## Subsistence and the Benefit

Keith Rankin, 31 March 2015

Yesterday on Radio New Zealand's Morning Report (<u>Te Mana Korihi</u> 30 March 2015), Mana's Hone Harawira discussed the matter of unemployed Maori returning to their home rural villages losing their 'job-seeker' benefits, and how this process may be the death knell for some of those villages.

In traditional times, through much of the world, people subsisted in villages in essentially cash-free local economies. Periodically, times of optimism away from the village would create demands for hired labour; people would flow from their villages to these labour hotspots and return when those cashearning opportunities subsided.

We should note that there is something good and natural about lives secured in villages, mixed with possibly substantial periods away from those villages working in the rhythmic cash economy. That form of living is not an anachronism; it's just that we (especially Maori) have become used to extended almost-permanent city living while still maintaining those rural roots, and seeding cash and non-cash investment into those communities.

We do not need to worry that, one day in the future, when opportunity calls, potential workers high on the benefit will eschew that call. It just doesn't happen like that. Traditional subsistence communities complement (and sustain) urban capitalism; they do not and will not undermine the process of labour flow.

Our Liberal forebears in the 1890s recognised the importance of income flow as a balance between land and labour (and between cash and non-cash provision), with settler workers strongly encouraged to lay down semi-rural roots through substantial plots of land on long-term lease. These lands gave them opportunities for limited subsistence in capitalist down-times. These lands gave workers some bargaining power in setting wages and conditions of employment. We still see it today – albeit upmarket – with semi-rural lifestyle properties. We wouldn't deny the 'job-seeker benefit' to an unemployed worker whose address was a two-hectare property on the city outskirts.

The whole notion of public equity, and the (possibly small) unconditional benefits that follow from that concept, helps us to restore the balance. An unconditional publicly-sourced income allows us to ride out the capitalist down-times while at the same time helping to nourish our many near-subsistence communities. These communities provide social stability and individual breathing space to both our tangata whenua and to many of our people with shorter bloodlines in Aotearoa.

For city-only people, a public equity benefit allows the creation and sustenance of semi-subsistent urban communities during the capitalist down-times, and – as an unconditional safety net – helps to ensure that employment contracts are fair. People should not have to spend these downtimes in fruitless searches for employment in dire competition with other similarly placed people. Better that they use this down time as semi-subsistent urban entrepreneurs.

Public equity benefits are *good for capitalism*, but may not be seen as good for capitalists. (See Chris Trotter's <u>The Common Affairs Of The Whole: Why National is so bad for Capitalism</u> in *The Daily Blog*, 28 March 2015.)

When proper jobs with proper wages appear, the history of capitalism shows that the latent workforce is responsive to employment opportunities. Indeed, by allowing people to live semi-subsistence lives (remote rural or otherwise) in their downtimes, rather than having to choose between remote full-subsistence and destructive urban dependency, the downtimes themselves become shorter. When jobless and underemployed people are still able to spend, the wheels of capitalism turn more smoothly.