



Do Justice

"Do justice, love kindness and walk humbly with your God." Micah 6:8

A Newsletter on Social Justice Issues

Welcome to the September edition of Do Justice as we continue to discuss issues of social justice from a Christian perspective.

Looking back, thinking forward

Our September 2019 edition of Do Justice covered three issues: the rise of a new generation of leaders, the situation at Ihumātao and the Zero Carbon Bill. How have things changed over the last 12 months and how have they stayed the same?

Of the emerging leaders, all young women, Chlöe Swarbrick is contesting one of the most interesting constituency elections in Auckland Central where the three leading candidates are all women. Greta Thunberg has been driven off the world's front pages by COVID-19 and Pania Newton is still battling to save Ihumātao.

Last year, we concluded the first section headed 'Passing the baton' by saying, *"And perhaps even more significantly, many of the more erudite are women – young women with vision and energy. The baton will be in good hands!"* That does not appear to have changed.

The events of the past 12 months have reinforced that view as the world has battled with the pandemic. It has been countries with women leaders that have generally been more decisive and have put their nation's health first.

Twelve months ago, thousands of secondary school children were highlighting the climate crisis by leading marches around the world, and in this country, calling for urgent action to mitigate the impact of the climate crisis. These marches were supported by many from older generations but the initiative was very much with the young people. Marches were planned for early this year, but COVID-19 intervened, and the climate crisis appears to be off the front pages.

In May this year the whole of Do Justice was devoted to COVID-19 and what could follow. We concluded by saying *"The choice will ultimately be ours; do we want to revert back to the old normal or do we want to help develop a society where all are welcome at the banqueting table?"*

In the coming weeks as a nation, we will have a chance to directly influence what we want to see happen after COVID-19 has been dealt with. Do we want to go back to the "old normal", being driven by growth in GDP, more profits for corporations, no increase in taxes, particularly for the wealthy, the health system

barely adequately funded, education struggling for funding, large amounts going towards building yet more roads, and a benefit system that strips beneficiaries of their dignity and humanity? Or do we want to move towards a sustainable and equitable society where all are welcome at the banqueting table and the banquet does not threaten the very existence of our world as temperatures continue to rise. In mid-October we will have the chance to choose. What follows are some thoughts on how we could exercise that choice.

During the 102 days of Alert Level 1, and in the recent time spent in Levels 2 and 3 (depending where you live), it seems that the main voices in the community, or rather those that appear to be the loudest, are calling for a return to the old normal. Economists are regularly asked about the impact of COVID-19 on GDP; adding CO₂ to the atmosphere also seems to add to GDP. We hear many stories about the impact on tourism and the hospitality industry, small businesses going to the wall, etc. What we do not hear about are those families prior to COVID-19 who had both parents working, often at more than one job and for up to 80 hours a week, who still cannot afford food for their family or a warm dry house to live in. About children going to school hungry and, if lucky, getting breakfast or lunch at school. About parents who catch a common cold and cannot stay home to recover because they cannot afford to miss work. About cold, damp houses that contribute to poor health for the whole family. Do we want to go back to that normal? There appears to be an increasing chorus of commentators who are implying "yes" as they call for a return to free market neoliberalism.

Obviously, the COVID-19 crisis must be addressed and ultimately controlled, and enormous amounts of money are being spent to find and test effective vaccines. But there are two other real crises that must also be addressed with the same vigour and funding – the climate crisis and the inequality crisis. Failure to address both these crises over the next 10 to 20 years will be critical to how, and if, we continue to inhabit this Earth. A return to the old normal will only exacerbate the situation and significantly reduce the chances of mitigating climate change.

Many things need to change if we are to move towards a new normal that takes both the climate crisis and the inequality crisis seriously. But perhaps the most important thing that needs to change is our attitude. We need to ask two questions about any proposal to change our society or to build a new project, and they are, "Will this proposal help address the crises?" and "Who benefits from the proposal when implemented?"

Some of the things we can do to create a more sustainable and equitable society include (not in any order of priority):

- Move towards 100% sustainable electricity by requiring all new buildings to have solar power installed and provide funding for solar power on all existing buildings.
- Ban the imports of all fossil-fuelled vehicles including cars, trucks, and farm tractors by 2035.
- Introduce a universal basic income at a level of the Living Wage for all adults.
- Ban health insurance and private schools, which would soon improve the health and education system if the wealthy had to rely on state-funded health and education systems.
- Make education free up to and including university.
- Ensure that there is dry, warm, well-built accommodation for all New Zealanders at an affordable price, either to rent or buy.
- Reform the taxation system to pay for the above.

Perhaps the most radical change in the list above is the provision of a universal basic income (UBI). Lack of a regular and adequate income is the single greatest contributor to virtually all the ills in our society. Continuous stress about how to pay the rent, how to buy enough food for the family, etc, is responsible for many of the problems that have to be addressed by our justice system, including the prison system where we have the highest per capita incarceration rate¹ except for the USA.² Our prisons cost about \$1billion a year, plus the cost of the police and the courts. UBI would have a positive impact on the justice system in general as the level of stress in society would be lowered as people would not have to worry about where the next dollar was coming from.

Lowering of stress levels would also have positive impact in many other parts of society including the health system and education.

The rules and regulations that surround the present benefit system are so complex that it requires a large department to run it, with extensive checking up on beneficiaries and a complicated system of changes if a person receives an income from other sources. The abatement system is difficult to administer and produces some situations where a person earning an extra dollar ends up paying all the extra dollar in tax. If we were to tax the rich at 100% there would be an almighty outcry!

However, one part of our benefit system, superannuation, does not have all these rules and regulations. Superannuation is universal – all residents over 65 who have lived in New Zealand for the previous 10 years have the right to superannuation at a fair and reasonable rate which is generally sufficient for retirees to live in dignity. And with no means test or abatements! This is a UBI for the over 65s.

A UBI would not take away a person's desire to work, but it would provide some correction in the power imbalance between employer and employee. The incentive to work may even be greater with a UBI providing an adequate safety net that does not take away individual dignity.

A UBI is possible but would require major reforms to many of our present ways of working, including significant changes in our tax system. The events of the last few months have dramatically shown that the excuse for not implementing a UBI – we cannot afford it – is clearly false. Funds can be found if the situation is desperate and urgent. Both the climate crisis and inequality are desperate and urgent.

To some this may sound like Communism, but it is not. It is just carrying out the vision that Jesus shared with his disciples when he was asked which was the most important commandment, and he replied firstly to love God and then to love our neighbours. How can we love our neighbour when they have to work all hours just to put some food on the table? How can we love our neighbours when the only shelter they have is cold and damp? How can we love our neighbours when they cannot afford to visit to doctor and must continue working? And so on...

Capitalism, the main gainer from the COVID-19 crisis

On 20 August 2020 RNZ's Morning Report³ reported that the value of Apple Corporation, the organisation that sells computers and smart phones, had reached two trillion U.S. dollars, the first corporation to achieve this. Nearly half the increase had come in the last nine months as Apple has profited from COVID-19 shutdowns.

Robert Reich, former U.S. Labour Secretary under President Clinton, recently said, "*America's richest 1 percent now own half the value of the U.S. stock market. The richest 10 percent own 92 percent.*"⁴

The New Zealand Stock Exchange, which is an 'essential service' as far as Alert Level 3 rules are concerned, has been trading at very close to the peak it reached in February 2020.⁵ Although we do not have specific details of share ownership in New Zealand, it is likely to be similar to the USA – the richest 10% owning around 90% of the shares.

Most of the world's stock exchanges have been trading at or around their all-time highs over recent weeks. So, the corporations with shares quoted on the various stock exchanges around the world must be doing reasonably well despite many getting rid of staff in the struggle to stay afloat during the various lockdowns needed to address COVID-19. This is worth remembering when you hear loud cries for help for business leaders and from some politicians.

Some commentators have suggested that the reason why the stock exchanges have been doing so well is that investors, who in times of trouble put their money into very safe investments such as term deposits, are getting so little interest that they are looking for greater returns, even though the risk may appear to be greater. But we also need remember that governments around the world were happy to save corporations that got into trouble during the Global Financial Crisis of 2008 so maybe the risks are not greater or maybe governments have learnt their lesson. Let us hope our Government has.

¹ https://www.corrections.govt.nz/resources/research_and_statistics/quarterly_prison_statistics/prison_stats_june_2020

² https://en.wikipedia.org/wiki/Incarceration_in_the_United_States

³ https://www.rnz.co.nz/audio/player?audio_id=2018760316

⁴ <https://www.facebook.com/RBReich/photos/a.404595876219681/3543951688950735/>

⁵ <https://www.nzx.com/>