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## **Welfare to Work' or a Welfare System that Works? Arguing for a Citizens Basic Income in a new Scotland**

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**Scotland**

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## Foreword

This is one of a series of papers prepared in the context of our second 'conversation', funded by the Economic and Social Research Council (ESRC), on issues related to possible constitutional change in Scotland. These 'conversations' are being jointly organised by the DHI and Professor Charlie Jeffery of the University of Edinburgh. Professor Jeffery is also a Trustee of the Institute.

The first in the series covered macro-economic policy issues and financial sector oversight and regulation. The excellent papers from that conversation are available on our website. The third 'conversation' is to be on energy sector issues, in conjunction with the Scottish Council for Development and Industry (SCDI); and the fourth on competition policy and regulation, for which we have the full support of the Scottish Government. All four will be completed by end May 2013.

In each case our approach has been to commission papers from informed parties, then run a round table with key players. After the round table we ask authors to re-visit their papers, to be published on line at the time of a full DHI seminar, open to all.

This second 'conversation' covers issues related to social security and welfare under alternative constitutional settlements. We have received papers from; David Bell, Derek Birrell and Ann Marie Gray, Bea Cantillon, Nicola McEwen, Ailsa McKay and Jeremy Purvis.

These are all now available on our web site. Taken together they provide a remarkably stimulating and wide-ranging assessment of the key issues and options - including informed input on experience outwith GB.

Our round table was held at the Royal Society of Edinburgh on 11 December 2012 and the full seminar is on Monday 19th February, again at the RSE. In addition to our authors' inputs, we arranged that Professor James Mitchell of the University of Strathclyde would sum up issues at the end of the round table and then set proceedings underway - in a constructive direction - at the seminar.

As with the other 'conversations' we have agreed with our friends at Scotland's Futures Forum that there should be a further round table, this time with MSPs in the autumn.

My Trustees and I are extremely grateful to the ESRC and the Binks Trust for their support; to Charlie Jeffery for organising the 'conversation'; to James Mitchell for his crucial input; and to all of our excellent group of authors. Together we believe we have made an important, evidence-based, informed and transparent contribution to this important topic within the context of the critical debate in Scotland on possible constitutional change.

At the same time, however, the DHI, as a charity, can have no views on these issues and hence I must record that the views expressed in this and the related papers are those of the authors and not of the Institute. Nevertheless we commend them to your attention.

Jeremy Peat  
Director, David Hume Institute  
February 2013

# **‘Welfare to Work’ or a Welfare System that Works? Arguing for a Citizens Basic Income in a new Scotland**

**Ailsa McKay**

## **Thinking ‘Big’ in the New Scotland**

Scotland continues to pioneer new and more effective approaches to government that leave behind outdated bureaucratic thinking in silos, and instead promote collaboration, civic partnership, local initiative and, above all, focus on achieving better outcomes for the people of Scotland.

(Scottish Budget Draft Budget 2013-14:13)

Scotland has real strength in the most vital factor for modern economies - the human capital offered by our greatest asset, Scotland's people.

(Alex Salmond Foreword Government Economic Strategy, 2007)

I am suggesting then that this is the moment in which feminists should think big. Having watched the neoliberal onslaught instrumentalize our best ideas, we have an opening now in which to reclaim them. In seizing this moment, we might just bend the arc of the impending transformation in the direction of justice – and not only with respect to gender.

(Fraser, 2009:117)

The Scottish political landscape, post devolution, has provided opportunities to think differently about how to govern and has created the space for innovative approaches to both the policy and resource allocation processes. The forthcoming referendum on Independence and the associated ongoing constitutional futures debates provide further opportunities to ‘think big’ – in effect creating the opening Nancy Fraser refers to - to *reclaim our best ideas*. The challenge then is how best to capitalize on those opportunities for the purpose of transforming our economic institutions and systems in ways that promote the welfare of *all* of Scotland’s people. That is, how do we move out of ‘thinking in silos’ to embrace new and truly pioneering approaches to public policy? In particular how do we move beyond the limitations imposed by mainstream economic theorising in informing the nature, scope and evaluation of public policy interventions and in the process develop a more inclusive and realistic understanding of state welfare arrangements? And how do we reshape social security provision in accordance with an overall goal to promote equality? Perhaps the more fundamental question – is it desirable to do so in the current economic and political environment?

Within a Scottish context a commitment to the promotion of equality has been a defining feature of the post devolution political and policy frameworks, made explicit via high-level strategy and processes.<sup>1</sup>

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<sup>1</sup> Made explicit in the final report of Consultative Steering Group on the Scottish Parliament, established in 1997 to draw up the blueprint for the operation for the new Scottish Parliament; “the aim must be to embed into the process of policy formulation and the way in which the Parliament works, the principles and commitment to promote equal opportunities for all and to eliminate the effects of past discrimination” (CSG, 1998:114)

The Scottish Government's economic strategy - focused on a single overarching purpose to promote sustainable economic growth - makes explicit a commitment to ensuring *opportunities for all citizens* to benefit from Scotland's economic prosperity. Thus, the implication is that the promotion of equality is integral to the Government's economic strategy. Recent policy documents appear to support this claim by indicating an acceptance of the interdependence of economic performance and equality goals;

We recognise that equality is an important driver of growth and that inequality detracts from our economic performance and our social wellbeing. We make clear in our Economic Strategy, the importance of increasing participation in the labour market, removing the structural and long standing barriers which limit opportunities and harnessing diversity and wealth of talent we have available to us as a nation.

(Equality Statement: Scottish Spending Review 2011 and Draft Budget 2012-13:10)

Thus the current policy agenda in Scotland is framed by an overall objective of ensuring patterns of public spending contribute positively to securing the overarching purpose of sustainable economic growth, whilst simultaneously addressing structural inequalities, with particular emphasis on the labour market. As a result the position of women in Scotland's economy has become a focus for attention;

There has been considerable progress made in addressing inequality and in improving people's life chances. However, Scotland continues to carry deep rooted and structural inequalities which limit opportunities and hold people back. These are evident in labour market participation, income and health. Women are particularly disadvantaged in terms of unequal pay and occupational segregation resulting from stereotypical assumptions about the roles of men and women in society.

(ibid:14)

However, perhaps more crucially in considering the opportunity and the space to think 'big' and reclaim our ideas from a 'neo-liberal onslaught', *recognition* of the issue appears to be accompanied by a more fundamental criticism of how we understand that issue;

In September 2012, the first Minister hosted, with the Scottish Trades Union Congress (STUC) the first Women's Employment Summit. This highlighted the importance of women's role in Scotland's labour market and in the economy. It flagged the current pressures on women's employment and the limitations of economic models which fail to reflect the contribution of women's paid and unpaid employment.

(Equality Statement, Scottish Draft Budget 2013-14:6)

It would appear then that the current political climate within Scotland provides real opportunity to move beyond the confining parameters of mainstream economic analysis in attempts to understand the role of women in the economy. The door is ajar, creating a space for new thinking that more accurately accounts for a whole range of economic activity that is welfare enhancing yet remains invisible within a policy framework focused on the world of paid work. In the context of social security policy the open door allows for consideration of the Citizens Basic Income (CBI) proposal and how it presents as an invaluable opportunity for reshaping welfare policy in accordance with a goal of promoting opportunities for *all* of Scotland's people.

## Defining a Citizens Basic Income – A Reform Proposal or a Radical Idea?

The concept of a minimum income guarantee paid to all citizens on an individual basis, without means test or work requirement, is simple and appeals to a wide range of political and economic perspectives. Furthermore, the idea of the right of every individual in society to a minimum of existence is not unique to contemporary debates on welfare reform but rather can be traced back to the end of the eighteenth century when Thomas Paine became one of the earliest advocates of a social security system sponsored and regulated by the state. In a text primarily concerned within reform of agricultural society in the latter half of the eighteenth century, Paine concerned with poverty amidst plenty advocates a tax-financed income guarantee for all citizens on the basis that governments should intervene to ensure that each member of society is not robbed of their individual ‘natural’ rights (Paine, 1796). Paine distinguishes between natural property and what he refers to as ‘artificial or acquired property’ in advocating a welfare system based on justice as opposed to charity (ibid:606). In so doing he provides us with a convincing rights-based justification for a genuine basic income financed from a form of progressive taxation. In fact Van Parijs, a prominent advocate of a CBI in a contemporary sense, refers to Paine as one of the ‘most outspoken forerunners of basic income’ and the author of ‘what can plausibly be viewed as the first elaborate proposal of a genuine basic income’ (1992:9,11). A system based on debts due and compensation owed, not explicitly linked to formal labour market participation provided a doctrine for social security policy that could be considered truly radical in the context of rapid economic transformation associated with the process of industrialization. However the Paine doctrine remained a theoretical position, giving way to more punitive and selective systems of poor relief, considered more appropriate in serving the needs of a capitalist system based on laissez-faire principles of socio-economic organization.

Within current debates on the future of state-supported income maintenance schemes the CBI proposal is often presented as an extreme option involving a *radical* transformation of existing social security and income tax arrangements. A CBI would replace all existing income maintenance benefits, including all reliefs set against income tax liability and the amount paid would be tax-free. The proposal would involve full-scale integration of the tax and benefit system thereby reducing administration costs and eroding any disincentives to work that can arise from the interaction of separate tax and benefit structures. Van Parijs summarises the main benefits of a CBI with specific reference to promoting work incentives and greater flexibility within the labour market;

...basic income can be viewed as an employment subsidy given to the potential worker rather than to the employer, with crucially distinctive implication as to the type of low-productivity job that is thereby made viable. Secondly because it is given irrespective of employment status, the introduction of a basic income abolishes or reduces the unemployment trap, not only making more room for a positive income differential between total idleness and some work, but even more by providing the administrative security which will enable people to take the risk of accepting a job or creating their own. Thirdly, basic income can be viewed as a soft strategy for job-sharing, by providing all with a small unconditional sabbatical pay, and thereby making it more affordable for many either to relinquish their job temporarily in order to get a break, go self-employed or work more durable on a part time basis.

(Van Parijs,1996:65)

The implication then is that a CBI would enhance an individual's opportunity to make real choices with reference to economic and non-economic activities throughout their course of their lifecycle. Targeted income maintenance programmes pre-define specific life situations which render individuals more vulnerable to poverty. An alternative anti-poverty strategy such as a CBI, which does not involve the categorising and continual re-categorising of eligible beneficiaries, appears promising given the dynamics of modern labour markets. Furthermore, the universal aspect of the proposal prevents against discrimination, thus providing the foundations for a more equitable system of state welfare provision.

A CBI thus presents as a new and fresh way of approaching state supported income maintenance policy in terms of justifying principles, design, and delivery mechanisms. Adopting a CBI would not simply imply tinkering with existing systems in response to identified inadequacies or inefficiencies. The concept itself involves the acceptance of a whole new way of thinking about social security policy in terms of the functions it can, should and does perform. If understood in these terms, a CBI is more representative of a *radical* idea than a welfare reform proposal. However, the tendency is to view a CBI within the confines of rather narrow and limiting debates on the future of social security policy.

In arguing for welfare reform along the lines of a CBI it is generally assumed that the issues being discussed relate exclusively to the reform of social security policy. This is mainly the result of two associated assumptions regarding the nature of a CBI. First, a CBI involves a transfer of monies from the state to individuals and therefore by definition falls within the realms of state managed income transfer schemes. Second, a CBI presents as an income source unrelated to earnings and as such is categorized as a social security benefit, that is, cash received outwith the formal labour market. However, a CBI has the potential to promote individual autonomy and allow for the development of social and economic relationships, negotiated outwith the confines of traditional market oriented transactions. Thus a CBI provides the basis for creating *space* to rethink our notions of work, income and citizenship rights within modern capitalist economies. However, an assessment of the literature indicates that arguing for a CBI displays a long established tradition of adherence to a socially constructed analytical framework that favours the traditional work and pay relationship and an assumed vision of how the economy *should* operate (see McKay, 2005).

Policy therefore *should* be designed and delivered in ways that support, indeed prioritises active labour market participation. The focus given to highlighting how a CBI could enhance greater labour market flexibility assumes that formal labour market participation is the desired end result, as opposed to providing the space to consider any benefits of alternative end results.

In trying to move the debate beyond such confining parameters it seems appropriate to try and locate a CBI within the context of a focus on *crisis, cuts and citizenship*. That is, perhaps we need to consider the CBI proposal in the context of the great recession as an opportunity to reshape our thinking on *what makes a good society and who do we value in that society*. Crucially, in doing so we need to develop a better understanding of how the structures and processes associated with our economic systems can better serve the needs of *all citizens* across all of our communities. Thus, the current economic crisis 'provides the opportunity and the challenge to sculpt new policies and institutions that will re-embed the economy in society' (Standing, 2011:11).

## **A Time for New Ideas or More of the same?**

At the time of writing, predictions of a triple dip recession dominate media headlines indicating little hope of economic recovery in the immediate future. It looks highly likely that more of the same will feature across the economies of Europe and the US — further job losses, greater incidences of personal bankruptcy, continued reductions in public spending and the associated contraction in public services. With respect to state welfare arrangements, the current economic environment has served to refocus attention on the affordability and effectiveness of income maintenance policy. At a UK level this has been particularly apparent with wide ranging reforms to the benefit system aimed at cutting costs to the public purse, restricting eligibility and promoting active labour market participation. Across the political spectrum the ‘something for nothing’ mantra is dominating debates on the future of welfare with a resulting focus on reform strategies that protect against ‘benefit scroungers’ or free-riders. Reductions in overall spending are an added bonus associated with measures that act in pushing people back in to the labour market and out of welfare dependency. However, questions remain as to how effective the labour market is, and will continue to be, in providing *sustainable and meaningful* employment opportunities for all. Furthermore, given the contemporary character of poverty and social exclusion is it reasonable to assume that the labour market will continue to function as the main source of economic and social welfare?

Individual income, either in terms of amount or source, is not necessarily an accurate indication of an individual’s welfare status or standard of living. Thus, any anti poverty strategy that has as a primary focus the promotion of labour market participation may only be addressing part of the problem. Perhaps more importantly is it desirable to expect it to do so? Some individuals may indeed derive great pleasure from paid work, but any policy that has at its core an assumed notion that work is a ‘good thing’ does not allow for freedom of expression for all in terms of individual preferences, particularly women.

Processes associated with economic restructuring and deindustrialisation have facilitated significant increases in female labour market participation in recent decades. This has been accompanied by increases in the use of non-standard forms of employment such as part-time, temporary and casual employment contracts, as well as changing social attitudes to women’s socio-economic role. However, women are still more likely than men to have primary caring responsibilities, thus they are more likely than men to work part-time or have some form of flexible working arrangement. Furthermore, the types of jobs undertaken by women are often distinctly different from that of men. This is a direct result of an array of different social pressures and burdens influencing the employment opportunities and decisions of both men and women, including most significantly stereotypical assumptions about their respective interests and capabilities. As a result female employment clusters around the ‘softer’ caring, teaching and cleaning sectors. Thus occupational segregation features as a key characteristic of modern labour markets with an associated tendency for the market to consistently and persistently undervalue the jobs that women do.

In thinking about a CBI in the context of the current dominant policy agenda of rapid fiscal consolidation, attention is drawn to the prevalence and indeed relevance of gender-based inequalities in the structures and processes associated with modern capitalist economies;

These crises have arisen out of gendered economic processes, in which women were virtually absent, from key sites of decision making in the financial sector: and in which neither private nor public finance was equitably distributed, and failed adequately to address the requirements of women as producers and as carers. The impact of this crisis is gendered too. (Diane Elson, 2010: 202)

There is a growing body of evidence that the scale of the public austerity measures, embraced and adopted throughout Europe will have a disproportionate impact on women – both as workers in the public sector and as users of services delivered by/for the public sector. The reasons why are obvious when considering women's role in the domestic economy and how this shapes and influences their experiences within the wider labour market. Thus women will bear the brunt of an overall cuts agenda resulting in greater gender inequalities. Key indicators such as patterns of occupational segregation and the gender pay gap will be considered alongside a revisiting of the feminisation of poverty debate in attempts to monitor the impact of wide scale and prolonged periods of public sector spending cuts. It is likely that there will be a reversal in terms of the gains many women have made in recent decades in both accessing and participating in the labour market and, perhaps more significantly, in securing economic independence. Thus questions relating to gender impact should be at the forefront of ongoing debates on the future of social security policy particularly in the context of economic recession.

### **Gender Matters**

Formal social security arrangements traditionally have served men more favourably than women. This is in part due to the direct relationship between insurance-based benefits and the labour market, but is also an indirect consequence of the policies that fail to recognize the diverse roles of women as wives, mothers, workers and carers. Women's historically limited access to the labour market and their lower earnings relative to their male counterparts are well documented. Consequently, women are disadvantaged in terms of rights to benefits within a system based on contributions made when in paid employment. Legislation promoting the removal of discriminatory policies has served to enhance women's formal position as claimants and to establish their rights to benefits. However various social and demographic factors further contribute to gender bias in the operation of contemporary social security systems including the increase in single parent households (predominately female headed); women's longer life expectancy; the unpaid work undertaken by women in providing welfare within the household. Ignoring such factors when designing welfare systems inevitably results in unequal outcomes.

Rather than being a time for cutting public spending and prioritising the promotion of active labour market participation the current economic environment provides us with an opportunity to rethink our welfare systems – in particular what, how and who we value? The crisis and subsequent policy responses presents grave challenges in terms of managing limited resources, both at a national macro level and a household micro level. However, those challenges may also provide the opportunity or *space* to think differently. If the CBI is considered in the context of that space then perhaps it can be viewed as a truly radical idea rather than a reform proposal – a wicked solution to a wicked problem perhaps. Referring to the CBI this way is not to imply that it is a morally bad or offensive proposal, both in principle and practice. However, the 'problem' or more accurately the range of problems the CBI is intended to resolve is both complex and often misunderstood. The concept of 'wicked problems' within the construct of design theory refers to problems that are 'ill defined and not susceptible to simple analytical solutions – solutions that tend to oversimplify the complexity of the problem in order to make it manageable or solvable" (Turnbull, 2010). Indeed Turnbull insightfully uses the concept of wicked problems to help understand both the development and nature of policy responses intended to address gender-based inequalities. That is, she views the problem of women's economic inequality as not simply an issue requiring a set of prescribed policy solutions but rather a problem of;

...how to move from a theoretical and passionately held commitment to women's equality, which in its broadest expression is shared by feminists, to actually affecting the lived realities of women's lives, given the diversity of ideas amongst feminists about what equality might in fact look like (Turnbull, 2010:217).

As a solution then to a wicked problem, the CBI provides the foundation for thinking creatively and embracing a range of perspectives regarding the purpose of state supported income maintenance measures as opposed to conforming to an intractable position as to what the purpose of those measures *should* be. Furthermore as Turnbull highlights a 'wicked problem must not be tamed and oversimplified, nor should perspectives and insights be allowed to become entrenched' (ibid:215). The CBI proposal is therefore wicked in that it opens up the debate to incorporate fresh and creative ideas on the purpose, nature and design of state welfare arrangements and thus to understand how a universal minimum income guarantee could be construed as an acceptable and appropriate solution to an unacceptable problem.

Gender matters then in that *individual* women remain disadvantaged across the whole range of institutional frameworks associated modern welfare states. However, it also matters in the context of the macro economy in that persistent and institutionalised inequalities, gender inequalities in particular, will have a negative impact on economic performance. A CBI has potential to address gender-based inequalities at a number of levels, but particularly to highlight the gender bias inherent within current state welfare arrangements. A CBI explicitly incorporates the notion that income *should* be derived from rights of citizenship. This would provide the basis for evaluating and accounting for the very different social experiences of men and women in a market based economy and promote 'real freedom for all'.<sup>2</sup> However, this potential will never be fully realised as long as reform debates remain constrained by traditional notions regarding the relationship between work and pay, and an implied notion that paid work remains the main source of economic welfare.

Arguing along these lines should not be considered indicative of an opposition to paid work *per se*. Rather in discussing policy alternatives, account should be taken of the fact that for many individuals, the experience of work is not necessarily liberating. Individual preferences are better served by a policy that allows for freedom of choice as opposed to one that limits choice in favour of a particular form of labour market participation. The potential a CBI has in enhancing the welfare of all citizens by providing the basis for the development and sustainability of new and liberating patterns of working and living will never be fully considered or acknowledged as long as the proposal is considered in relation to current social security policy. The radical nature of the proposal implies a new perspective on the role of the state as a provider of welfare, a rethinking of the traditional work and pay relationship and a very different position on the rights and obligations of citizenship in modern state welfare regimes. Justifying a CBI along these lines is a challenging task given the relative worth attributed to work in modern society, and when considering the institutionalised nature of both the economic and social structures associated with the world of employment.

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<sup>2</sup> The phrase is adopted from the title of a text by Phillippe Van Parijis, one of the most prominent supporters of a CBI. In *Real Freedom for All: What (if anything) can justify capitalism?*(1995), Van Parijis argues for a basic income for every citizen on the grounds of both social justice and economic efficiency, claiming that it effectively promotes the achievement of real freedom to make choices.

However, it is argued that any further attempt at moving the debate forward must progress from a focus on the work/non-work dichotomy and instead focus on how a CBI presents as a policy with potential benefits that go beyond the realms of the labour market. In this sense the CBI is perhaps a much needed truly radical idea;

To understand the crisis we need to get beyond the blame game. For at the root of the crisis was not a failure of characters or competence, but a failure of ideas.... the present crisis is to a large extent the fruit of the intellectual failure of the economics profession

(Skidelsky, 2010:28)

In moving beyond the current economic crisis and the crisis in ideas we need to influence theory otherwise policy will remain static and thus ineffective in adapting to the changing needs of modern capitalist society. That is, if the way we interpret and understand the world remains driven by an attachment to a neo-classical economics paradigm, and an associated neo-liberal ideology we will never fully understand the true nature of gender based inequalities. The neo-classical construct is problematic in that the stylised notion of the 'individual' fails adequately to account for the influence of a whole range of social relations and institutions. In terms of welfare reform debates gender most certainly matters and it is crucial that it is considered a key variable in the relevant analytical frameworks as many of the problems welfare policy is intended to address result from socially constructed inequities. Rather than being a time for public sector spending cuts perhaps the current crisis in ideas calls for thinking that supports and indeed justifies public sector investment in key education, care and health services alongside a social security system that serves to support the *well being* of families and wider communities thus ensuring they survive and flourish.

### **A question of values?**

The arguments posed against a CBI mainly focus on costs and the impact on incentives/disincentives to work and save. It would seem that to date those arguments have won over the very diverse and convincing arguments in favour of the proposal. That is, paying people in exchange for what is *perceived* to be doing nothing is highly unlikely given the value modern society attaches to work. This kind of statement indicates a very narrowly confined notion of what we as a society currently value as economic activity.

What is meant by economic activity and how is it defined and measured? For the mainstream/traditional economist the answer would be that kind of activity that takes place within a regular production/consumption exchange pattern and the value is reflected in the market price. If this line of thinking is influential in determining how we conceptualise a CBI then we are missing the opportunity to recognise the truly radical nature of the proposal. Indeed this line of thinking implies that what is valued is a particular set of socially constructed norms about how we *should* behave rather than how we could behave or how we could respond to new policy ideas and proposals.

In reviewing the relevant literature it is clear that there are two routes in arguing for a CBI – the commodification route and the non-commodification route. It would seem that the CBI literature displays a bias in favour of the commodification route. That is, the predominant focus on paid work and labour market impacts indicate the privileging of a socially constructed analytical framework that is, in turn, dominated by mainstream economic analysis about how a capitalist-economy *should* operate.

The challenge then becomes one of trying to locate the CBI proposal within a different analytical framework – one that encompasses a broader range of economic activity. That is, how do we move beyond the bias?

The potential benefits of a CBI are far reaching and extend beyond the outcomes more traditionally associated with social security policy. David Purdy, in his ‘radical approach to labour economics’ provides a comprehensive account of the benefits to be gained from a CBI;

Specifically basic income would help nudge society gently along four new evolutionary paths; 1) personal income would be decoupled from employment; 2) the total amount of time the collective labourer devotes to waged work would be reduced and redivided; 3) the economy would be re-organised around the concept of ecological sustainability; and 4) dependent and alienated forms of production and consumption would be phased out in favour of independent and emancipated patterns of working and living. (Purdy, 1988:201)

Thus, in contrast to current social security measures, a CBI does not explicitly link income provision with work. In this sense it can be regarded as an emancipatory measure in that it serves to free individuals from the necessity of *toil* and provides the basis to support a range of welfare enhancing activity undertaken outwith the confines of market based exchanges. A CBI is not merely an alternative to existing social security provision but rather a *philosophy* aimed at enhancing individual freedom and promoting social justice. In essence providing the basis for securing real freedom for all.

### **A CBI for Scotland?**

Would a CBI work in Scotland - providing the basis for state welfare provision in accordance with an overarching purpose to provide ‘opportunities for all to flourish through sustainable economic growth’? In considering that question a number of further questions immediately come to mind: what makes a good society, what do we value and what could a CBI do? If we return to the claim made by Guy Standing, quoted earlier, that the current economic crisis presents us with opportunities to rethink and reshape our institutions in line with an approach that makes explicit the relationship between society and the economy, and then we need to identify those opportunities and resulting challenges. For instance, how do we go about reconceptualising what we consider to be ‘work’; how do we deal with the free-rider problem when we consider the third party effects resulting from the energy and effort some individuals expend in building local communities and/or staying at home to care for others; how do we deal with the vulnerability of certain groups and the institutions they rely on as a source of economic and social welfare and how do we manage the social costs associated with increasingly unequal societies?

Within the context of the CBI debate those questions are not yet a focus of attention. Considering the relationship between social and economic policy in the new Scotland those questions should and could come to the forefront of debate. Thus the constitutional futures debate provides a space to think big and reclaim our ideas. We need to move beyond the work versus leisure dichotomy and start to question how, what and whom we value? Those activities that do not fit neatly into measurable “productive” activities as defined by the economist’s model are “undervalued” by society in general – consider specifically the work women do, both paid and unpaid. The invisible nature of much of this work has resulted in many labels, including provisioning activity, affiliation and caring work.

Whatever we refer to it as – it is work. A CBI provides us with the opportunity to reconceptualise work. However, if we continue to focus on preserving the traditional work and pay relationship by introducing welfare schemes that have an overarching purpose to promote paid work exclusively we fail to account for the experience of that work for many vulnerable individuals, including most significantly women. Finally – returning to the claims made of bias and how we value the work we do. If we can think about crisis, cuts and citizenship perhaps it's useful to consider such in the context of values, but whose values? Who was bailed out and why; how was the bailout financed and who will continue to pay the price; why the impact on pay and jobs in the public sector; and how can we justify the level and scope of the current public spending cuts evident across Europe? Perhaps it's time to consider a different set of values as the defining feature of our 'good society' and maybe a CBI provides us at this moment in time in Scotland with just the platform for doing so.

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