TWO ARGUMENTS FOR BASIC INCOME: THOMAS PAINE (1737-1809) AND THOMAS SPENCE (1750-1814)

J. E. King

La Trobe University
Department of Economics and Finance

and

JOHN MARANGOS

Colorado State University Department of Economics

In the 1790s the radical thinkers Tom Paine and Thomas Spence were among the first to advocate the payment of a Basic Income as a right to all citizens. In this paper we outline Paine's position, as set out in *The Rights of Man* (1791-1792) and in *Agrarian Justice* (1795), and compare it with the case made by Spence in *The Rights of Infants* (1797). We show that their arguments were surprisingly complex, and included utilitarian grounds for supporting Basic Income in addition to an assertion of the individual's right to existence and to a share in the produce of nature.

Introduction

The radical ideas of Tom Paine and – to a lesser extent – Thomas Spence are well known, but their support for Basic Income has received relatively little attention. Basic Income, Citizen's Income or Universal Basic Income may be defined as «an income paid by a government, at a uniform level and at regular intervals, to each adult member of society. The grant is paid, and its level is fixed, irrespective of whether the person is rich or poor, lives alone or with others, is willing to work or not» (Van Parijs 2000, 5). Basic Income is thus universal and unconditional. The level at which it is paid is of secondary importance: it «can fall short of or exceed what is regarded as necessary to a decent existence» (*ibidem*, 6). The case for Basic Income can be traced back to eighteenth-century France, beginning with Montesquieu and Mably and running through to Babeuf, Condorcet and Robespierre in the early years of the Revolution (Morley-Fletcher

Addresses for correspondence: J. E. King, Dep. of Economics and Finance, La Trobe University, Victoria 3086 (Australia); e-mail: j.king@latrobe.edu.au

JOHN MARANGOS, Dept. of Economics, Colorado State University, Fort Collins 80523-1771 (CO, USA): e-mail: john.marangos@colostate.edu

1980-1981, 297-300). These French thinkers based their case on the individual's right to existence, but a variety of arguments have been used in defence of Basic Income, including those derived from utilitarian or consequentialist ethics.¹

The underlying idea of Basic Income has some appeal right across the political spectrum. It has proved attractive to socialists, who have seen it as a means of guaranteeing individual freedom in the absence of private property in the means of production (Russell 1918), and also to classical liberals, who defend it primarily because it offers a clear alternative to socialism (Van Parijs 1995). There is even a neoliberal strand in support for Basic Income, since the ability that it might confer upon any individual to withdraw from paid employment could make it possible to eliminate much existing labour market regulation and drastically reduce social welfare expenditure (see Fitzgerald 1999 for a survey of these positions). Among economists, the Nobel laureate Herbert Simon grounded his support for Basic Income in the defects of marginal productivity as a theory of individual entitlements when there are externalities in production. Any one individual's output depends very largely on social capital, in particular on scientific knowledge and social institutions that increase productivity, and this 'must be regarded as jointly owned by members of the whole society'. No less than 90% of income in the United States is the product of social capital, Simon maintains. A flat tax of 70%, used to meet the expenses of government and to pay every citizen \$ 8,000 per annum, «would generously leave with the original recipients of the income about three times what, according to my rough guess, they had earned» (Simon 2000, 35-36). As will be suggested below, elements of all these positions can be discerned in the writings of Paine and Spence.

It is no accident that these two authors were advocating Basic Income in the 1790s, which was a decade of great turbulence. The final quarter of the eighteenth century was a period of very rapid economic transformation in Britain, but the benefits trickled down only very slowly to the poor. Average real wages rose by five or six per cent in the 1790s (Geary and Stark 2004, 387; cf. Feinstein 1998), but employment was precarious and periodic harvest failures sparked food riots and provoked intense debate over the poor person's right to subsistence (Dean 1991, 119-120). In the countryside wage subsidies were being paid, after 1795, under the very controversial Speenham-

¹ The entire history of the treatment of ethical questions in classical political economy can be written in terms of the tension between rights-based and consequentialist/utilitarian arguments (Vergara 2002).

land system (Gilbert 1988). There was also a political crisis, with the example of the French Revolution encouraging the spread of republicanism, democracy and radical egalitarianism among the lower orders, causing alarm, verging on panic, higher up the social scale and inducing unprecedented political repression by the agencies of the state (E. P. Thompson 1968 [1963], ch. 5). The Revolution had asserted the universal rights of man. But what did this entail for economic and social relations? How could the right to property be reconciled with the 'right to life', that is, to a decent minimum standard of living? How in particular could the massively unequal distribution of landed property be justified, in terms of either divine law or human reason? These were the profound issues that confronted Paine, Spence and an entire generation of radical thinkers. Underneath them, of course, lay even deeper questions about social and economic justice in a rapidly expanding capitalist market economy, and the connection between economic progress and political and social democracy (N. Thompson 1998).

In this paper we set out Paine's arguments concerning Basic Income in the second part of his *The Rights of Man* (1791-1792) and in *Agrarian Justice* (1795), comparing them with the case made by Spence in his *The Rights of Infants* (published, largely in response to Paine, in 1797). We show that natural rights arguments played an important, but by no means exclusive, role in their advocacy of Basic Income. Consequentialist arguments pointing to its economic, political and social benefits were also prominent.

TOM PAINE

By the 1790s, when he came to write about Basic Income, Tom Paine¹ was already a hugely influential figure in radical politics on both sides of the Atlantic. There is some controversy as to exactly how radical Paine really was. Adrian Little, for example, dismisses him as a very moderate reformer who proposed only «a somewhat minimalist attempt at redistribution» (Little 1999, 71). Sixty years earlier Joseph Dorfman (1938) had also emphasised the conservative nature of Paine's economic thinking, with his support for free competition, small government, low taxes and secure property rights. Paine's writings were

¹ There is of course a massive critical literature on Paine. Recent intellectual biographies include Ayer 1988, Claeys 1989, Fruchtman 1996 and Keane 1995. Two good collections of his writings are those edited by Foner 1995 and by Foot and Kramnick 1987; all citations from Paine are to the latter collection, and we follow the editors' decision in dating *The Rights of Man* to 1791-1792 and *Agrarian Justice* to 1795. For Paine's views on Basic Income, see also Cunliffe and Erreygers 2004, and Quilley 1994.

directed to farmers, tradesmen and professional people. He did not challenge the property rights of the rich or the doctrine of *laissez-faire*. While political democracy required that every person must have equal rights as a citizen, in the economic sphere the state should not interfere in the natural relations between employers and employees. For Paine, «The *Rights of Man* and the *Wealth of Nations* should supplement and nourish each other» (Thompson 1968 [1963], 96).

Paine's moderation was not fully appreciated by the British authorities, who might well have had him executed in September 1792 had he not escaped to France in the nick of time. In fact his ideas were not constant throughout his long political and literary career. Paine's experience of the French Revolution moved him sharply to the left, to use a term that would have been anachronistic if applied to any decade before the 1790s. Indeed, Gary Kates has suggested that Paine was so radicalized by his reaction to the Revolution that the two parts of *The Rights of Man* are very largely inconsistent with each other:

But a careful examination of *Rights of Man* reveals that much more changed than simply rhetorical tone. In fact Part Two is not a sequel to Part One. The two parts have little in common, each expressing contradictory ideologies. The first fits squarely with what later came to be known as (nineteenth-century European) Liberalism, which argued for a constitutional monarchy based upon political freedom but an unequal electoral system. The other ideology found in *Rights of Man* is properly known as (nineteenth-century European) Radicalism: democratic republicanism based upon universal manhood suffrage and a commitment to the amelioration of the lower classes through significant social and economic legislation.

(Kates 1989, 571)

Part One was intended as an apology for Lafayette and an attack on Parisian radicalism; Part Two demonstrated Paine's new position of support for these same radicals, under the influence of Condorcet, Brissot, Bonneville and the Rolands (*ibidem*, 580). Condorcet's is the crucial name here, for he was an advocate of basic Income (Morley-Fletcher 1980-1981, 298-299). Significantly, it was in the second, more radical part of *The Rights of Man* that Paine first asserted the case for Basic Income.

To repeat: the crucial issue that he had to face was precisely what the 'rights of man' implied for economic justice, the distribution of income and wealth, and the legitimacy of rights to property ownership in a very unequal and undemocratic polity. In *The Rights of Man*, however, these questions are not satisfactorily resolved. Paine's starting point is the need to render government administration honest and efficient. This will leave a huge surplus of tax receipts over necessary expenditure. What is to be done with this surplus? Paine proposes the abolition of the poor rates, and the replacement of poor relief

by cash payments to the elderly and the parents of young children. Existing tax revenues would permit the payment of £ 6 per annum to those aged 50 to 59, f 10 per annum to those over 60, and f 4 annually for every child under 15, the first call on which was to be the child's education. The remaining surplus is to be used to subsidise education and to provide marriage allowances and funeral benefits. «This support», Paine insists, «is not of the nature of a charity, but of a right» (Paine 1987 [1791-1792], 337). Everyone, including the poor, pays taxes from the day they are born, and the payments proposed for each elderly person are thus 'but little more than the legal interest on the net money he has paid' (*ibidem*, 337). All this is intended primarily as a means of relieving poverty, but Paine quite explicitly rejects any means-testing. He does not expect more than one-third of the elderly to accept payment, but his old-age pensions are to be made available unconditionally to all those who «may feel it necessary or comfortable to be better supported, then they can support themselves, and that not as a matter of grace and favour, but as of right» (ibidem, 336). In a similar fashion, maternity allowances are 'to be given immediately on the birth of a child, to every woman who should make the demand', though Paine is confident that «none will make it whose circumstances do not require it» (ibidem, 339).

In other respects, though, it is striking just how restricted Paine's proposals are. No provision is made for any payment to people aged between 15 and 50, and to this extent his programme falls well short of the universal payments that a modern supporter of Basic Income would advocate. The rights of the poor are derived from the fact that they, like the rich, pay taxes, and the rudimentary welfare state that Paine proposes comes as compensation for the taxes that they have paid. Note in particular that he makes no specific reference to the land, or to property rights more generally. The redistributive measures that he endorses are quite limited, and principally horizontal rather than vertical in nature, involving redistribution between the poor at different stages of the life-cycle rather than from the rich to the poor in general. They are, however, unconditional and universal for those outside the 15 to 50 age group; to that extent Paine is proposing a version of Basic Income.

Agrarian Justice is a much more radical document. Paine wrote the pamphlet in the winter of 1795-1796 after his release from imprisonment in Paris, and it reveals clear French influences. It was provoked, Paine explains, by the attempt of Bishop Watson of Llandaff to pro-

¹ But see Claevs 1988, 21-23 for a different interpretation, stressing the radical nature of the redistribution envisaged in *The Rights of Man*.

vide a theological justification of poverty. This he rejects: «It is wrong to say God made *rich* and *poor*. He made only *male* and *female*; and he gave them the Earth for their inheritance». His criticism of the Bishop is a utilitarian one: «Practical religion consists in doing good: and the only way of serving God is that of endeavouring to make His creation happy. All preaching that has not this for its object is nonsense and hypocrisy» (Paine 1987 [1795], 474).

A second important influence on Paine was the unsuccessful revolt led by François Noël (Gracchus) Babeuf, whose 'Conspiracy of Equals' had attempted to abolish poverty and inequality by doing away with private property in land. As Paine explains in the preface to Agrarian Justice, Babeuf's solution - which involves the violent and undemocratic seizure of power – is totally unacceptable (ibidem, 472-473). But the social, economic and political problems posed by inequality are real enough. In the first edition of Agrarian Justice Paine makes no reference to Babeuf. In the second edition, which appeared in the spring of 1797, he adds the following passage: «He [Babeuf] availed himself of the resentment caused by this flaw, and instead of seeking a remedy by legislature and constitutional means, or proposing some measure useful to society, the conspirators did their best to renew disorder and confusion, and constituted themselves personally into a Directory, which is formally destructive of election and representation» (ibidem, 473).

The significance of Paine's defence of welfare in Agrarian Justice is that it overcomes the two earlier limitations of The Rights of Man, the lack of any theoretical basis for private property and the limited applicability of its welfare proposals (Seaman 1988, 129). As in The Rights of Man, Paine again begins with the problem of poverty, but this time as part of a theory of history. He distinguishes the «natural state» of society, without private property but with very low labour productivity (for example the American Indians), from the «civilised state», as found in contemporary Europe, where the land has become the property of the few but productivity is greatly improved. There can be no return to a state of nature, but the adverse consequences of civilisation do need to be confronted. The most important of these consequences is poverty, which is «a thing created by that which is called civilized life. It exists not in the natural state» (Paine 1987 [1795], 475). It follows from this that the «thing ... now to be done is to remedy the evils and preserve the benefits that have arisen to society by passing from the natural to that which is called the civilized state» (ibidem, 475).

Next Paine introduces the Lockean component of his argument

(Seaman 1988). In a state of nature the earth «was, and ever would have continued to be, the common property of the human race», making every individual «a joint life proprietor, with the rest, in the property of the soil, and in all its natural productions, vegetable and animal» (Paine 1987 [1795], 476; original stress). The earth in its natural uncultivated state is the common property of all humanity. The doctrine of natural rights entails that all members of society have an equal claim to the fruits of nature. This doctrine is built on the premise that no person can be considered as naturally superior to another, so that no one person's claim to nature is superior to another's. Hence no-one has the right to exclude another from the fruits of nature, either in a hypothetical 'state of nature' or even in civilization. This principle is interpreted by Paine as entailing that no-one should be worse off than they would have been had they been born in the natural state. This goes well beyond the rather limited use of the natural rights doctrine that Paine makes in Part One of The Rights of Man (Claevs 1988, 23; Claeys 1989, 198).

Paine concedes that the labour of cultivation has brought about the improvement of the soil, and is the basis of the right to private property in land. But «it is the value of the improvement, only, and not the earth itself, that is individual property» (Paine 1987 [1795], 476). Income from capital is, by implication, ethically legitimate, but the right to income derived from land is morally questionable. In fact, Paine continues, every landowner «owes to the community a ground-rent ... for the land which he holds; and it is from this ground-rent that the fund proposed in this plan is to issue» (ibidem, 476). This rent is to compensate the landless for the deprivation of their natural inheritance, and to relieve poverty and wretchedness. Specifically, Paine proposes to pay a single lump sum of f 15 to every person on attaining adulthood (then defined as 21 years of age) and an annual pension of f 10 to the blind and lame, and also to everyone aged over 50.1 This, he insists, is 'a right, and not a charity' (ibidem, 477). It will be universal and unconditional, though it could be declined by anyone who so chose:

It is proposed the payments, as already stated, be made to every person, rich or poor. It is best to make it so, to prevent invidious distinctions. It is also right it should be so, because it is in lieu of the natural inheritance, which, as a right, belongs to every man, over and above the property he may have created, or inherited from those who did. Such persons as do not choose to receive it can throw it into the common fund.

(ibidem, 478)

¹ CUNLIFFE and ERREYGERS 2004, 3-16 reprint the relevant sections of *Agrarian Justice* in the «Basic Capital» rather than the «Basic Income» section of their recent anthology; arguably, Paine's proposals contain elements of both. *In 1800 the average wage of an agricultural labourer was ten shillings per week, or £ 26 per year (BURNETT 1969, 250).*

Paine is keen to stress the moderate nature of his proposal. It is, to use the modern phrase, fully costed, and will be financed by death duties of no more than 10% of the value of estates (20% where there is no direct heir). There are no rational grounds for anyone to oppose it, since «[t]he plan here proposed will benefit all, without injuring any». In particular, there is no intention of threatening the wealthy. «Though I care as little about riches as any man», Paine insisted, «I am a friend to riches because they are capable of good. I care not how affluent some may be, provided that none be miserable in consequence of it» (*ibidem*, 482).

There is one feature of Paine's plan that makes it more radical than other projects for land reform, including that of Spence. Paine's death duties are to be levied «upon what is called personal, as well as upon landed property». Land is to be taxed because «it is the free gift of the Creator in common to the human race». Personal property should also contribute, since it «is the *effect of society*; and it is as impossible for an individual to acquire personal property without the aid of society, as it is for him to make land originally» (*ibidem*, 485). Spence, as we will see, proposed to exempt non-landed property from all social obligations.

Paine's case for Basic Income is now much more complex and subtle than it had been in The Rights of Man. Claeys (1989) draws attention to two of these arguments: what he terms the «principle of progress», and the «theory of "social debt"» As we have seen, the principle of progress dictates that no-one should be worse off in a state of civilisation than they would have been in a state of nature, so that those who have gained from civilisation (essentially, the propertied classes) have a duty to compensate the losers (essentially, the propertyless). The theory of social debt claims that the wealth accumulated by any individual is largely the effect of society, and this again establishes a duty for the rich to share their wealth with society, and thus with the poor (Claeys 1988, 26-267). Both propositions have a remarkably modern ring. The principle of progress is a consequentialist (and, in a rather weak sense, a utilitarian) argument, since it is concerned exclusively with the effects of the institution of private property on human wellbeing. Here Paine clearly anticipates the compensation principle first established by neoclassical welfare economists in the 1930s: situation B is a potential improvement over situation A if and only if those who gain from its introduction are able to compensate the losers, and an

¹ There is a hint here of an unacknowledged Physiocratic (and perhaps also a Smithian) influence, since the clear implication of Paine's argument is that the incidence of taxation falls entirely on rents. (We owe this point to an anonymous referee).

actual improvement if and only if the compensation actually takes place (Kaldor 1939). The «theory of "social debt"», in contrast, is an early – perhaps the very earliest – statement of the critique of marginal productivity theory that was discussed at the beginning of this paper in connection with Herbert Simon's support for Basic Income. Since it is possible neither to impute each individual's entire income to his or her own, personal contribution to production, nor to ensure that these contributions exactly exhaust the total social product, there is no secure basis in economic justice for the existing distribution of income (or wealth). Thus there are no grounds in principle for objecting to measures that redistribute income (and wealth) from rich to poor. Unlike the principle of progress, this is an argument about the right to property, but it is not confined to property in land.

In addition to these propositions, *Agrarian Justice* contains a theory of historical stages, which is implicit in the compensation argument; a powerful utilitarian component in the claim that Basic Income is needed to alleviate poverty; and a clear suggestion that Paine's proposals are Pareto-improving in the strong sense, since the rich will gain (by securing general acceptance of their property rights) no less than the poor. Once again, Paine asserts the right to a universal and unconditional Basic Income. For children and the aged it is intended to be enough to support a decent life, while the cash grant at age 21 will permit younger adults to support themselves by dint of honest labour. This is certainly not a revolutionary proposal, and it would soon be denounced by Thomas Spence for its excessive conservatism. But it goes much further than Paine had felt able to go in *The Rights of Man*, and it was, indeed, his last word on the subject.

THOMAS SPENCE

If Paine's writings on Basic Income are quite well known, those of Thomas Spence are not. Spence¹ was born in Newcastle-upon-Tyne in 1750, the son of a small trader with deep Nonconformist convictions. His father's religious training was «the first source of Spence's apocalyptic imagery and his communitarian ideas. Although he later denounced religion as a delusion, Thomas Spence's writings were always replete with Biblical references and shaped by a millennial vision» (Dickinson 1982, VII). Among his early influences (other than

¹ For details of Spence's life and work, see Rudkin 1927, Parsinnen 1973, Knox 1977 and Ashraf 1983. Collections of Spence's writings, with substantial editorial introductions, can be found in Dickinson 1982 and Gallop 1982; in the present paper all citations are taken from the Gallop edition.

the Bible) were Thomas More's Utopia and James Harrington's Oceana. Spence worked as a schoolmaster in Newcastle, and played an active part in the vibrant radical life of the city. The event that influenced him to devise his scheme for the equal division of the rents to the people was the dispute over the enclosure of the Newcastle Town Moor. The Mayor and Corporation of Newcastle attempted to enclose the Town Moor in 1771, ignoring the grazing and woodcutting rights of the freemen. After a vigorous campaign of resistance, the issue was resolved by the freemen renouncing direct property rights in the Moor in return for a fixed income from the rents of the enclosed area (Chase 1988, 30-31). In 1775 Spence gave a notorious lecture to the Newcastle Philosophical Society on 'The real rights of man', setting out his plan for the communal ownership of the land. He was not, however, a socialist or a land nationaliser; his support for common ownership did not extend to capital, and he wished to bring the land under the control of the parish rather than the central government (Knox 1977).

Spence's land plan remained the core of his political beliefs for the rest of his life, and he insisted on it with a single-minded persistence that has led even a sympathetic historian like E. P. Thompson to describe him as «little more than a crank» (Thompson 1968 [1963], 177; Knox 1977, 75 also refers to him as «a radical crank»). He was, however, willing to modify the details. Before 1794 there is no suggestion in any of Spence's writings that any part of the rental income from parish lands might be paid to individual citizens; it was instead to be used exclusively in lieu of taxation to meet the costs of public services. The first hint at Basic Income comes in Spence's The Marine Republic (1794). By now he had moved to London, where he earned a precarious living as a radical publisher and bookseller, most notably as the editor of the weekly anthology Pig's Meat (the title is a sardonic allusion to Edmund Burke's 'swinish multitude'). The Marine Republic is an allegory, in which a master mariner gives his sons a fully provisioned ship «as a common property. You shall all be equal owners, and shall share the profits of every voyage equally among you» (Spence 1982 [1794], 76-77; original stress deleted). The parallels with the Newcastle Town Moor are evident. The fortunate young men accept the egalitarian «Constitution of their "Marine Republic" » and set sail for America, where they find a small but fertile uninhabited island that they call Spensonia. The new land is also declared common property, for which rent is payable to the community:

This rent was applied to public uses, or divided among themselves as they thought proper. But in order to keep up the remembrance of their rights, they decreed that

they should never fail to share at rent-time, an equal dividend though ever so small, and though public demands should be ever so urgent.

(ibidem, 78)

This is the first reference in Spence's writings to something approaching Basic Income. It is repeated in the following year in a note added to a Song, «Hark! How the Trumpet's Sound...», which he appends to his most recent tract, *The End of Oppression*. After rents have been used to permit the abolition of all taxes, tolls, tithes and rates, «the remainder of the Money should be equally distributed among all the settled inhabitants, whether Poor or Rich» (Spence 1982 [1795], 99). This is universal and unconditional, certainly, but probably not yet – «be it ever so small» – enough to support life.

What had induced Spence to amend his plan in this way cannot be established with any certainty. He was of course familiar with Paine's Rights of Man – indeed, in 1792-1793 he had been imprisoned for selling it (Dickinson 1982, xv). But there is no reference to Paine in The Marine Republic, and no indication that Spensonia was devised as a more radical alternative to Paine's ideal of a moderately egalitarian competitive capitalism. The situation is quite different with Spence's *The Rights of* Infants, published in 1797 as a direct and strident attack on Agrarian Justice. As Spence explains, The Rights of Infants was written towards the end of 1796, before he read Paine's tract (Spence 1982 [1797], 113). The Preface, Conclusion and Appendix (which in the printed version comes before the Conclusion) were added in response to Paine's «execrable fabric of compromissory expediency», with its 'contemptible and insulting' proposal to pay 'poor, beggarly stipends' to the mass of the people (*ibidem*, 111-112). Despite Paine's belated acknowledgement of the «indisputable» truth, of «vast importance to humankind» that «God hath given the earth to the children of men, given it to mankind in common» (ibidem, 111), Spence believes the plan that Paine proposes to be totally unsatisfactory.

Spence's pamphlet is written in the form of a dialogue between a woman and an aristocrat; men – commoners, anyway – are not to be depended upon. «And pray what are the rights of Infants?», the haughty aristocrat sneers (*ibidem*, 114). The woman, replying on behalf of her young, asserts their right to «a full participation of the fruits of the earth... Is not this earth our common also, as well as it is the common of brutes?» (*ibidem*, 114). She demands «fair compensation» for the loss of this inheritance, dismissing the aristocrat's

¹ No drafts of *The Rights of Infants* have survived; in the absence of documentary evidence there is thus no way of knowing whether Spence also amended the earlier sections of the pamphlet in reaction to Paine.

defence that «Our fathers either fought for or purchased our estates» (*ibidem*, 116): «slaughter and oppression» offer no moral basis for landed property, and neither does the mere purchase of «those ill-got domains» (*ibidem*, 116). The farmers should pay rent to the people, not to the aristocracy:

And so far as our respective shares of the rent may be inadequate to the comfortable and elegant support of ourselves and infants, so far will we cheerfully, by our better endeavours, in our several callings, make up the deficiency, and render life worth enjoying. To labour for ourselves and our infants we do not decline; but we are sick of labouring for an insatiable aristocracy.

(ibidem, 118)

The first charge on rents should be public expenses of all types:

And as to the overplus, after all public expenses are defrayed, we shall divide it fairly and equally among all the living souls in the parish, whether male or female; married or single; legitimate or illegitimate; from a day old to the extremest age; making no distinction between the families of the farmers and merchants, who pay much rent for their extensive farms or premises, and the families of poor labourers and mechanics, who pay but little for their small apartments, cottages and gardens, but giving to the head of every family a full and equal share for every name under his roof.

(ibidem, 119)

This surplus, Spence's woman continues, «may be reasonably supposed to amount to full[y] two-thirds of the whole sum of rents collected» (*ibidem*, 119).

Though Spence claims the entire rental income of the landowners, he proposes to ignore

...all your moveable riches and wealth, all your gold and silver, your rich clothes and furniture; your corn and cattle, and everything that does not appertain to the land as a fixture, for these, you know, must come to the parish with our estates. So that you see that you will still be the richest part of the community, and may, by your cheerful acquiescence, be much more happy than you are now under the existing unjust system of things

(ibidem, 120)

There is no intention to reduce the aristocracy to beggary. It is in their interest to submit peacefully; if, however, they resist the change «by foolish and wicked opposition» their entire wealth will be confiscated: «then let your blood be upon your own heads, for we shall be guiltless» (*ibidem*, 120). Spence is not a gradualist (Ashraf 1983).

His principal objection to Paine is that, under his plan, «the public can claim but a *Tenth Part* of the value of the landed property». The land has been improved by the efforts of the labouring classes: «why are we to be put off now with but a Tenth Share?» (Spence 1982 [1797], 121). No doubt there is an element of personal animosity, allied with

jealousy, in Spence's acerbic reaction to *Agrarian Justice*, ¹ but there is also some substance to his criticisms. Spence and his followers found Paine much too conservative for their tastes, and «the vast gulf between Spence's ideas, and those of Paine and his followers, inevitably alienated Spence from the mainstream of British radicalism» (Parssinen 1973, 137). Spence was no communist, and in all probability he was not personally involved in revolutionary politics, though he mixed with men who were. He was, however, more radical than Paine on all the issues that divided them.

This is made abundantly clear in the Appendix to The Rights of Infants (Spence 1982 [1797], 123-126), which is a point-by-point comparison of the two plans, while acknowledging that both are «built on the same indisputable principle, viz. that the Land is the common Property of Mankind». The superiority of his own proposals, Spence asserts, is not confined to economic justice, but also has political, social and even ideological dimensions (Chase 1988, 65-67). Among the economic advantages that Spence claims are a strong incentive for the great mass of the population to encourage economic progress, since the entire increase in rents that results from improvements will accrue to them. Spence's plan will allow the abolition of poverty, doing away with «the wretched degeneracy of the poor» and their reliance on «aristocratic benefactions of rotten potatoes and spoiled rice, and other substitutes for bread» in times of scarcity; Paine's plan would bring none of these benefits. Furthermore, the higher standard of living for the poor will increase the domestic market for «many elegancies and luxuries», as well as the necessities of life. Under Paine's proposals, by contrast, «multitudes of the people will be poor and beggarly, and unable to purchase numberless articles of use and luxury that their wants and inclinations would prompt them to wish for». In addition taxes will disappear, and consequently prices will fall: «[t]here can be no taxes, nor expenses for collecting them ... thus leaving the price of all commodities unencumbered with any addition but the price of labour». Under the system of Agrarian Justice, however, taxes «will be increased to the utmost the people can possibly bear, let trade and seasons be ever so prosperous».

The political advantages of Spence's plan, he claims, include the strong support that it will provide for democracy. Since both local

¹ His comparison of the two schemes is certainly unfair, since it compares capital values (Paine) with income streams (Spence). (We owe this point to an anonymous referee).

² The Appendix is omitted from the version of *The Rights of Infants* reprinted in Dickinson 1982, and also from that reprinted by Cunliffe and Erreygers 2004, 81-91. It is included in Gallop 1982, but not in the original sequence: in the 1797 version, the Appendix comes before the *Conclusion*, not after it.

and central government revenues «will be derived immediately from their common landed property», universal suffrage will be inescapable, and «[t]he government must of necessity be democratic», while under Paine's system the «government may be either absolute monarchy, aristocracy, democracy or mixed», and the people «cannot derive right of suffrage in national affairs from their compromisory stipends». There will also be more citizen involvement in public affairs. «The people will be vigilant and watchful over the public expenditures, knowing that the more there is saved their dividends will be the larger»; Paine's plan offers no such incentive. Unlike Paine, Spence can promise an end to «aristocratic monopolies in trade, in privileges, and government», so that «a fair, salutary, and democratic competition will pervade everything». Greater honesty in government will result: «all the complex machinery of financiering and stock-jobbing; all the privileged trading companies and corporate towns, which are the roots of influence and corruption, would be abolished». Paine would leave them untouched.

Society will also be improved, first of all by better popular education. «If the people are not generally learned it must be their own fault, as their inexhaustible means of comfortable subsistence must furnish also the means of education». Under Paine's proposals the wealthy may well withdraw their support for charity schools, so that «the labouring classes will degenerate into barbarous ignorance». Under Spence's system there will be no further need for any form of charity, and this is an additional advantage over Paine. Moreover, young and old will be provided for, meaning that children and aged relatives will be counted as a blessing rather than as «grievous burdens» to their families.

Finally, there is a distinct ideological advantage. Spence's plan will foster a «robust spirit of independence» among the citizens, eliminating both «the intolerant and overbearing spirit of aristocracy» on the one hand, and «the sneaking unmanly spirit of conscious dependence» on the other, that Paine's system would leave unchallenged. All this, Spence insists, can be traced back to the fundamental principle of «the End of Oppression», under which «The people will receive, without deduction, the whole product of their common inheritance», while Paine requires them to «sell their birthright for a mess of porridge, by accepting of a paltry consideration in lieu of their rights».

We may conclude that Spence's arguments for his land plan, and thus also for Basic Income, do involve the assertion of fundamental natural rights, but are not restricted to this assertion. There are also strong consequentalist, or, *loosely*, utilitarian components, for Spence

insists that his proposals would increase human happiness and bring many political, social and ideological advantages. His arguments concerning rights have been interpreted in two quite different ways. For Knox, the right to life in Spence is derived from the right to the products of labour, which in turn is deduced from the fundamental right to the land (Knox 1977, 77). Both Gallop and Chase, however, claim that Spence inverted this relationship, with the right to life preceding and justifying the right to the land (Gallop 1982, 23; Chase 1988, 36). In The Rights of Infants an additional argument emerges, possibly drawn from Paine and based on the right to compensation for giving up a state of nature in which both the right to land and the right to life were guaranteed directly. This is very close to Paine's utilitarian argument in Agrarian Justice (Gallop 1982, 74-75). In places Spence goes even further in this direction: «an abrupt but peaceful transition based on unanimity is the motif of his writings» (Knox 1977, 98), suggesting that he too, like Paine, views his plan as a Pareto improvement from which everyone, including the rich and even the biggest landowners, will gain and there will be no losers. An alternative interpretation is that he simply expects aristocratic resistance to crumble in face of the evident justice of his case.

Conclusion

Neither Paine nor Spence contributed anything more, after *Agrarian Justice* and *The Rights of Infants*, to the case for Basic Income. In 1802 Paine returned to America, where he died seven years later. Spence had moved from Newcastle to London in 1792 and continued to agitate for political and social reform before dying in relative obscurity in 1814. The British radicals of the 1820s and early 1830s drew on new and different ideas, especially those of the so-called Ricardian socialists and the Owenites (N. Thompson 1998), and after 1837 the Chartist movement gave priority to the campaign for political democracy as the essential prerequisite for social and economic reform.

But agrarian radicalism remained as one important theme in the broader working-class movement, as can be seen from the huge appeal of Feargus O'Connor's ill-fated Land Plan (Hadfield 1970). The popular slogan, «The Land is the People's Farm», testifies to the enduring significance of Paine and Spence, reflected, for example, in William Cobbett's insistence on the poor man's right to a living (Chase 1988, 181-182). Claeys (1989, 208) notes the influence of Paine on the economic thinking of the early socialist writer Charles Hall. Owenites like Allen Davenport, Thomas Preston and Samuel Waddington continued to acknowledge the merits of Spence's proposals (McCal-

man 1988, 201), and it is not difficult to discern Spencean themes in the Anti-Poor Law Movement of the 1930s (Edsall 1971). Once again, we suspect, the Basic Income element has been neglected in the historiography of these mass movements. This will form the subject of a subsequent paper.

REFERENCES

- ASHRAF P. M. 1983, The Life and Times of Thomas Spence, Newcastle-upon-Tyne, Frank Graham.
- Ayer A. J. 1988, Thomas Paine, London, Secker & Warburg.
- BURNETT J. 1969, A History of the Cost of Living, Harmondsworth, Penguin.
- CHASE M. 1988, 'The People's Farm'. English Radical Agrarianism, 1775-1840, Oxford, Clarendon Press.
- CLAEYS G. 1988, «Paine's Agrarian Justice (1796) and the secularisation of natural jurisprudence1, Society for the Study of Labour History Bulletin, 52, 3, 21-31.
- 1989, Thomas Paine: Social and Political Thought, Boston, Unwin Hyman.
- Cunliffe J., Erreygers G. (eds) 2004, The Origins of Universal Grants. An Anthology of Historical Writings on Basic Capital and Basic Income, Basingstoke, Palgrave Macmillan.
- DEAN M. 1991, The Constitution of Poverty: Towards a Genealogy of Liberal Governance, London, Routledge.
- Dickinson H. T. (ed.) 1982, *The Political Works of Thomas Spence*, Newcastle-upon-Tyne, Avero.
- DORFMAN J. 1938, "The economic philosophy of Thomas Paine", *Political Science Quarterly*, 53, 3, 372-386.
- EDSALL N. C. 1971, *The Anti-Poor Law Movement* 1834-44, Manchester, Manchester UP. FEINSTEIN C. H. 1998, «Pessimism perpetuated: real wages and the standard of living in Britain during and after the industrial revolution», *Journal of Economic History*, 58, 4, 625-658.
- FITZGERALD T. 1999, Freedom and Security. An Introduction to the Basic Income Debate, Basingstoke, Macmillan.
- FONER E. (ed.). 1995, Thomas Paine: Collected Writings, New York, The Library of America.
- FOOT M. and Kramnick I. (eds) 1987. Thomas Paine Reader, Harmondsworth, Penguin.
- FRUCHTMAN J. JR. 1996, *Thomas Paine. Apostle of Freedom*, New York and London, Four Walls Eight Windows.
- GALLOP G. I. (ed.) 1982, Pig's Meat. The Collected Writings of Thomas Spence, Radical and Pioneer Land Reformer, Nottingham, Spokesman.
- GEARY F. and STARK T. 2004, «Trends in real wages during the industrial revolution: a view from across the Irish Sea», *Economic History Review*, 57, 2, 362-395.
- GILBERT G. 1988, «Toward the welfare state: British views on the "right to subsistence", 1768-1834», Review of Social Economy, 46, 2, 144-163.
- HADFIELD A. M. 1970, The Chartist Land Company, Newton Abbot, David & Charles.
- KALDOR N. 1939. «Welfare propositions in economics and inter-personal comparisons of utility», *Economic Journal*, 49, 195, 549-552.
- KATES G. 1989. «From liberalism to radicalism: Tom Paine's Rights of Man», Journal of the History of Ideas, 50, 4, 569-587.
- Keane J. 1995, Tom Paine: A Political Life, Boston, Little, Brown and Company.

- KNOX T. R. 1977, «Thomas Spence: the trumpet of jubilee», Past and Present, 76, 75-98.
- LITTLE A. 1999, "The politics of compensation: Tom Paine's *Agrarian Justice* and liberal egalitarianism", *Contemporary Politics*, 5, 1, 63-73.
- MCCALMAN I. 1987, Radical Underworld: Prophets, Revolutionaries and Pornographers in London 1795-1840, Cambridge, Cambridge UP.
- MORLEY-FLETCHER E. 1980-1981, «Per una storia dell'idea di "minimo sociale garantito" », Quaderni della rivista trimestrale, 64, 6, 297-321.
- Paine T. 1987 [1791-1792], «The Rights of Man», in M. Foot and I. Kramnick (eds). *Thomas Paine Reader*, Harmondsworth, Penguin, 201-364.
- 1987 [1795], «Agrarian Justice», in M. Foot and I. Kramnick (eds), *Thomas Paine Reader*, Harmondsworth, Penguin, 471-489.
- Parsinnen T. M. 1973, «Thomas Spence and the origins of English land nationalization», *Journal of the History of Ideas*, 34, 1, 135-141.
- QUILLEY S. 1994, «What's left? Citizen's income and Thomas Paine (1739-1809)», Citizen's Income Research Group Bulletin, 17, 2-4.
- Rudkin O. D. 1927, Thomas Spence and His Connections, London, Allen & Unwin.
- Russell B. 1918, Roads to Freedom: Socialism, Anarchism, and Syndicalism, London, Allen & Unwin.
- SEAMAN J. W. 1988, «Thomas Paine: ransom, civil peace, and the natural right to welfare», *Political Theory*, 16, 1, 120-142.
- SIMON H. A. 2000, «UBI and the flat tax», in Van Parijs 2000, 34-38.
- Spence T. 1982 [1794], The Marine Republic; repr. in Gallop 1982, 76-79 and, as part of "Description of Spensonia", in Dickinson 1982, 25-27; citations are from Gallop.
- 1982 [1795], *The End of Oppression*; repr. in Gallop 1982, 91-99) and in Dickinson 1982, 34-39; [citations are from Gallop].
- 1982 [1797], *The Rights of Infants*, London; repr. in full in Gallop (1982, 111-26) and in part (without the Appendix) in Dickinson 1982, 46-53; [citations are from Gallop].
- THOMPSON E. P. 1968 [1963]. The Making of the English Working Class, Harmondsworth, Penguin.
- Thompson N. 1998. The Real Rights of Man Political Economies for the Working Class 1775-1850, London, Pluto.
- Van Parijs P. 1995, Real Freedom for All: What (if Anything) Can Justify Capitalism? Oxford, Oxford UP.
- VAN PARIJS P. (ed.). 2000, What's Wrong With a Free Lunch? Boston, Beacon Press.
- VERGARA F. 2002, Les fondements philosophiques du libéralisme Libéralisme et éthique, Paris, La Découverte.