

John Key: The real Kiwi Way, or the 1990s in drag?

John Key's State of the Nation speech was the first time a National politician has explicitly acknowledged the growing gap between the haves and have-nots in Aotearoa New Zealand. Taking Labour on on their own turf, it exposed Labour's "now you see it, now you don't" line on poverty as the spin that it is. Certainly no-one who works in a budget advisory centre or foodbank believes the government's Working for Families package has solved the poverty problem, and it was refreshing to hear their concerns aired by such a high profile politician.

Key's speech played his "boy from the wrong side of the tracks" hand strongly, talking about the assistance he received from the state as he moved up the ladder to his Parnell mansion. He contrasted this with the world faced by the good citizens of McGehan Close, a place where the "rungs on the ladder of opportunity have been broken", and there is "a complete lack of hope". (The full text of the speech is available at www.national.org.nz.)

Spare a thought for the residents of McGehan Close. One day you're going about your business in the shabby part of town, hating your boss and sending your kids to school; next thing some rich guy is telling the world your neighbourhood sucks, and there's media people all over the place taking photographs of you and your children to show an amazed public what a poor person looks like. No wonder they were grumpy.

But aside from pointing out the obvious about New Zealand's growing income gap and its consequences, what else was new in the speech? Well nothing, actually. In fact, it is standard conservative anti-welfare, anti-government rhetoric, framed as something called "the Kiwi way". There was quite a bit about benefit dependency, and families such as the Kahuis (you know, the famous ones) being "fenced with state assistance". What this means is that National will spend less money on poor beneficiary families to show how much they care for their children, in the true Kiwi way.

What about actual policy, that is, what a future National government would do to replace the aforementioned missing rungs? Nothing to hang an election campaign on, that's for sure, although we were told National will use the welfare system to "motivate long-term

beneficiaries”. Funny, beneficiaries are fenced in by the evil state in one paragraph, and need motivating by that same state in the next.

But is all this focus on long-term beneficiaries missing the mark? In a completely overlooked interview on Radio New Zealand given the same day as the Key speech, Labour MP Mark Gosche observed that much of the youth violence Key referred to is not the result of unemployment and benefit dependency, but is happening because “young people [are] left to their own devices far too often... they don't have parents at home when they should be at home because they're off at work all day every day in these low-paid jobs.” In reality, the problem is overworked parents – New Zealanders work among the longest hours in the OECD – something it presently suits both major parties to ignore.

Meanwhile, out in the poorer suburbs, it appears many of those who might make up the so-called underclass are former charges of the mental health system. You may recall previous governments put people with mental illnesses back out into the community, with promises of support that – surprise! – never materialised. Examples from our ‘hood include Old Guy with Plastic Bags, Air Guitar Guy and Paranoid Lady. Then there’s the alcoholics and drug addicts. If National is serious about the improving their lot they’d be talking about investing more in the mental health system and providing more publicly funded drug and alcohol rehab facilities to help people get back on their feet.

Two other bits of actual policy show the direction National is headed. The first is the proposal to contract more of the work done by departments such as CYFS out to private charities. The justification for this is that hoary old right-wing chestnut that governments can’t do anything right, and the private sector can’t do anything wrong. While this is great news for charities keen to get their snouts in the public trough, experience from the USA suggests that the money ends up going to corporates more interested in a cash grab than helping the poor and dispossessed. Those charities who greeted Mr Key’s speech so enthusiastically may get less than they’re banking on. Worse, their ability to criticise government policies that hurt their clients will be severely compromised.

However, the policy that exploded all over the front pages was food in schools. A 2005 report by Child Poverty Action Group recommended that good quality breakfasts be made available to all children in decile one and two schools. There is no doubt that too

many children are turning up to school hungry, and the bottom line is that hungry children do not learn. National's solution is corporate sponsorship of food in schools.

Aside from the issue of food quality – an article in the New Zealand Herald just days before noted that many of snack foods are full of fat and sugar and have the nutritional value of cardboard – the question that needs to be asked is do we want our poorest kids dependent on donations from supermarkets and snack food manufacturers? Let's face it, business has been decidedly reluctant to share the fruits of economic growth with the less well off. In fact every time someone suggests we need to give a greater share of national income to the poor, some lobby group like the Employers and Manufacturers Association or Business New Zealand is quick to point out why it's a Really Bad Idea. So if businesses are not interested in improving poor families' incomes, why bother feeding their children? Marketing, of course. These children are tomorrows consumers, and building brand recognition in the young and impressionable usually costs millions in television advertising.

Corporate sponsorship also detracts from the idea that looking after children is something we are collectively responsible for through the state. This is why we have publicly funded healthcare for children. We don't leave the wellbeing of our kids to the whims of corporate charity because they will get nothing if it is withdrawn, as it easily can be. State funding of services might not be fashionable in the upper ranks of the National Party but it is the only fair and sustainable way to provide food to children through the school system.

So how to rate National's new found concern for the poor? A mark for acknowledging there is a problem, and a mark for drawing the link between poverty, violence and drug addiction. No marks for policies that will enable families can earn decent incomes, put some cash aside for themselves, and be assured of medical care for their children. And minus a mark for trotting out the same market-based policies that gave rise to so much poverty in the first place. They will not give the poor a leg up to Parnell, they will only suck more money from places like McGehan Close into the pockets of National's corporate donors – in the time-honoured Kiwi way.