

The Flag and the 'Waste of Money' Syndrome

Keith Rankin, 9 July 2015

The new flag consultation 'road show' publicity process is drawing to an end. The whole exercise of trying to choose a flag that appropriately represents New Zealand to the world has been fraught with much cynicism; indeed with so much cynicism that we should recognise it as an obscure yet important indicator of a deep-rooted social ennui that may have nothing at all to do with our national flag.

The two overriding responses to the matter of New Zealand gaining a post-colonial flag are "a waste of \$26 million dollars" and "changing the flag is not a priority". In other words, the issue about how we in New Zealand project ourselves to the world is shunted to one side – kicked into touch – and for no obvious reason other than some deep but unspoken malaise.

So let's look separately at the two issues, 'the flag' and 'the money'.

The Flag

Media organisations (such as *Scoop*) could probably run weekly 'binary' polls comparing each of four likely replacement candidates with the present colonial-era flag. These would be head-to-head polls about flag preference only; the issue of money would not be at stake. Further, given that even 'low priority' activities are worthy of a few seconds of our time, nobody could claim that spending five seconds in a single two-option online poll is a waste of our time. (We could spend more than five seconds, of course. It would be good to have a second optional question: "What are the positive features of these polled flags?")

There are four flag designs at present that I believe merit serious consideration, one of which ([United Tribes](#)) predates the Treaty of Waitangi, let alone our present empire flag. The other three are the designs by [Hundertwasser](#), [Frizzell](#) and [Lockwood](#). Let's, for a week each in August, poll these (on separate weeks) against the present flag. After that, we might consult with the Iwi treaty partner about whether any of these alternative designs might, though popular, be unacceptable. My understanding is that the colour 'red' is especially important to Maori.

My own personal favourites are the Hundertwasser and Lockwood designs, although I would prefer red instead of black as the side strip in the Hundertwasser flag, or even no side strip at all. (As a Manawatu boy, I certainly identify with the colours 'green and white' on the Hundertwasser flag!) My sense is that the colour 'black', with its associations with piracy and with Islamic State, might be one to avoid as too divisive (although black does work in the Tino Rangitiratanga flag). Also the popular United Tribes flag may be too suggestive of England. As New Zealand's identity is both south, and pacific (and Pacific), I feel that any stars in the flag should retain the representation of the brilliant Southern Cross (ie not with northern stars such as the Pleiades), and with the red colour that represents the land of Maori. Blue represents, for us, the Pacific and Southern Oceans. So, as much as the colours black and green have a lot of meaning for New Zealand, I sense that red, blue and white – with the fern symbol that is New Zealand's equivalent of Canada's maple leaf, and/or with the Southern Cross in red – is the way to go. Further, this mix of colours conveys an abstract sense of the United Kingdom as treaty partner without appropriating actual British symbols such as the Union Jack.

Whatever each of us likes or dislikes, politics must be kept out of it. Our opinions about John Key are completely irrelevant to our opinions about the flag that identifies New Zealand and all New Zealanders in the wider world.

The Money

When people say that a public discussion about new flag is a "waste of money", they cannot mean this literally, because money is a technology (not a commodity) that doesn't disappear when spent. Further, money only works when it is being spent, much as an electric light only works when it is switched on.

What makes a bit more sense is the view that we have a fully employed (ie supply-constrained) economy, so that any spending on flag-publicising services must necessarily mean less spending on something else that may be deemed more important. It's as if somehow, by abandoning the flag project, \$26 million of new state houses can materialise. The reality is that we, through our present government, have made a political choice to not have any more social spending than we do have. The constraint is political, not economic. We have the economic capacity to have both more state houses and a campaign for a new flag.

What this 'waste of money syndrome' is really about, I fear, is the predominant (and I believe growing) misconception that money is a form of universal commodity wealth – a sort of plastic gold or magic resin (see my [Money 'As If' it was Magic](#) – 27 June – on *The Daily Blog*) – that, when spent, represents a loss of wealth. According to this narrative that is strongly promoted by finance sector professionals – indeed as 'financial literacy' – we go to work to 'make money', and our wealth is the stock of money that we have saved. Further, this commodity money is magic in two ways: it appreciates over time, and, like biological stem cells, it can be activated (spent) at any time in the present or future, instantly convertible into any good or service for which there could be a market. Thus, by spending money we perceive a loss of wealth; and we perceive this loss to exist at a societal level as well as at a personal level.

It is this loss of saved resinous wealth that we fear the loss of. And we sense that our society is in some way \$26 million poorer for indulging ourselves in a flag-promoting campaign.

It's nonsense of course, because money is not wealth that disappears when spent and appreciates when unspent. Economic wealth is in fact the goods and services that we make and enjoy, including flag-publicising services. Income is wealth – the produced goods and services that we are entitled to enjoy – and is created through spending. No spending, no economic wealth. If we save 100% of our collective income, we will save nothing, because we will have no spending and therefore no income. Your spending is my income, and my spending is your income. It's 'use it or lose it'; we lose wealth when our money – our spending tokens – sits unspent.

When we spend our money, it passes to someone else. When someone else spends their money, it passes to us. Each transaction represents an addition of a good or a service to our collective wealth. What I buy (not what I sell) adds to my personal wealth. What I sell adds to someone else's personal wealth. The flag publicity campaign is an unambiguous addition to New Zealand's collective wealth. Let's embrace this campaign, and enjoy the civic engagement that it fosters.
