

This article is, in part, an extended report from a national workshop held at Kotare in May 2018 in which participants from around the country considered the question: 'A progressive Basic Income (or UBI) in Aotearoa New Zealand?' It includes primary research which provides the first known attempt to bring together a history of BI/UBI advocacy from a left and community-based perspective, with some interrogation of that history. I also include brief background context around nomenclature, history and definition; consider the defining characteristics of a 'left' BI and the question of how to pay for it; look at some of the main arguments for and against BI from left and union perspectives, and consider the opportunities and dangers for those of us on the left who may wish to engage in this work. I finish with a short conclusion which places our debates within the international context and offers some thoughts of my own on the path forward.

Here Be Dragons: Navigating a Left Approach to Basic Income in Aotearoa New Zealand

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The notion of a Basic Income (BI) has been circulating in Aotearoa New Zealand since at least the early 1990s. However, promoted most commonly as Universal Basic Income (UBI), it has never made the headway hoped for by its keenest proponents. The idea is as contentious on the political left as it is on the centre and right.

I have been involved intermittently with BI advocacy since the early 1990s when my work with unemployed workers and beneficiaries persuaded me into enthusiastic support for a system which could mean an end to unfair and inadequate welfare provision, involve significant redistribution of resources towards the least well-off in society, and liberate people to pursue their passions in life. Since that time, BI advocacy in Aotearoa New Zealand has waxed and waned. The 2000s saw a collapse in visible public interest until Gareth Morgan breathed new life into the concept when he started promoting his 'Big Kahuna' in 2009.¹

Since then there has been a marked increase in public discourse around BI and UBI. However, by early 2018 some of us involved with Kotare realised that there had been no

1 Bernard Hickey, "Big Kahuna" Tax Overhaul Proposed,' *New Zealand Herald*, December 1, 2009, https://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=10612839.

national gathering of people to consider BI from what we would consider a left perspective for at least two decades.² As a result, we organised the workshop ‘A Progressive Basic Income (or UBI) in Aotearoa NZ?’ in May 2018, involving 17 participants from around the country. Our goals were to take a closer look at the history of BI in New Zealand, explore why it has been so difficult to make progress, and to examine both the opportunities and dangers which arise around BI advocacy when approaching it from a left position.

Before going any further, I note that defining ‘left’ is, in itself, an historically fraught and potentially divisive matter. For the purposes of this article, I use the definition created in my recent doctoral thesis: ‘*Left*: a commitment to working for a world based on values of fairness, inclusion, participatory democracy, solidarity and equality, and to transforming Aotearoa into a society grounded in economic, social, environmental, and Tiriti justice’.³ Note, also, that here I use the terms ‘progressive’ and ‘left’ interchangeably.

In this article, I take the opportunity to share more widely some of the history and analysis undertaken at the Kotare BI workshop before going on to draw certain conclusions of my own. This piece is not intended as a full literature review of the history of BI/UBI in New Zealand, nor to thoroughly encompass current international debates and BI pilot projects. On this, Keith Rankin’s overview of New Zealand’s history with BI is a useful local resource.⁴ Nor does this article propose to detail or critique the various intricate proposals for a New Zealand BI/UBI which have been put forward by various champions, including Keith Rankin, since the early 1990s. Rather, what is offered is a more general and necessarily subjective

2 Kotare Trust: Research and Education for Social Change in Aotearoa Trust, <http://kotare.org.nz/>.

3 Sue Bradford, ‘A Major Left-Wing Think Tank in Aotearoa: An Impossible Dream or a Call to Action?’ (PhD diss., Auckland University of Technology, 2014), <http://aut.researchgateway.ac.nz/handle/10292/7435>.

4 Keith Rankin, ‘Basic Income as Public Equity: The New Zealand Case,’ in *Basic Income in Australia and New Zealand: Perspectives from the Neoliberal Frontier*, eds. Jennifer Mays, Greg Marston, and John Tomlinson (New York: Palgrave Macmillan, 2016), 29–51. The reference list provides a useful bibliographical resource.

view of the history and current predicament in which some of us on the left find ourselves when considering our options on Basic Income. I start by offering a brief snapshot of wider nomenclature, history, and context, before going on to recount a brief history of BI/UBI advocacy in New Zealand. I then outline the workshop's interrogation of that history, our thoughts about the pros and cons of BI from a left perspective, and finish with a few conclusions of my own.

Nomenclature, context, and definition

One of the initial confusions that can quickly arise in any discussion of BI/UBI is around nomenclature. There are many different names for the concept, locally and internationally, in part reflecting different forms and applications. A collective brainstorm at the 2018 Kotare workshop came up with: basic income, basic income grant (South Africa), basic income guarantee, basic wage, cash transfer, citizen's dividend, citizen's grant, citizen's income, citizen's wage, demogrant (US version promoted by Senator George McGovern in 1972), guaranteed annual income, negative tax, public equity dividend (Keith Rankin), social dividend, solidarity grant, unconditional basic income, universal basic income, universal tax credit, and universal income. There are more names than this historically and internationally, but this list gives a flavour of the variations. However, it should not be implied that they all mean the same thing.

BI/UBI is not a new idea. In a recent book, Guy Standing provides an illuminating summary of BI's key historical moments, tracing its antecedents as far back as Ephialtes and Pericles in Ancient Greece.⁵ Standing goes on to take particular note of the English Charter of the Forest which was promulgated alongside the Magna Carta in 1217, asserting 'the rights of the common man to subsistence and to what are called *estovars*, the means of subsistence in the commons'.⁶ In more recent times numerous

5 Guy Standing, *Basic Income: And How We Can Make it Happen* (United Kingdom: Pelican, 2017).

6 Standing, *Basic Income*, 10.

writers, academics, and political figures have advocated for BI in various forms, including Martin Luther King who wrote, in 1967, that ‘The solution to poverty is to abolish it directly by a now widely discussed measure: the guaranteed income . . . the dignity of the individual will flourish when the decisions concerning his life are in his own hands, when he has the assurance that his income is stable and certain’.⁷

A short-lived but high-level interest in BI/UBI concepts in the United States died after tentative proposals under Richard Nixon’s administration and a ‘demogrant’ plan briefly advocated by Democrat George McGovern both disappeared from sight around the time of the 1972 presidential election. In the first North American BI experiment, low-income residents of the small Manitoba city of Dauphin received monthly cheques for five years between 1974 and 1979 until the withdrawal of government funding ended the scheme. Across the Atlantic, the late 1970s saw the rise of a different strand of BI/UBI advocacy and debate in Northern Europe, often conceptualised around a BI called ‘citizen’s wage’.

The first international network of individuals and organisations dedicated to promoting various forms of BI/UBI was the Basic Income European Network, founded in 1986. The organisation subsequently changed its name to Basic Income Earth Network (BIEN) in 2004 to reflect its widening scope as increasing numbers of academics, policy makers, and activists from around the world became engaged with the concept. The BIEN website is a useful source with a huge array of information about BI, and links to affiliated organisations, pilot projects, and researchers in countries across the globe.⁸

The definition of BI used by BIEN is: ‘A *basic income* is a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement’.⁹ This is the definition I use in this article. The reason I talk about both ‘BI’ and ‘UBI’ is that these terms have come

7 Standing, *Basic Income*, 16.

8 Basic Income Earth Network, <https://basicincome.org/basic-income/>.

9 Basic Income Earth Network. 2018. ‘About basic income,’ Accessed August 9, 2018 <https://basicincome.org/basic-income/>.

to be used almost interchangeably in New Zealand, even though they have different meanings. My preference for the term ‘BI’, in line with the BIEN definition, is because (a) introducing a Basic Income does not necessarily imply the abolition of other benefits or add-ons, which means it is possible to maintain an income floor while introducing what we may otherwise see as too-low a UBI, allowing for add-ons to ensure things like income and housing sufficiency, thereby allowing part-progress towards a fuller BI; (b) if a BI is truly universal, it means pilot, experimental, or partial versions cannot be included, as universality implies coverage of an entire population; and (c) who constitutes the eligible population can also be problematic as any discussion of universality leads to debate around who counts in terms of ‘citizen’ or ‘resident’—for instance, do all people living within regional or national borders receive its UBI upon arrival? This tends to open up big questions around immigration policies. In my experience as a public speaker promoting BI/UBI, it is difficult enough containing a meeting’s questions around BI itself without having to simultaneously proceed with an equally challenging debate around migration, although in the end this question would have to be addressed as part of any BI implementation.

A question frequently asked of BI/UBI proponents is whether there is an example anywhere in the world of a functioning UBI system? According to BIEN the only ‘genuine’ UBI in existence today is the Alaska Permanent Fund (APF), created in 1976 as an annual payment to all residents, derived from investments made from oil dividends. Everyone who has lived in Alaska for six months or longer receives an annual dividend from the APF. Payments are low, at (US) \$2,069 per person per year in 2008.¹⁰

Having given this very brief overview of the international context, it is now time to look more closely at our local history and context.

10 Standing, *Basic Income*, 151.

History of BI/UBI advocacy in New Zealand from a left and community-based perspective

I am not aware of any published history of BI/UBI advocacy in Aotearoa New Zealand written from a left and community-based perspective. The following, necessarily succinct, summary is not intended as anything approaching a full record, but is designed to give at least some notion of the trajectory from 1991, when the concept first began to gain visibility here, and mid-2018, when this article was written. The account breaks naturally into two eras. The period of increasingly intense activity between 1991–1999 took place at a time when National had just come to power after the right-wing Labour revolution of the 1980s, bringing its welfare cuts and union-busting employment legislation to a population already enduring record levels of unemployment and poverty. Progressive church and community organisations as well as unions were active on many fronts, including street action, the development of policy alternatives, and deliberate coalition and movement building. This period is followed by a lengthy hiatus in BI/UBI activity. From the end of 1999, when Labour formed a government in coalition with the Alliance, until 2010 after National's return to power, community advocacy for BI virtually disappeared; Gareth Morgan's unexpected irruption onto the scene in 2009 reinvigorated the issue. From 2010 until the present there has been an upsurge of interest in BI/UBI from many different parts of the political spectrum.

At the Kotare workshop it became clear that most people in the room, including those most active in BI promulgation in 2018, had little or no idea of the history of BI advocacy in Aotearoa New Zealand. It was for this reason that we devoted considerable time to exploring it, and why I think it is important that this is shared a little further. In the fraught area of BI/UBI, it is clear that unless we understand at least a little of our history, it will always be more difficult to make the best decisions on future direction and strategy.

First generation, 1991–1999: Awareness and activism

1991: Waikato University anthropologist Michael Goldsmith organises a

symposium on UBI which includes contributions from Bill Jordan from Citizens Income UK and Keith Rankin, marking the start of Rankin's dedicated advocacy for what he subsequently termed in one of many papers a 'universal basic income'.¹¹ His descriptor rapidly moved into common usage at home and abroad.

1993: A Christchurch coalition of activist groups called the Campaign for Peoples¹² Sovereignty issues a belief statement which includes a commitment to 'a basic income for all as of right'.¹³

1993–1994: The Peoples Assemblies strand of the Building Our Own Future (BOOF) project, funded by the Conference of Churches of Aotearoa New Zealand, organises local assemblies in 10 towns and cities as well as a number of sectoral meetings as part of a process of working towards the development of a nationally-mandated 'Peoples Charter'. The UBI concept is spread from one meeting to another over the project's one-year duration, garnering interest and traction along the way. BOOF concludes with a national Peoples Assembly in Porirua in March 1994. The final version of the Peoples Charter incorporates the achievement of UBI among its vision statements. A number of organisations, networks, and campaign groups are set up at the final Peoples Assembly to push the Charter forward in various ways, including a strand dedicated to promoting UBI. A paper on UBI prepared by the Auckland Unemployed Workers Rights Centre (AUWRC) is included as an appendix in the official history of the BOOF project.¹⁴ The magazine *Common Ground* is established as a coordinating and information

11 Rankin, 'Basic Income as Public Equity,' 40.

12 Observant readers may note the lack of an apostrophe in the names of a number of organisations and events using the word 'Peoples'. This arose from a deliberate decision by the Auckland Peoples Centre in 1989 not to apostrophise, a lead followed by much subsequent nomenclature over the following decade.

13 Peoples Assemblies Strand of the Building our own Future Project, *The Peoples Charter* (Auckland: Peoples Network, 1994).

14 Sue Bradford ed., *Building Our Own Future: Peoples Assemblies' Project: The Story of an Experiment in Movement Building* (Auckland: Auckland Unemployed Workers Rights Centre, 1994).

tool of the nascent ‘Peoples Network’ which arises from BOOF; it plays a role over the subsequent four years in continuing to spread information on UBI developments among union, church, and community-based organisations.

March 1995: By this time a Manawatu Working Party on UBI has been established with leadership from local employment activist Ian Ritchie. The Palmerston North group meets every two to four weeks; member Rendall Conwell tours the South Island promoting UBI; and the organisation boasts more than 100 people on its contact list of supporters.

November 1995: The Manawatu group report that they have received an operational grant of \$20,000 from the Methodist Prince Albert College fund and are planning to hold a national UBI gathering in mid-1996. The Workers Educational Association (WEA) is active in promoting discussions around UBI and the future of work. The Pacific Institute of Resource Management runs UBI seminars. The Public Service Association (PSA) embraces UBI as part of its policy.

March 1996: AUWRC hosts a full day meeting on UBI at the Auckland Peoples Centre attended by over 20 people from various networks, including members of the Alliance Party and academics from Massey and Waikato Universities. The group notes that ‘the more we get into it, the more that seems to need doing’. Keith Rankin advises the meeting that we shouldn’t think of UBI as either a left or right concept.¹⁵

July 1996: A national conference on UBI is held in Wellington and attended by over 50 people. Social policy academic Rob Watts from Melbourne is a keynote speaker and Keith Rankin gives a well-received paper on social wage accounting. Celia Briar and Anne Else talk about the potential of UBI to assist women out of the poverty traps and isolation imposed by the existing welfare system.¹⁶

15 Keith Rankin, minutes of meeting on Universal Basic Income, Auckland Peoples Centre, March 7, 1995.

16 Peoples Network, ‘Universal Basic Income (UBI): National Conference Report.’

February 1997: By now a national network called UBINZ (Universal Basic Income New Zealand) has formed, based in Palmerston North with Ian Ritchie at the helm. Ritchie reports in *Common Ground* that the new network will shortly be holding a strategy planning meeting to develop an overall approach and programme, and that UBI ‘comes early in the list of policy areas recommended for exploration in the Department of Social Welfare’s strategic directions briefing paper to the incoming government.’¹⁷

March 1997: A national conference called *Beyond Poverty* is organised by an academic-activist collaboration between AUWRC and Professor Mike O’Brien from Massey University’s Albany campus. The conference is attended by over 200 people from academic and activist networks interested in issues around employment, unemployment, and welfare, with UBI a key strand within conference debates. Michael Goldsmith gives a paper in which he stresses the importance of UBI as a critical component of any strategy to deal effectively with poverty.¹⁸ The strategic commitments arising from conference workshops include ‘Working with unions and unionists to take up UBI issues’.¹⁹

1998: AUWRC and Mike O’Brien co-host a second national conference entitled *Social Responsibility: Whose Agenda?* at Massey University, where UBI remains a key thematic issue as one of a range of possible solutions to a vindictive welfare system, deepening poverty, and high levels of unemployment. Feminist economist Prue Hyman delivers a paper on UBI in which she offers a prescient warning that ‘I do not believe it is worth selling it from a right-wing libertarian angle’ and notes that only in combination with other changes in work and the economy ‘can it hope to

Common Ground 3, no. 3 (1996): 4.

17 Ian Ritchie, ‘UBI-ready to go!’ *Common Ground* 4, no. 1 (1997): 6.

18 Michael Goldsmith, ‘Universal Basic Income and Poverty: Relating Anti-Poverty Measures to Basic Income Levels,’ in *Beyond Poverty: Conference Proceedings*, eds., Mike O’Brien and Celia Briar (Auckland: AUWRC, 1997), 52–57.

19 Goldsmith, ‘Universal Basic Income and Poverty,’ 174.

help deliver a future of social justice and hope for all'.²⁰ A national UBI conference entitled *Beyond Despondency: The UBI Alternative to the Welfare Meltdown* is held in Wellington. Alongside other local and two international presentations, Lowell Manning presents a paper outlining his plan to introduce a full UBI in New Zealand. One workshop draws up a timeline to come up with draft legislation to introduce a UBI so that 'it can be passed in 2004 and implemented in 2005'.²¹ Another UBI advocacy group is established in Nelson by Patrick Delaney, calling for an 'Unconditional Universal Income'. Key people in the UBI networks of the mid- to late-1990s include Ian Ritchie, Keith Rankin, Mike Goldsmith, Lee Gilchrist, Prue Hyman, Celia Briar, Lowell Manning, and Perce Harpham. Ivan Sowry, Karen Davis, and Sue Bradford are the most active proponents from the AUWRC base.

1999: In July, AUWRC closes down after 16 years of combining a vigorous political platform based on a kaupapa of 'jobs and a living wage for all' with individual unemployed and beneficiary advocacy, and its role in these networks comes to an end. The main reasons for closure are the funding difficulties inherent in functioning as an overtly radical left organisation in an increasingly state-colonised community sector, and the gradual dissipation of core activists to other areas of engagement.

1999–2000: The Green Party enters Parliament in its own right for the first time at the end of 1999. At a post-election policy conference an attempt is made to win full support for a UBI. Party members are deeply divided. After considerable debate a compromise is reached which promises that if the Greens become part of government, public funding will be used to explore the fiscal options for implementation. The party does not proactively promote BI/UBI as part of its policy programme during its subsequent years in Parliament.

20 Prue Hyman, 'Universal Basic Income: What Other Systems, Policies, and Attitude Changes are Needed in a UBI Structure?' in *Social Responsibility: Whose Agenda?* ed. Mike O'Brien (Auckland: AUWRC, 1998), 122–128.

21 Ian Ritchie, 'UBI (Universal Basic Income) Update,' *Common Ground* 5, no. 2 (1998): 8.

Second generation, 2009–2018: Revival and expansion

2009: Economist and philanthropist Gareth Morgan comes out publicly in favour of a basic income of \$10,000 per year for all New Zealanders, combined with a comprehensive capital tax and a 25% flat tax on corporate, personal, and trust income.²² He calls it ‘The Big Kahuna’.

2010: Gareth Morgan’s BI advocacy and the formation of the National Government’s Welfare Working Group (WWG) spark renewed interest in alternatives and solutions to the current system of income support, including possibilities around BI/UBI. The final report of the Alternative Welfare Working Group established by Caritas, the Beneficiaries Advocacy Federation of New Zealand, and the Social Justice Commission of the Anglican Church in response to the WWG, says of UBI: ‘there is a strong case for substantial work to be done on assessing its practical application in this country’.²³ A new group, Auckland Action Against Poverty (AAAP), is established through a series of community meetings in late 2010, becoming the first activist group in Auckland for beneficiary and unemployed workers’ issues since AUWRC closed in 1999. From its foundation until the present day, AAAP’s policy includes the ‘eventual introduction of a progressive UBI’ as one of a range of ‘solutions to unemployment, poverty, and a broken, punitive welfare system’.²⁴

2011: The WWG reports back to government with a long list of recommendations for welfare reform. As part of its deliberations it tasks Treasury with carrying out a modelling exercise on a form of UBI, assuming an unconditional \$300 per week for everyone aged 15 and over, plus more for children, but there is no mention of UBI in the final report.²⁵ By this

22 Bernard Hickey, ‘“Big Kahuna” Tax Overhaul Proposed.’

23 Mike O’Brien et al., *Welfare Justice for All* (Wellington: Caritas Aotearoa New Zealand, 2010), 155–156.

24 ‘About Us,’ Auckland Action Against Poverty, accessed August 14, 2018, <https://www.aaap.org.nz/about>.

25 The Treasury paper is referred to in Keith Rankin’s 2016 article, but I have been unable to trace the original. At <https://treasury.govt.nz/sites/default/files/2018-07/oia-20180164.pdf> most of the content has been redacted and later links lead to dead ends.

time Gareth Morgan and Susan Guthrie have carried out more work on the 'Big Kahuna' and publish a book further detailing the proposal.²⁶

2014: In the 2014 general election both Mana and the Democrats for Social Credit advocate for some form of UBI.

2014–2016: The Labour Party demonstrates interest in UBI as part of its Future of Work review lead by Grant Robertson, but ultimately BI/UBI does not become part of Labour's policy platform.

February 2015: Guy Standing from BIEN speaks at a Humanist and Rationalist conference in Havelock North, laying the groundwork for the establishment of a BI network in New Zealand.

April 2015: Having noted rising interest around BI/UBI in the community, AAAP holds a supporters' meeting to consider whether the group should engage in a major public campaign advocating for its progressive version of BI. While participants feel it still has a key role to play as part of AAAP's policy platform, concern is expressed about the danger of falling into the trap of providing a Trojan Horse for right-wing versions of BI, like Gareth Morgan's, to be popularised. This factor, combined with a shortage of people and resources, leads to the shelving of the campaign proposal.

May 2015: A new national organisation, Basic Income New Zealand (BINZ), is established with the catchy tagline 'Turning WINZ into BINZ'. As of August 2018, key people involved include Te Rangikaheke Kiripatea, Andrew Reitemeyer, Michael Kane, Gaylene Middleton, and Iain Middleton. The organisation's principles include 'BINZ has no political alliances or biases' and 'welcomes all proposals for practical implementation of a UBI'.²⁷

26 Gareth Morgan and Susan Guthrie, *The Big Kahuna: Turning Tax and Welfare on its Head* (Wellington: Public Interest Publishing, 2011).

27 Basic Income New Zealand, accessed August 14, 2018, <https://www.basicincomenz.net/>.

2016: As part of the Labour Party's Future of Work programme, Max Harris and Sebastiaan Bierema publish a significant paper on a possible UBI for New Zealand;²⁸ Harris subsequently advocates for UBI in his book *The New Zealand Project*, saying 'A universal basic income best give effect to a politics of love', and advocates strongly for the establishment of a local pilot BI project.²⁹ In another significant strand of the BI debate, Susan St John suggests that 'New Zealand has a unique opportunity to initiate a basic income by starting with those over 65'.³⁰

2017: Gareth Morgan's new political vehicle The Opportunities Party (TOP) makes what it terms a 'UBI' a key part of its election policy platform. The proposal includes: all families with young children under three, or six if fostered, to receive \$200 per family, per week, replacing paid parental leave; and all citizens over 65 to receive \$200 per week, with a top-up of a further \$7,500 available through means testing. TOP speaks of 'extending the UBI across the whole population and rolling back but not eradicating the need for targeted support'.³¹ It is worth indicating that the two policies listed here, if one uses the BIEN definition of 'Basic Income', are in fact neither a BI nor a UBI, as they are neither unconditional nor universal and the 65+ version is subject to means testing. Green Party co-leader Metiria Turei outlines a major welfare reform programme in the run up to the general election. The plan does not promote BI/UBI, but does propose that sole parents stay on the benefit for three years after entering a relationship. I would suggest this is somewhat problematic outside a BI framework in which everyone is treated as an individual regardless of relationship status.

28 Max Harris and Sebastiaan Bierema, 'A Universal Basic Income for New Zealand,' accessed August 14, 2018, https://d3n8a8pro7vhmx.cloudfront.net/nzlabour/pages/4208/attachments/original/1461211267/Background_Paper_-_A_Universal_Basic_Income_for_New_Zealand.pdf?1461211267.

29 Max Harris, *The New Zealand Project* (Wellington: Bridget Williams Books, 2017).

30 Susan St John, 'Can Older Citizens Lead the Way to a Universal Basic Income?' in *Basic Income in Australia and New Zealand: Perspectives from the Neoliberal Frontier*, eds. Jennifer Mays, Greg Marston, and John Tomlinson (New York: Palgrave Macmillan, 2016), 95–114.

31 'Thriving Families and UBI,' The Opportunities Party, accessed August 14, 2018, <https://www.top.org.nz/top7>.

2018: In association with an academic collaborator, BINZ works towards gaining funding for a first BI pilot project in New Zealand. The proposal does not receive funding support. Kotare runs its workshop on left approaches to BI/UBI. The Labour-led coalition Government establishes a Welfare Expert Advisory Group (WEAG) to undertake a wide-ranging review of the welfare system, reporting back in February 2019. A *Newshub* article reports that ‘Treasury officials have joined former US President Barack Obama in calling for the idea of a UBI to be considered’. Finance Minister Grant Robertson responds that ‘this Government’s made clear that it is not on our agenda’.³² Both Business New Zealand and the Council of Trade Unions say they are open to the concept.

Interrogating our history

In collectively reflecting on a history unknown to most people participating in the 2018 workshop, three key questions emerged from our discussions:

1. Why was there such a huge gap in BI advocacy in the 2000s after the vibrant movement-building in the 1990s?
2. Why does BI appear to be so predominantly a men’s issue, and why does it seem so inaccessible to many women (and others)?
3. Why do people on the left have problems with BI versions like Gareth Morgan’s, and consider that BI must be treated as an ideological, rather than a neutral ‘neither left nor right’ issue?

In this section, I suggest some of the reasons for the sharp decline in public advocacy for BI after 1999; examine some of the ways in which the debate around BI systems can have an exclusionary effect on potential supporters; and explore propositions around what ‘left’ and ‘right’ might mean when various forms of BI and UBI are advanced.

32 Jenna Lynch, ‘Treasury Officials Recommend Government Look at Universal Basic Income,’ *Newshub*, August 3, 2018, <https://www.newshub.co.nz/home/politics/2018/08/treasury-officials-recommend-government-look-at-universal-basic-income.html>.

1. Why did the voices of BI advocacy become silent in the 2000s?

There were no strong, visible organisations or individuals advocating for BI/UBI in Aotearoa New Zealand during the first decade of the 2000s. A primary reason offered by workshop participants attributed the loss of advocacy to the classic impact which occurs when a Labour or Labour-led government is elected. At this juncture a sudden diminishing in left activism and movement-building frequently occurs as activists get jobs and people pin their hopes on the possibility that the new government will bring about constructive change. For those working in trade unions and community-based organisations there is often a shift in focus from campaign building and mobilisation to lobbying and consultation around the particulars of legislative reform. For some groups, new government funding and contracting opportunities also lead to a reprioritisation of goals.

The specific closure of AUWRC in mid-1999 meant the loss of one of BI advocacy's stronger community bases. Some of its members went on to become prominent in the Green Party, but that party was internally divided, leading to the compromise position and political silence noted above. But what happened to the many other voices that had spoken up in the first generation of BI advocacy? Part of the answer to this may lie in the fact that for many women and for people without a tertiary education BI has often appeared to be a male and tertiary-educated reserve (as discussed further below).

Keith Rankin makes his own interesting observation on the reasons BI advocacy became silent after the 1999 election: 'Dissent around children's income and the role or otherwise of supplementary assistance led to a loss of momentum . . . by the time of the 2001 Tax Review UBI proposals were caricatured and easily dismissed. The UBI concept in New Zealand appeared to have run its course'.³³ From where I sat as a Green MP in Parliament, 1999–2009, it was clear that grass-roots momentum had vanished without trace. Individuals like Charles Waldegrave and organisations like the Child Poverty Action Group became increasingly influential with their measured critiques and detailed proposals for welfare reform within the framework of the existing system.

33 Rankin, 'Basic Income as Public Equity,' 40.

The sudden revival of interest in BI from 2009 onwards came on the back of Gareth Morgan's arrival on the scene as an outspoken proponent with major funding, his own think tank, and major media access at his disposal. BI was back on the agenda and has stayed there ever since. The formation of BINZ in 2015 was another significant step, marking the emergence of the first visible national BI advocacy group since the 1990s.

2. Why is BI so predominantly a men's issue, and why does it seem so inaccessible to many women (and others)?

Much of the speaking and writing about BI/UBI in both generations of advocacy has been carried out by academics or people with an academic background, most frequently men with a detailed proposal about how their particular version of BI might work and how it could be paid for. A lot of the discussion involved explaining one's own plan and critiquing those of others. While some women's voices were raised, most discourse centred on the presentation of these individual propositions.

BI is about economics. It is a complex and controversial topic. The language, tables, and statistics used in many of the individual proposals are a privileged language. Much writing on BI in New Zealand has been fairly impenetrable, especially for people without a high level of education or a background in economics or accounting.³⁴

The key champions of different BI versions, in both generations of advocacy, have tended to be what Kotare workshop participants identified as 'a man with a plan'. While respecting their research and commitment, and understanding the necessity of detailing the numbers when presenting any particular BI scheme, we reflected that the propagation of these individual plans has not been a particularly useful tool of movement building, as each proponent fights from their detailed but often baffling corner.

We also sensed that these advocates do not, at times, seem to understand the necessary work of organisation-building that must go alongside and beyond any individuals' vision, and that none of these plans will in themselves automatically persuade ordinary people to act. There is a big gap between the BI idea and the path to fruition. At times, even the most

³⁴ The writing of Guy Standing stands out as engaging and comprehensible in comparison.

sympathetic supporters get a sense that women, low paid workers, and unemployed people and beneficiaries don't really count in BI debates, even though we are among those who would benefit the most from a progressive BI.

For a different perspective on this, I return to Keith Rankin, who in 2016 noted that 'It has become apparent that, on the political left, advocating for basic income reform by addressing the issue as an accounting issue is simply not exciting enough'.³⁵ There is certainly a kernel of truth in Keith's comment, from both his perspective and ours. However, our workshop response to the third question also demonstrates our awareness that no matter who is talking about BI/UBI, numbers are essential if the concept and the debates around it are to have any meaning at all.

3. Why do some people have problems with BI versions like Gareth Morgan's, and consider that BI must be treated as an ideological, rather than a neutral 'neither left nor right' issue?

In responding to this, those of us participating in the Kotare workshop first considered what the characteristics of a left BI would look like. Ten major points were developed:

- Provides sufficient income to live a full, flourishing life, and is indexed to increases in wages and living costs.
- Unconditional, not work or means tested in any way.
- People are treated as individuals, not on the basis of relationship status.
- Collectively funded.
- Unashamedly redistributive in purpose and practice.
- Well run and non-judgmental, with a minimum of bureaucracy.
- Regular and reliable, providing a sense of steady security.
- Values-based, respecting the worth and value of every human.
- Sustainable in the long term.
- Regarded as a basic right.

Next, to get a sense of the implications of what the difference between what we identify as 'right' and 'left' looks like, we looked at two different versions

35 Rankin, 'Basic Income as Public Equity,' 41.

of BI. The first, representative of a right approach, was Gareth Morgan’s Big Kahuna; the second, representative of a left approach, was AAAP’s model.

Gareth Morgan’s Big Kahuna

Basic model (2016 version, still online in 2018): ‘Unconditional’ basic income of \$12,000 per year for each adult = \$230.77 per week; replaces the welfare system; there are no additional targeted transfers.³⁶ This would be paid for by a flat tax of 30 percent on additional earned income and on capital income (returns on real assets less interest costs). Arguments in favour of it are that it is simple to administer and corrects for present distortions in the tax system by taxing both income and wealth.

Why we see this as ‘right’

Many beneficiaries and superannuitants would be worse off. When considered in light of the left characteristics noted above, this BI fails on two key counts: it is not sufficient for people to live on, nor does it reduce fundamental income inequalities.

Auckland Action Against Poverty

Two tables outline the basic model and comparative benefits of AAAP’s model.

Every person 18+; 16-17 living independently		15,000 p.a.
Every person 65+	Add	4,000
For first child	Add	5,000
For each subsequent child	Add	4,000

Disability—via supplementary assistance based on fairly assessed real need.
 Housing—dealt with by maintenance of or changes to Accommodation Supplement and far broader provision of state and other forms of income related not-for-profit housing.

Table 1: AAAP model: What people would receive, \$NZ
 (2015 version, based on benefit rates as they stood at that time).

36 ‘The Big Kahuna,’ The Morgan Foundation, accessed August 16, 2018, <http://morganfoundation.org.nz/kahuna/>.

	2015 benefit	2015 UBI
Jobseeker 18-19 not at home	9,058	15,000
Jobseeker, single, 25+	10,871	15,000
Jobseeker, 1 child, couple	22,901	35,000
Jobseeker, 4 children, sole parent	30,443	32,000
Supported living, no children, single	13,588	15,000

Table 2: Some benefit rates versus proposed UBI, \$NZ (2015 figures).

Why we see this as 'left'

It is redistributive, paid at not less than existing benefit and superannuation rates, with add-ons for children, disability, and accommodation, ensuring that no one is worse off than they would have been pre-BI.

Paying for a left BI

When considering left BI proposals like that of AAAP, the next question is naturally 'how will we pay for it?' At heart, our response to this comes down to the fact that in order to influence how the government spends our money, we need the will to change government and need to build the power to carry that change out.³⁷

Governments have choices

Government tax receipts currently come from: 42 percent income tax from individuals; 25 percent from GST; 14 percent from company taxes; 14 percent from other direct and indirect taxes (customs, fringe benefit, etc.); and five percent from dividends from state-owned enterprises and other revenue.³⁸

Whichever group of parties form the New Zealand government after each election, they hold the power for the next three years as to

37 This section is based on work done by Karen Davis in preparation for the Kotare BI workshop 2018.

38 The Treasury, 'Budget Economic and Fiscal Update 2018,' May 17, 2018, <https://treasury.govt.nz/publications/efu/budget-economic-and-fiscal-update-2018>.

whether to reduce taxes, increase taxes, and/or change different aspects of the tax system. How money is raised and spent is up to them, and the annual summary of this is released in each year's government budget announcement. Governments can also borrow, especially for investment in new infrastructure, such as replacing worn out hospitals, better public transport, better education facilities, and so on.

Governments choose where to spend our collective wealth. For example, a previous government thought it was a good idea to fund a sheep breeding farm in Saudi Arabia, and our current one thinks nothing of spending more than \$100 million on the America's Cup. For just one comparative example, the government currently provides just over \$13 million to cover resourcing of all New Zealand's Community Law Centres.³⁹ Each year's budget and subsequent associated spending decisions comprise a series of deliberate choices constrained and determined by the balance of political forces at play when people cast their three-yearly vote at the ballot box.

Difference between gross and net costs of a BI

There is a difference between the gross cost of a BI and the actual net cost. A BI is a huge total expense. For example, a BI at the 2015 AAAP rate of \$15,000 per year, when there were 4 million people resident in NZ, would have cost \$60 billion; this would have taken up most of the Government's budget of around \$75 billion. However, there are savings to deduct from this. At least half or more could come from the implementation of progressive income taxes, capital gains tax, inheritance tax, and other wealth taxes that distribute income more fairly. Another huge saving would be in superannuation payments and current social welfare core benefits which would no longer need to be paid (about 75 percent of the \$24 billion social welfare spend). Some money would still be needed for social welfare to pay other support costs though. Government spending on health, prisons, and other poverty and inequality related spending would decline over time, allowing BI to be increased in the future. So the net cost might actually be

39 Budget 2018, 'Vote Justice, The Estimates of Appropriations 2018/19,' Justice Sector B.5, vol. 7 (2018), 63, <https://www.budget.govt.nz/budget/pdfs/estimates/v7/est18-v7-just.pdf>.

\$5–10 billion, a much more manageable amount to fund, although this is acknowledged as a very rough estimate.

Governments have options around raising funds

In time of war and other moments of collective national emergency, governments push themselves to find the money needed. For example, in response to the Canterbury earthquakes, the Government was willing to commit over \$20 billion.⁴⁰ Governments can raise money from: taxes and other usual sources of revenue; loans from banks and other finance organisations; issuing government bonds (another form of loan); creating cash money. Most money is actually created by banks. However, governments, under tight regulations, could push a lot more into circulation and no, this doesn't automatically create inflation;⁴¹ and the creation and use of sovereign wealth funds (if enacting a BI/UBI while still within capitalism or working to transition beyond it).⁴²

Some of us believe it is a waste of time and energy putting a lot of effort into elaborate plans around how to pay for a sufficient and redistributive BI when we know it will only be possible if the will is there to implement it. What we need are not pages of possible scenarios, but the political power on our side of the political spectrum to achieve a left BI, and the will and organisational capacity to achieve that power.

In summary, having looked at two examples of 'right' and 'left' forms of BI placed in contrast to one another, participants in the Kotare workshop began to see more clearly the dangers of right or non-redistributive forms of BI being promoted and used as part of a broader strategy to undermine

40 See Bill English on the estimated cost in 2011, <https://www.newshub.co.nz/general/christchurch-rebuild-cost-up-to-20-billion-2011102515>.

41 Most money is actually created by banks. However, governments, under tight regulations, could push a lot more into circulation and no, this doesn't automatically create inflation. Steve Keen, 'A Model of Endogenous Credit Creation and a Credit Crunch,' paper presented at *Paul Woolley Financial Markets Dysfunctionality Conference*, 2011, accessed August 21, 2018, <https://www.uts.edu.au/sites/default/files/PaperKeenSteve.pdf>.

42 For more reading on aspects of this, Ann Pettifor's book about where money comes from and who controls it is useful. Ann Pettifor, *The Production of Money: How to Break the Power of Bankers* (London: Verso, 2017).

what remains of the welfare system while turning to tax options which are not necessarily progressive in nature. Any BI which leaves people worse off than before its implementation was seen as dangerous to the wellbeing of those who are already most vulnerable.

What are some of the main arguments for and against BI/UBI from left and union perspectives?

We took some time at the workshop to explore this question, using our agreed-upon version of characteristics of a left BI as the basis for discussion. For reasons of space, the arguments are presented in summary form and are not exhaustive.

Unions: Some arguments against

- It will undermine workers' struggles, adversely affecting people's willingness to organise and fight for liveable wages and good conditions in the workplace.
- BI encourages laziness. Many people will not want to work in paid employment any more.
- Only paid work has serious validity and its value remains paramount in comparison to the various forms of unpaid labour.

Unions: Some arguments for

- BI will help create a full-employment economy, or close to it, which means there will potentially be more, not fewer, union members.
- The ability of workers to bargain is strengthened because it is easier to move between jobs. There is enormous power in being able to stand up to an employer who threatens to sack you when a 13-week benefit stand down or a partner's income are no longer threats to your family's survival.
- The argument that a BI will encourage laziness is contentious. BI

advocates believe that the level of a BI is unlikely to ever be high enough to encourage a mass exodus from the workforce; many will want to earn more than the BI; most people do want to work for money during substantial parts of their lives; and much easier access to education will encourage people to train and retrain throughout their lives for the paid work they actually want to do.

- The numbers of people in the informal economy (black-market) reduces because abatement traps no longer exist. This reduces crime and means more people pay tax and are in a position to join a union.
- BI changes attitudes towards often despised low-paid jobs. Work like cleaning and aged and disability care becomes more valued and better paid as people have more choice about whether and where they work.
- BI makes it much easier for people to undertake education and training, resulting in more highly-skilled workers.
- All these factors make labour more competitive with capital.

The Left: Some arguments against

- There is a danger that when non-redistributive and insufficient forms of BI/UBI are promoted as a tool to dismantle the welfare state, using similar language and sentiments to those on the left who pursue a similar goal, well-meaning people will be fooled into equating left and right forms of BI/UBI.
- BI is at times proposed as an almost mythical and barely-understood solution to capitalist welfare systems, but without the understanding that it will take major political transformation to achieve a redistributive form. Because it slips off the tongue easily and the detail is not necessarily questioned, it can mean that deeper questions around the future of welfare and work are side-lined, along with the true nature of the economic and political power we are up against.
- Alongside this, BI may be used as a way of avoiding facing up to the necessity of developing sustainable and long-lasting grassroots organisations which can mobilise for change.

The Left: Some arguments for

- Progressive, redistributive forms of BI are the latest in a long philosophical and political tradition that goes back many centuries, embracing principles of fairness, solidarity, equality, and freedom.
- If, in advocating for BI, we put just as much time into developing alternatives and solutions around access to decent work, how to better value and support unpaid work, and how to transform tax, welfare, and housing overall, it is possible to avoid the risk of being too simplistic, or of portraying BI as the ‘one’ solution.
- Early evidence from some of the recent BI pilot projects highlights the way in which BI supports ‘voice’ and activism among even the most oppressed, especially women.⁴³ An adequate BI would allow people much more scope to work in community organisations, unions, and political parties.
- BI fits well with wider strategies of working towards climate justice and the transition to slow or no growth economies at a time when the urgency of dealing with the impacts of climate change and resource depletion grows by the day.

Opportunities and dangers

In responding to our growing understanding of the context and history of BI advocacy and debates in Aotearoa New Zealand, Kotare workshop participants also developed a number of conclusions around both the dangers and opportunities presented when picking up the challenge of promoting a left BI.

Some dangers

- Progressive individuals and groups may find themselves being used as unwitting cover for the promotion of right-wing or ‘neither left nor right’ forms of BI/UBI.
- We need to remain aware of lessons from our past, such as the need to

43 Standing, *Basic Income*, 67–69.

keep an eye on the main issues at stake rather than being diverted into a single focus on the pros and cons of proposals from any one ‘man with a plan’, which is not to imply that we should ignore proposals for BI concepts or projects.

- Corporate power does use forms of BI as another opportunity to exert itself at a time when employers and capitalism have endless abilities to organise and reorganise themselves, including through co-opting our language and dreams.
- There is vulnerability around possible misrepresentation by those who oppose progressive forms of BI, especially in regard to the question of how we pay for it.

Some opportunities

- The vision of BI contains a powerful message of hope and collective power, saying: ‘It doesn’t have to be this way . . . there are alternatives’.
- BI changes the ‘hamster wheel’ approach to jobs and opens the way to broader ideas around the future of work, both paid and unpaid.
- A left BI offers a simple, sufficient, and non-judgmental path beyond the current welfare morass, including through the promotion of transitional options which leave essential welfare, disability, and housing supplements intact. A universal child benefit to sit alongside universal superannuation is one example of a first progressive step towards a broader BI.
- BI provides entry points for community engagement and mobilisation, especially when placed alongside demands in other key areas like work, tax, housing, wider welfare reform, and climate justice.

Conclusion

In writing this account, I am aware that our workshop at Kotare took place within a much broader context of international left debates around BI/UBI. Our deliberations here in the far-south of the planet reflect many of the same issues and tensions discussed globally around whether

the anti-capitalist and beyond-capitalist left should support BI/UBI, including pertinent contributions from Daniel Zamora, Shannon Ikebe, Daniel Raventos and Julie Wark, Daniel Sage and Patrick Diamond, and Peter Frase.⁴⁴ Perhaps the most salient article I have read recently is by Alex Gourevitch and Lucas Stanczyk. They argue:

A universal basic income high enough to be genuinely liberating would require enormous expropriation of businesses and wealthy people. Consequently, there is no chance of its passage until there is an organized working class already powerful enough to extract it. This fact should inform the Left's political strategy.⁴⁵

I agree. Unless we bring the truth of this statement to the forefront of our work on BI, those of us who come to this issue from a radical left framework will continue to end up confusing ourselves and others, playing as undermining a role as any of those advocates on the right or 'neither left nor right' whom we may choose to criticise—'here be dragons' indeed. Navigating a constructive way through this uncharted territory in the years ahead is a task I believe we need to carry out with a highly judicious mix of care and enthusiasm. Despite the caveats and perils, I believe it is worth continuing to advocate for progressive forms of BI as both a transitional path within the current system, and as a goal to aim for in a future beyond capitalism. Tensions within the left around reform and/or revolution do not need to block progress in working towards BI, if we are willing to engage with what unites us rather than what divides us.

Here, I offer a few final thoughts on what I believe are some key

44 Respectively, Daniel Zamora, 'The Case Against a Basic Income,' *Jacobin*, December 28, 2017, <https://www.jacobinmag.com/2017/12/universal-basic-income-inequality-work>; Shannon Ikebe, 'The Wrong Kind of UBI,' *Jacobin*, January 21, 2016, <https://www.jacobinmag.com/2016/01/universal-basic-income-switzerland-finland-milton-friedman-kathi-weeks/>; Daniel Raventos and Julie Wark, 'Basic Income: The Silence in the Noise,' *Counterpunch* (June 15, 2016); Daniel Sage and Patrick Diamond, *Europe's New Social Reality: The Case Against Universal Basic Income* (Policy Network Paper, 2017); Peter Frase, 'Curious Utopias,' *Jacobin*, May 14, 2013, <https://www.jacobinmag.com/2013/05/curious-utopias/>.

45 Alex Gourevitch and Lucas Stanczyk, 'The Basic Income Illusion,' *Catalyst* 1, no. 4 (2018): 151–177.

components of a useful path forward:

- A willingness to identify and work with friends and allies among those already advocating for left forms of a BI, even when ideological differences may, at first glance, seem to separate us.
- An openness to working for partial, transitional, and experimental forms of BI, if they are progressive in nature.
- Clarity in our analysis of different BI propositions, so that we can differentiate the downright dangerous proposals from those which are put forward on a kaupapa we can share.
- Use language in both written and spoken work that ordinary people can understand, to the greatest extent possible, bearing in mind that numbers count, and that there are times when we must debate the finer details of tax, welfare, work, and economics.
- Progress towards BI will be assisted if it is placed firmly within the context of wider alternatives and solutions to the current capitalist and colonising structures around work (paid and unpaid), welfare, housing, tax, and ecology, bearing in mind also that any meaningful change here in Aotearoa New Zealand must be grounded in te Tiriti o Waitangi.

The vision of a left BI provides one of a number of useful entry points into mobilising work outside the parliamentary system. However, such mobilisation will only succeed if and when individuals and groups have the time and will to pursue the long, hard work of building peoples' counter-power to capital. Just as importantly, a progressive BI can only be a useful strand of this endeavour if it is genuinely popularised, explained, understood, and fought for by women, workers, unemployed workers and beneficiaries, Māori, Pasifika peoples, and others. If it remains an isolated and incomprehensibly elitist diversion, or even worse, a further step towards the consolidation of corporate power, it would be best if we turn our energies elsewhere.