

A Toronto School of Creativity & Inquiry event

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**John H. Daniels Faculty of Architecture, Landscape, and Design
Room 066 (basement)
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Basic Income and Counter-power in the Crisis of Cognitive Capitalism¹

1. Introduction

In recent years, many analysts have noted that, within advanced capitalist societies, income polarization has steadily increased. Such a polarization is a direct consequence of the emergence of a new accumulation paradigm that lately several scholars have emphatically defined as *Cognitive Capitalism* (Fumagalli 2000, Vercellone 2003, 2005, Fumagalli and Lucarelli 2006). What Counter-power measures should be put into place if we really want to redress the imbalance of power characterizing the actual paradigm of accumulation entailed by Cognitive Capitalism? The question is today surely relevant, if we recognise that the present global financial and economic crisis finds some of its causes in an excessive distortive income distribution not only at international level but even in a deeper way at national level. What is, in fact, the subprime crisis in Usa if not a speculative crash due to the enlargement of the social basis with low income asking for the right to housing?

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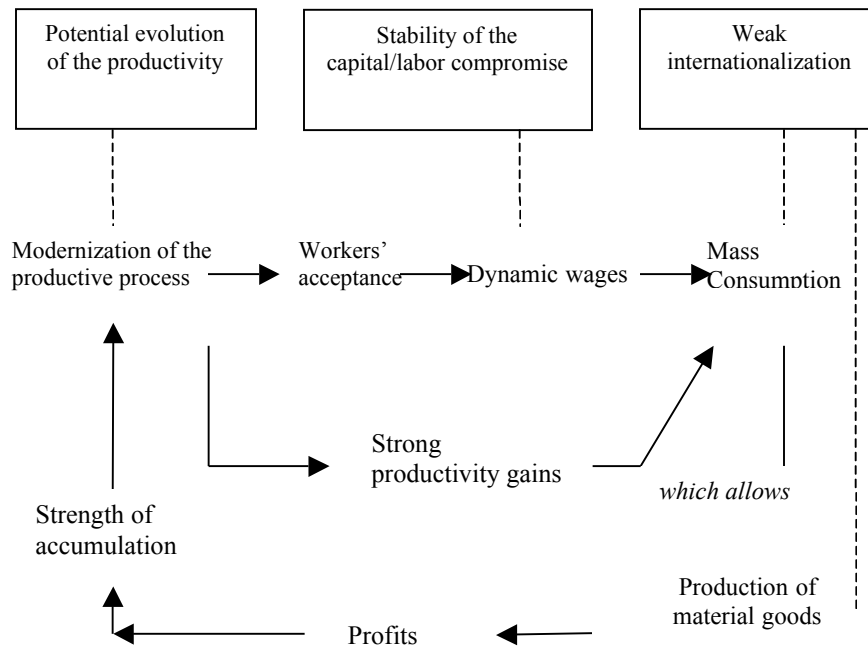
¹ Preliminary versions of these reasoning were presented in different formats at the Annual Meeting of Allied Social Science Associations (ASSA) San Francisco, January 3-5, 2009, at the April 2006 Cambridge Conference Immaterial Labour, Multitudes and New Social Subjects: Class Composition in Cognitive Capitalism, at the IX AISPE Conference Theory and Practice of Economic Policy: Tradition and Change University of Padova, 15-17 June 2006, and at International Research Conference, Lancaster UK, 31 August-2 September 2006. We would like to thank all the participants at these Conferences, especially Ed Emery, Steve Fleetwood and John Marangos, for their helpful comments. Many thanks to Bernard Paulré, Carlo Vercellone, Uninomade and Infoxoa for the encouragements to continue our research. At last, but not at least, a psychedelic thank to the music of **Grateful Dead**.

Does Basic Income (henceforth BI) represents a sufficiently strong economic intervention able to recompose an increasingly fragmented labour market and allow a minimum level of income? We shall try to explain why BI is the most appropriate economic intervention necessary to deal with the unprecedented flexibilization of the labour market required by Cognitive Capitalism. With the term BI we intend the proposal of a universal and unconditional economic intervention, without discriminating against anyone, paid on a regular and perpetual base, independent of the actual working activity, aimed at guaranteeing a decent standard of life to all members of a given community. So conceived, together with juridical citizenship, it would contribute significantly to the full economic and social status of citizens and their complete enjoyment of civil liberties. Indeed for this reason, it is possible to claim that, BI is a measure of counter-power against the forms of social exclusion entailed by the actually existing accumulation paradigm. Apropos, we shall argue that, as it frees individuals from the coercion entailed by the precarious, compulsory and predetermined work, it increases individual autonomy.

2. The Crisis of Fordism and the Hypothesis of Cognitive Capitalism

The recent European debate concerning the socio-economic transformation of Western countries has been characterized by the awareness of the crisis of Fordist accumulation regime (Aglietta 1979; Boyer 2004a). In the Fordist context, the evolution of productivity depends upon the Taylorist hierarchical procedures, on the evolution of the techniques of production, on the investment flow, and on the presence of static (size) scale economies. This method of production was certainly not a global model. Its realization varied across Western nations according to these countries' institutions and the impact of external shocks. Nonetheless during Fordism the stereotype of *mass worker* emerges and *labour productivity* essentially depends upon both the degree of intensity and the level of "corporal" exploitation of each worker connected with the automation process of machines. The investment flow is a function of the growth rate of consumption. The latter depends on the wage level, public demand, and exports. The real wage, indexed to productivity gains, is the most relevant variable.

FIGURE The virtuous circle of the Fordist growth (Boyer 2004a)



The dynamic equilibrium between mass production and consumption inherent to the Fordist capital-labour compromise was guaranteed by the increase in productivity resulting from the exploitation of static (size) scale economies, through incremental innovative activities driven by investments and by the increase in real wages. That the social compromise should be intended as the result of the conflictual relationship between capital and labour in which the working class had the possibility of blocking or sabotaging the production has been underlined by the so called *Workerist* critique to the account given by the Regulation School of the Fordist period (Gambino 1996, Cocco 1994).

The result is a sort of identity between mass production and mass consumption, whose dynamic is partially regulated by the intervention of the State, which provides incentives both to production and to indirect and direct consumption (Keynesian deficit spending and welfare policies). It follows that the Fordist economic growth resembled a two-stroke engine: initially productivity triggered growth, after which growth spurred productivity. This process becomes explosive and fundamentally unbalanced, if the dynamic of demand is not able to be aligned with the dynamic of output, through the facilitation of commodities appreciation (Boyer 2004 a). From an historical point of view, Fordism undergoes its crisis during the 1970s: the soaring prices of raw materials, the oil crisis and the monetary storm combined with the fixed

exchange rate of the dollar defined a new framework for the restructuring of the global market².

After the crisis of Fordism, many social scientists – sociologists, economists, and those dealing with urban studies - have defined a new stage of capitalism as Post-Fordism. It refers to a social model whose modalities of production are no longer dominated by hierarchically organized forms of accumulation or by the negotiation of wealth distribution carried out by representatives of collective bodies and supervised by the State. On the contrary, the so called Post-Fordist model is characterized by forms of flexible accumulation that can integrate and connect highly diversified modes, times and places of production (Zanini and Fadini 2001: 15).

The hypothesis of Cognitive Capitalism better captures the links between the exploitation of knowledge and the accumulation of surplus.

The starting point of *Cognitive Capitalism* is a radical critique of the apologetic vision of the actual mutation entailed by the new liberal theories of knowledge-based economy. This critical perspective is clearly indicated by the two terms that compose our object of analysis, namely *Cognitive Capitalism*:

1. the term of “capitalism” underlines the permanence of the structural invariants of the capitalist mode of production: in particular, the driving role of profit and the wage relation, or more precisely the different forms of dependent labour upon which the extraction of surplus labour rests;
2. the term “cognitive” emphasises the changed nature of the capital-labour relation and the forms of property upon which the accumulation of capital depends. (Vercellone 2005: 2)

The heart of the accumulation process has been shifting from material to immaterial commodities and the new regime of accumulation is principally driven by information and communication technology (Boyer 2004b). As Virno notes, if within the Fordist factory productive activity is mute and work is performed by a silent human chain, in the Post-Fordist metropolis, the material labouring process can be empirically described as a complex group of linguistic acts, a sequence of assertions, and a symbolic interaction. This is because labour activity is now performed alongside the system of machines, with regulating, surveillance and coordinating functions; but also because the

² In Italy, between 1978 and 1979, the so-called *fifth generation of workers*, who had grown up in large cities during the construction of a welfare state, entered the *large factory*, the brain of the Fordist organization of production. The experiences of the *new employees* were radically different from those of the previous generations of individually unskilled workers. «They rise up against both the wage ‘structure’, its ‘form’ and the necessity to work for the whole duration of one’s life itself, to receive an income rather than a salary. The subjectivity expressed by this new labour force certainly failed to undermine the factory regime overall. If anything, it made it more viable and eased the restructuring move towards flexibility» (Zanini, Fadini 2001). In this context the proposal of a basic income began to spread in the so called 1977 Italian political movement.

process of production uses knowledge, information, culture and social relations as its “raw materials.” (Virno 2001: 181).

Knowledge is the key variable in understanding the recent structural changes. However emancipation does not seem to be the dominant feature of what knowledge economy brings (Andersson 2006). Cognitive Capitalism differs from Fordist-industrial capitalism in two main respects:

- a. The origin of productivity gains, that are based on learning processes and network economies. Therefore, we are in the presence of a new type of Kaldor-Verdoorn law, with increasing return effects and absence of scarcity, since knowledge, as the key variable of the accumulation activity, is not a rival but a cumulative commodity, with the only constraint of intellectual property rights;
- b. The capital-labour compromise, based on the connection between productivity gains and real wage dynamics, is declining, with subsequent effects on polarization of income distribution. The valorisation of production is presently compensated by the role of financial markets as the multiplier of the aggregate demand and by globalization processes (delocalization, outsourcing, lower labour costs). In this context, the balancing of the system relies simultaneously upon the growth of financial markets and the distributions of the generated surplus, and a high level of growth in the new industrialized countries, at the core of outsourcing and delocalization processes.

These two conditions cannot be considered as structural. Consequently, in this context, Cognitive Capitalism appears unstable. The absence of a social compromise determines the ambiguity of this finance-driven growth. As Boyer says,

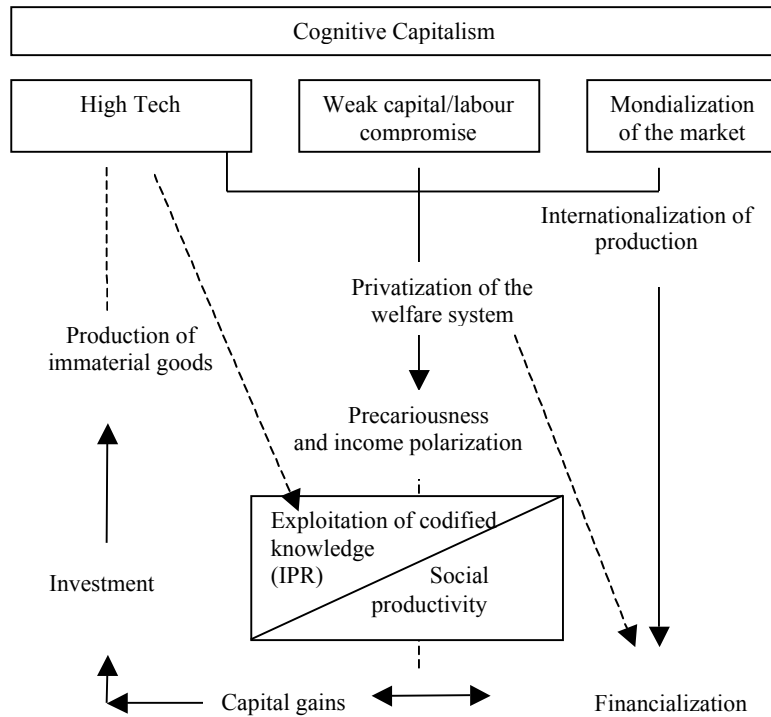
‘the concomitant loss of the collective bargaining power of employees made them accept forms of payment that were increasingly dependent on the performance of the company, particularly with respect to financial earnings’ (Boyer 2004b: 49).

Above all, Boyer considers the United States in the 90s:

‘it is the country where stock market wealth is significant, compared to available income flows, and where the assets of large companies can be easily traded in a highly liquid market’ (Boyer 2004b: 49)

Figure 2 describes the ambiguous circle of Cognitive Capitalism, stressing the connections between High Tech production system, organisational decisions, knowledge exploitation and valorisation process.

FIGURE 2: The ambiguous circle of cognitive capitalism



The crisis of Fordism led to a new investment activity based upon new sources of growth: electronic marketing, branding, informational goods, encoding software, control over the quality of information, control over the lifestyle, etc. Investment depends not only upon R&D, but also “learning by doing” processes and strategies. Cognitive Capitalism generates two new kinds of economies of scale, which have a deeply positive impact upon the nature of production returns and therefore on productivity: we assist to the development of both dynamic economies of learning (*learning by doing* and *learning by using*) and new spatial economies, related to the transmission and speed with which knowledge is diffused. The productivity embedded in the exchange of knowledge cannot be assimilated into material productivity. In a context where the exploitation of knowledge is the real objective, the labour market becomes even more fragmented as the result of the shift from mechanical-repetitive to linguistic-communicative technologies. Both quality and modality of the performed work are irreversibly modified. Consequently the exploitation of individual knowledge and relational skills generates precariousness. Financial markets fix the norm of profitability. Stock-exchange evaluation represents the macroeconomic indicator of the valorisation process in Cognitive Capitalism. Positive expectations on financial activities partially depend on the efficiency of knowledge generation and diffusion (otherwise tacit and codified knowledge), according to the exploitation of learning and network economies.

The stability of the economic system depends on i) the propensity to invest and the wealth effect both produced by capital gains allocation, ii) the effects on knowledge on productivity (Fumagalli and Lucarelli 2007).

Following the so-called *Workerist* approach we could refer to the social productivity of *general intellect*³ [2]: *general intellect* intensity varies along with the distribution, within the codified knowledge, of the total amount of tacit knowledge. We can reasonably assume that the greater the share of codified knowledge in relation to the total amount of available knowledge dedicated to the accumulation activity, the higher is the achievable level of social productivity. Yet, since in the knowledge life cycle the codified knowledge itself descends from the tacit knowledge (that is, non-transmittable), there is a trade-off between the social productivity of the *general intellect* and the tacit knowledge itself. In Cognitive Capitalism, a new form of the capitalistic exploitation is the production of political lines in order to improve the financialization of social production. In this respect, exploitation has been defined as «the command above and against productive social cooperation» (Negri 1997).

What sort of counter-power can be utilized in a social reality that extract economic value out of relational abilities and the *general intellect*? What sort of pressure can be exerted against those who posses the means of production, when these latter coincides with the workers' knowledge?

3. The concept of Counter-power

Due to the internationalization of production, the diffusion of information and communication technologies and innovations in the transportation of commodities, manufacturing activities have been shifting to developing countries whereas financial, technological, supervising, logistical, and control activities have been concentrated in the highly industrialized countries (North America, Europe, Japan and Australia).

³ *General intellect* is a crucial term in the debate about Post-Fordism. It appears in Marx's *Fragment on Machines*, a section of the *Grundrisse*. This is an attractive metaphor for referring to the knowledge that makes up the epicenter of social production and preordains all areas of life (see Virno in Zanini, Fadini 2001): «The development of fixed capital indicates to what degree general social knowledge has become a direct force of production, and to what degree, hence, the conditions of the process of social life itself have come under the control of the *general intellect* and been transformed in accordance with it» (Marx 1973). The interpretation of Marx's *Fragment* gave rise to many considerations in the so called *Workerism* approach (see principally Panzieri 1964, Tronti 1971, Negri 1979). In the last years, this approach led to investigating the capital-language *nexus*. This *nexus* is considered as the real turning point of the socio-economic system in the Post-fordism (see Zanini, Fadini 2001). The *general intellect* social productivity is defined as *bioeconomic productivity* by Fumagalli 2002, 2007.

It is evident that at present there exist places of production within which it is still possible to exert traditional forms of conflict. However, if we look at the modalities in which the new precarious workers produce value in highly industrialized countries, it is possible to argue that we are facing a profound crisis of the traditional forms of Counter-power.

In order to deeply analyse this aspects, it is necessary to better define the concept of power in contemporary society.

According to Deleuze (1990), power can be considered as the structural capacity of a social actor to impose its will over other(s) actor(s) without the compulsory use of strenght and discipline. From this point of view, Deleuze analyses the shift from what Foucault (2004) defined the “disciplinary society”, based on the concept of “bio-power”, to the “society of control”. In this sense, Castells (2007), speaks of a “post-Panopticon society”, even if in a partial related meaning.

On this basis, Castells analyses some stylised facts which can be observed in contemporary society:

- increasing role by media in interaction with politics and in the production of culture;
- diminishing role of the State (the main site of power in Fordism), challenged by globalization that limits its sovereign decision making and by market pressures towards deregulation that reduces its capacity to intervene;
- cultural industries and business media are characterised at the same time by business concentration and market segmentation.

The result, as Castells highlights, is that what does not exist in the media, does not exist in the public mind, even if the media are not the direct holders of powr, since they constitute by and large the space where power is decided.

In this context, Castells introduces the idea of an indirect power, which is able to affects the individuals’ behaviour. The analysis by Castells can be enlarged to the economic relations, by considering the characteristic of labour market in Cognitive Capitalism.

Very briefly, we suggest that economic power nowadays can be investigate at two different level, which are interdependent.

The first level (microeconomic level) has to do with labour relations, in which the new forms of labour, more and more based on cognitive activities, are charcterized by the co-presence of self-control and self-discipline. This situation is particularly active in team work, in which productive cooperation ties the members of the network one to an other. Often, we face a mixt of consensus, from one side, and of blacmail, from the other, induced both by social imaginaries (through media and cultural dominance) and precarious life conditions (as result of the more and more prevalent individualisation of labour contracts).

The second level (macroeconomic level) has to do with the trend towards business concentration and increasing control on R&D dynamics (technological flows) and on “finance” activity (the role played by financial markets as “distributor” of financial opportunities). At this level, Intellectual Property Rights and finance as source of innovation and of economic ban play a strategic role.

The passage from a panopticon-disciplinary society to a more sophisticated society of social control do not only affect the ways in which power is defined and implemented, but even the concept of counter-power.

In the fordist society, counterpower was defined by the the capacity of a social actor to resist and to challenge power relations that are institutionalised and dominant (Castells, 2007). In that framework, counterpower had two characteristics:

- the existence of well-defined social groups able to provide the theoretical and empirical basis of the counterpower (ex.: workers organizations) with autonomous apparatus, according to the degree of institutionalisation as result of collective bargaining;
- a transitory situation til the final goal of power, either by a revolutionary process or by a reformistic struggle, able to change the existing the socio-economic power relations.

The structural changes that take place in the transition towards Cognitive Capitalism lead to the declining of the Nation-State as source of power, from one side, and to the provisional difficulty to socially organize labour force.

It follows that today the concept of Counter-power has to do neither with the State, nor with the power of capital and its idea of wealth, the violence it entails, its value. Counter-power, as we intend it, refers to the production of new forms of living. Framing the issue of counter-power in these terms means to address the problem of the constituent power against the capitalistic institutions (Negri 2006).

From this point of view, counterpower means the reduction of the precarity blackmail and the reappropriation of personal capacity to create knowledge and life as common good against any form of privatization of the existence. The right to choice is the expression of counterpower in CC.

4. Is Basic Income a Counter-power measure?

As Van der Veen and Van Parijés explained in their famous *A Capitalist Road to Communism* “expanding the *realm of freedom* may mean that an increasing part of society’s wealth is produced outside the formal sector, in the form of self-production, mutual help, volunteer work, etc...” (van der Veen and Van Parijés 1986, reprinted in 2006). The problem of self-production, mutual help, volunteer work etc... necessarily leads to power/counter-power problem. Only within a society where production is aimed at use rather than profit, and

where money and technological change are mere instruments utilized at best to satisfy individual and collective needs, the power/counter-power problem is not relevant.

In this essay we shall try to understand in what sense BI is a Counter-power. The definitions of BI, and the preferred ways of distributing it, differ significantly according to the particular school of thought—classical liberal, social-democrat, and radical.

1. The first is that proposed by classical liberals such as Milton Friedman and is based upon the idea of “income negative tax”. From this point of view, the functions of the State should be reduced to the minimum, in the sense that all redistributive policies should be implemented automatically, considering a negative progressive tax. In such a case, all those who are below the threshold of relative poverty would not pay taxes, whilst the State would meet the difference necessary to reach such a threshold. This implies the dismantling of the Welfare system. That is, each individual would pay to access all public services (school, health, etc ...), with the sole exception of justice and defence.
2. The second theoretical approach moves from the acknowledgment that both the failure of currently existing Welfare systems and the processes of flexibilisation of work generate an army of so-called *working poors*. If this is so, it becomes necessary to provide a continuity of income for all those whose labour power cannot be sold in the labour market or for those whose income obtained in exchange for their contribution is too low. In this case, rather than speaking of universal BI, it would be better to speak of a guaranteed income. With such an expression, the literature refers to the distribution of an income only to poor people who, by definition, do not have a sufficient income, if any at all. Such a re-distributive model is independent of any activity undertaken, does not require any offset on the part of those who receive it, and lasts until the recipient remains under the threshold of poverty. By its very definition, this is an unconditional but not universal economic intervention. A mild version is named guaranteed wage. (*Delors Commission 1990, Supiot Report 2003*) Differently from the guaranteed income, the guaranteed wage is provided for a limited period of time to those who are unemployed, although still unconditionally.
3. The third and final approach refers to the idea that a person’s income must be universal, unconditional, and unlimited in time. Such an orientation lies at the heart of research promoted by Bien (Basic Income European Network) in Europe and by Usbig (United States Basic Income Guarantee) in North America. The most influential scholar promoting this approach is Philippe Van Parijs (1992, 1996, 2000, 2002). According to this perspective, it is possible to add economic reasons to the ones related to

social equality and to the full enjoyment of citizenship as a result of the processes of transformation of the paradigm of accumulation and labour organization which characterized the economic system in the last 25 years. Building upon these social and ethical reasons, we shall try to show that the introduction of a universal Basic Income is worthy of high consideration as a viable redistributive policy able to deal with the challenge posed by the new paradigm of flexible accumulation (Gorz 1997, Fumagalli 2000).

In addition to the above-revised theoretical approaches, the literature also offers a limited range of empirical studies looking at the impact of BI on output and employment. Most of these analyses are concerned with the fields of ethics and political science rather than economics. Nevertheless, the economic literature has investigated the extent to which BI might be considered as a tool against poverty and the problems related to its implementation in the fiscal structure (Atkinson 1995b; Atkinson e Morgensen 1993) and the labour market (Bowles 1992; Van der Linden 1997; Kesenne 1993; Groot 1999; Serati 2001). Bowles suggests that BI should not be higher than the poverty line. Van der Linden, Kesenne and Groot conclude that a BI substituting all existing unemployment benefit, can generate a *crowding out effect* in the labour market if its level is too high. This effect is due both to the existence of an “income effect”, which reduces labour supply, and to the increase of fiscal pressure. Though varied, this literature presents some homogenous aspects: the Keynesian perspective (existence of unemployment), the presence of efficiency wages and rigidity in the labour market, imperfect and asymmetric information (with the only exception of Van der Linden), and, overall decreasing returns of scale. This latter hypothesis is the more relevant. The two main results are:

1. BI has the overall positive effects only if not too high or just below the threshold of relative poverty;
2. Basic Income plays a substitutive role for unemployment benefits;

These results are valid only in presence of decreasing returns of scale.

We consider BI not only as a tool for improving living standards and social well-being but, mainly, as the prerequisite for introducing new forms of counter-power into society. In this sense, it becomes important to understand which forms of social conflict could affect the controlling device proper of the existing socio-economic structure. This implies a careful analysis of the tendencies characterizing contemporary capitalism. As many social scientists and economists have noted, one of the most significant novelties of the existing productive system based upon knowledge concerns the relevance of increasing returns of scale. If this is so, then we have to examine the idea of introducing

BI to see whether such a proposal can match the conflictual pushes entailed by the Cognitive Capitalism.

Therefore, the Basic-Liveable Income Guarantee ought to be considered as a social wage. Under CC, the new form of wage is not the traditional remuneration measured by working time, as a production input isolated from capital; as Moulrier-Boutang wrote, in a cognitive economic system, *hardware, software, webware and netware* are the inputs of all goods and services. If we try to identify the retribution rules for each input, we can conclude that: in an economic system based on immaterial production, productivity gains are no longer distributed, welfare state support to internal demand decreases, and wages are no longer connected to employment. Within this framework, BI would represent the compensation for the social productivity that the combination of the four earlier mentioned inputs generates. It is necessary that the retributive dynamics related both to dependent work or self employment become a social issue addressing the social distribution of income as its primary concern. In other words, a new juridical approach to income is necessary.

Above all in the communication and linguistic fields, technological advancements have redefined the relationship labour/machine, both concerning the modalities in which the machine is utilized (we communicate with it, we intervene upon it, as for example in the Cad-Cam-Cae systems) and their physical and spatial configuration. Some scientists have proposed to insert the machine into humans' brain. It is in this way that forms of *etero-direction* occur, intended as the most advance model of social control. In this context, in all productive realities cognitive labour find its higher expression. With this expression we refer to a working modality to which is possible to connect a plurality of subjects, according to the way in which we define the relationship between abstract and concrete labour, live and dead labour, working time and leisure time.

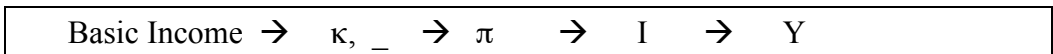
The implementation of BI would reduce the instability inherent in CC. The possible scenarios depend on the correlations between the dynamics of productivity, BI and output. The dynamics of output depend upon the impact of investment on productivity growth. In CC, investment activity reaches its maximum efficiency when it is able to capture the *general intellect*. Under these circumstances, investment depends upon positive externalities and on both the level of aggregate income and a fair income distribution. A fair income distribution represents the precondition for the development of a kind of social cooperation able to minimize the risk of dismissals. Seen from the opposite side, the entrepreneur's propensity to invest is based on high profit expectations and on the existence of property rights or high degrees of

cumulativeness which allow super-profits. Hence, there is a trade off between aggregate demand conditions and individual entrepreneurial decisions. It is a similar kind of trade-off to the Fordist one, as far as the level of monetary wages is considered: on one side, a distortion of the income distribution towards the wage-owners implies lower levels of consumption, with a negative effect on the aggregate profit, on the other side, low wages are profitable for the single entrepreneurs.

The novelty of cognitive capitalism is that whilst the unfair income distribution, or the lower income level, threatens to reduce the ability to generate knowledge, the excessive *appropriability* of technologies can lead to a lower diffusion of knowledge and learning (see Fig. 2). In this scenario, the introduction of BI would represent the first step towards a more equitable social compromise. Its introduction would in fact entail more positive externalities and a fairer income distribution. This, in turn, would enhance the ability to generate knowledge and innovation, with indirect positive consequences for both productivity trends and aggregate profit levels. In other words, Basic Income would facilitate the exploitation of dynamic learning economies of scale through the introduction of a virtuous circle.

Unlike Fordism, where low wages could lead to under-consumption crises, in cognitive capitalism the negative effects of a low wage structure or *labour precarity* on the ability to generate and diffuse knowledge is more important.

Due to the effect of learning processes and network economies, productivity rises and, since information and communication technologies are characterized by high degrees of *cumulativeness* (Winter 1984; Dosi 1987; Fumagalli 1995), there is a positive correlation between productivity and investments:



where κ = network economies, _ = dynamics learning economies, π = productivity, I = investment

According to this framework, the problem of understanding what constitutes a living standard becomes a problem of innovation policy.

Basic Income is an intermediate claim, which must be accompanied by others proposals.

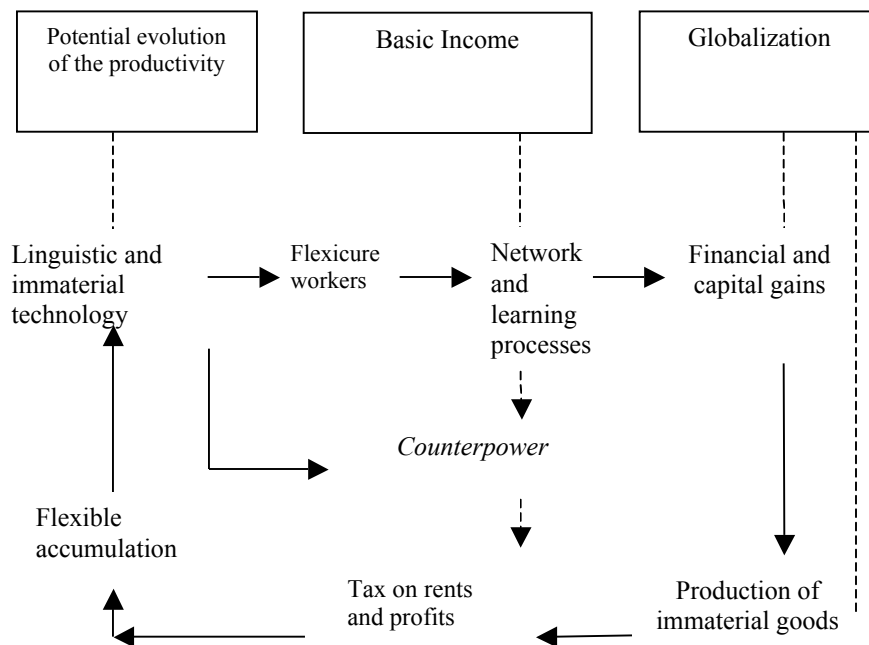
In the Italian case⁴ we notice struggles at the municipality level, in order to develop a movement at European level and at global level. People arguing for

⁴ Considering the three Italian proposals about Basic Income deposited in Parliament, and the Italian popular proposals for the introduction of a Regional Basic Income, we observe a lot of

Basic Income perceive that in cognitive capitalism income security, housing, absence of discrimination in workplaces, mobility, knowledge and skills, free information and free communication represent both needs and productivity conditions. From a juridical point of view we see the necessity to define new rights (*right to basic income stability, right to housing, right to work security, right to mobility, right to culture, knowledge and skills*). The definition of these new generation of rights can be summarized with the term *flexicurity*. *Flexicurity* means the possibility of being flexible in an active way without being precarious. In other words it is *the right to a free choice among work opportunities* instead of *the right to work* (whatever it may be) In the academic field, flexibility and security are unambiguous concepts. Flexibility is often equated to a low degree of job protection, while security is equated to income security. Instead, flexicurity is connected to issues such as working time, work functions, pay, active labour market policy measures, education and training, and leave schemes. The introduction of a social fund for direct and indirect basic income (social services as housing, mobility, sociality, access to education and knowledge, environment, ...) should be only the first step towards flexicurity. It also requires the introduction of an hourly minimum wage for all workers, independent of the labour activity and a drastic reduction of atypical (precarious) labour contracts. The financing of social funds for basic income should be based upon new forms of taxation on the new sources of valorisation of capital (new inputs like territory, knowledge, advertising, communications, financial speculation,....

differences. Sometimes Basic Income is considered as a distribution to family (not to individual) and it obligates to a working performance. Otherwise it is considered as an individual, but not unconditional Citizen Income. In two Italian Regions (Marche and Friuli Venezia Giulia) the normative proposals consider Basic Income as an individual and unconditional economic intervention, but do not define Basic Income as universal allowance. The analysis of the Italian case demonstrates the absence of a strong political will to define a right to income as the pillar for a welfare policy.

Figure 3: Basic Income and counterpower in Cognitive Capitalism



The transition from Fordist capitalism to cognitive capitalism has been characterized by the shift from a stable, although conflictual, structure of accumulation to an unstable one. This instability is mainly due to the absence of a relationship between supply conditions (affecting productivity trends) and demand conditions (affecting a fair income distribution), which in the Fordist regime was able to guarantee a dynamic equilibrium. The introduction of Basic Income can theoretically be the first step towards a stabilization policy aimed at guaranteeing an increase both in productivity trend and in demand level (see Fumagalli-Negri in this book). Basic Income is compatible with a model of accumulation based on the exploitation of dynamic scale economies. If introduced we would witness two positive effects on demand and output. Through enhancing network and learning processes, it would increase both productivity and demand - *via* consumption. This twofold result cannot always be guaranteed. On the one hand, it depends upon how much Basic Income positively affects productivity; on the other, it depends upon the way Basic Income is financed. This latter point requires a taxation system that does not tend to penalize investment activity in immaterial production (net economy) but focuses on rent. At the same time, Basic Income can dramatically affect the

system of social control characterizing contemporary capitalism. The critics of our proposal consider BI as a re-distributive policy unable to significantly affect workers' bargaining power⁵. [5]. Our analysis, by contrast, has shown that, BI increasing their bargaining power would guarantee them a better quality of life. Under these circumstances it is possible to argue that BI is indeed a counter-power measure.

Starting from these points, let us present some subversive features of the Basic Income:

- a. As we intend it, that is individual, generalised, unconditional, BI is a form of monetary counter-power, since it reduces the income blackmail. In a capitalistic economy, money is a discriminatory tool among social classes as it exerts its power according to the degree of its accessibility. During the Fordist era, this discriminatory power was exerted by the credit market: only the owners of the means of production were free to have access to credit so as to increase their accumulative activities. In cognitive capitalism, the control of both financial and credit markets, which regulate the process of financing, together with intellectual property rights, are among the key factors of the new form of the capitalistic hierarchy, both at national and international level. The possibility to dispose of an amount of money with no strings attached (that is, independent of labour activity) would represent a first step toward the dismantling of the hierarchical apparatus based on the social power of money.
- b. BI is a form of cultural counter-power, since it increases the right to choose and the opportunity to experiment with alternative styles of life. As it favours the re-appropriation of the use of knowledge, the struggle for BI simultaneously embodies a political struggle (it represent an attempt to satisfy people's needs) and a cultural struggle. On the cultural level, the processes of knowledge formation and self-consciousness are rather different from the processes of formation of technical competences and professional training. Although these processes are dependent on the

⁵ Richard Barbrook have argued that BI can be intended as mere acquiescence to a social-democratic welfare state . BI would offer the opportunity to implement neo-liberal policies which would render the fragmentation of the labour market even more widespread.. Giovanna Vertova, Riccardo Bellofiore and Joseph Halevi expressed a similar point of view. Especially Bellofiore e Halevi have underlined that 'Only a political management of demand (autonomous) can generate an effective increase productivity. The introduction of BI entails a reduction of wage. When wages are set close to BI, governments will decrease the minimum wage. It is in this way that a multitude of persons will barely survive, the bargaining power will decline and managerial wage will rise '. These critics suggest 'to take into consideration the fact that (where labour is relational and cognitive) what is needed is to create effective work opportunities, transforming precariousness in full time employment. It is in this way that to dependent work will assume a more secure connotation'

existing economic hierarchies (as Marx wrote, «dominant culture is the culture of the dominant classes»), their relative weight differs according to the existing economic paradigm. Independently from the working performance (manual, material, intellectual or immaterial), the necessity of professional training, that ideally should be permanent, is an essential condition to enter the job market or to have new work opportunities. Sadly, professional training is enslaved to the necessities of the production, which implies an elevated cultural subordination (Alquati 1994). ‘Putting brain to work’ is instrumental to the mechanisms of production and, although this process necessitates specific *competence* does not favour *self-consciousness* and *cultural autonomy*. As BI, favours the liberation from work and decreases the degree of dependency from the need, it becomes a tool of cultural counter-power.

- c. BI is a form of class re-composition. Given the present transformations occurring in the labour market mainly due to the process of individualization of labour relations, individual rather than collective forms of bargaining are likely to become even more widespread. The process leading towards the dismantling of the homogeneity of the working class represents the new challenge that needs to be addressed. In cognitive capitalism, three main labour segments are emerging:
- wage-earners. They endure precarious labour and life conditions, which paradoxically lead to a sort of “autonomous dependent work” within the manufacturing sectors and low-skilled material services (as transport, cleaning, catering...);
 - formally independent but actually hetero-directed workers in higher skilled service sectors within which cognitive labour is prevalent compared to the manual one;
 - last, but not least, migrant workers, for whom –to the precariousness of work is added the precariousness of their civil rights. From this point of view, basic income can be a potential tool of class re-composition.

BI may represent a threat to the structure of capitalistic dominance.

From a theoretical point of view, we have shown that the introduction of BI can help the whole economic process by simultaneously increasing productivity and demand, constituting the basis of a new welfare system able to address the needs of those who live under the accumulation paradigm entailed by cognitive capitalism. Obviously, the introduction of such a structural policy entails the defeat of the neo-liberal approach to the Welfare system, as it would trigger a process of social re-composition. The claim for a BI on the part of wage, hetero-directed high skilled and migrant workers calls

for a collective mobilization. Such a process of re-composition would simultaneously overturn the social hierarchy and the apparatus of social dominance, based upon to the subalternity of labour. Hence, the introduction of BI gives sway to different forms of counter-power.

5. Final Remarks (provisional)

Can basic income be considered a form of counter-power?

The request for a BI has to do with a plurality of subjectivities belonging to the working sphere. Accordingly, an inquiry upon such a reality becomes necessary. Although currently is in a experimental phase, not only should it be able to understand the fragmentation of the labour market but also to grasp the social demands occurring outside the labour market and which pertain to the complexity of life time (desires, imagination, social control, etc.). In Italy, experiments of such a kind are in place, utilizing the methodology of co-research – which belongs to the patrimony generated by the Workerist school in the 1980s. As Vittorio Rieser noted:

“at present it is all the more necessary an inquiry that places at its centre the capitalist command upon labour, (...) analyzing not only the shortcoming of capital but also and above all the objective and subjective differences within the sphere of labour” (Rieser 2006).

The search for a revolutionary agent, around which the political action gravitates to date is not possible. To put the emphasis either upon the mass worker – typical of the first phase of Workerism – or to refer only to dependent work unlimited in time does not allow to understanding the fundamental social relationship characterizing contemporary capitalism.

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