furthermore, in this case, a good circulation relationship between BI, democracy and eco-society can be built, like following

¹² In terms of the population control, BI theorists like V. Parijs propose a BI policy in which the pay level of BI becomes higher with the transition from childhood to adult and to old age (V. Parijs, 1995: 39). This policy is more democratic and feasible than Daly's population policy, since the individual competence in decision on having children becomes greater.

¹³ It is proved through the comparison of energy transition from centralized fuel and new clear energy to decentralized eco-friendly energy in Germany and South Korea. While the direct democratic policy for the transition in Germany is carrying out successfully, the bureaucratic policy for that in South Korea has failed (Park, 2013: 172-180, Kurt, B., 2013).

diagram. And as a result, the building of a society is facilitated which is eco-friendly, more equal and more democratic. The sustainability of this society is reinforced through this virtuous circulation as well.

BI



Democracy ↔ building of an eco-society

*a virtuous circuitous relationship between BI and democracy: Bi facilitates democracy through the provision with the economic basis of democracy through which individuals become real free and active subject of their lives and politics. And democracy so facilitated reinforces the sustainability of BI through the building of the extensive consensus about BI, and through its function as basis of the holistic rationality for the management of BI.

*A virtuous circuitous relationship between the BI and building an eco-society:

BI facilitates the capability of individuals to reject the quantitative economic growth, anti-ecological industry and the commodification of labor. Especially, on the one hand, eco-BI facilitates the frugality of resources and the improvement of eco-systems. On the other, the reinforced preservation of eco-resources fortified through BI is a preservation of a source of the finances for BI. In this context, the building of an eco-society reinforces the sustainability of BI.

* A virtuous circuitous relationship between democracy and building an eco-society:

the holistic rationality which is created for eco-policy and based on direct democracy facilitates the completion of an eco-society. This feedbacks into the reinforcement of democracy like the creation of concrete form of direct democracy.

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