

The Interrelation between Economy, Postwork, Superannuation, Housing and Universal Basic Income

by Humphrey Boogaardt¹

INTRODUCTION

The world has not recovered from the GFC and be back in business as usual. Over the last decade we have also seen enormous changes in technology that impacted on how people and companies communicate. Against the trend of a sluggish economy housing in-affordability has increased. The younger generation will find it more difficult to buy a home; therefore they will be likely lifelong renters. Casualization of the workforce will make purchasing a home even harder, especially with less fulltime work available. This trend will also impact on superannuation savings for retirement. To overcome these hurdles we have to move towards Universal Basic Income (UBI) in the Postwork era of the Third Industrial Revolution (TiR).

ECONOMY & SOCIETY

Worldwide there is economic stagnation since the GFC. The high rate of technological changes since then made it difficult to go back to business as usual, indicating that there are now structural problems in how the economies work. Australia has been fortunate not been initially hit as hard as many other countries, but slowly is going into stagnation because it is linked to the rest of the world. In an economic environment which is in recession fewer jobs are the result. There is now also the trend of casualization of the workforce which makes it harder to find permanent full time work. In combination with new technology has changed how businesses are run, and there is no reason to believe that this will stop. For example the smartphone is only 10 years old, now nearly everyone uses one. On the contrary technological innovation and change probably speed up (Seba, 2016).

How does our government deal with these issues? It appears that they pay lip service to the implications of these societal changes like promoting education to stimulate innovation. Instead they present to the electorates that we can go back to the “good old days” (Dunlop, 2016) and using slogans like “Australian Values”. The government does not look into the future; it makes itself belief it does by looking into a mirror which shows the past. They cater mainly for the older generations, forgetting the younger generation and the diversity that makes up Australia. The younger generation, the one that has to deal with reality of the future, worries about housing affordability and issues like education costs (TAFE and University). As well realising that it will be harder to obtain full-time jobs in the gig economy². The result is that the young are less politically motivated because they feel abandoned by government. Especially with the governments plans to

¹Principal of PaYUng Contracting www.payung.biz

²Gig economy = temporary, flexible jobs are commonplace and companies tend towards hiring independent contractors and freelancers instead of full-time employees. A gig economy undermines the traditional economy of fulltime workers who rarely change positions and instead focus on a lifetime career.

<http://www.investopedia.com/terms/g/gig-economy.asp>



spend taxpayers money on the foreign owned Adani Coal mine while at the same time education becomes more expensive. The young are affected with higher unemployment not because they cannot be bothered looking for one, but because the older generation in power have not created new jobs for them. It is clear from the above that a forward looking vision by the government is needed (Denniss, 2017; Moriarty & Honnery, 2017; Youth Action, 2017).

The above mentioned issues may indicate to some that capitalism should be abolished. Capitalism is a manmade set of rules to facilitate commerce, but not without government interaction. Because it is man made it can be redesigned (Hoffman, 2016). The question now is 'how do the leaders of the system want to reconfigure it?' Could it be that these "captains of industry" are not adaptable enough and only look at self-interests by promoting the status quo? However, if they do not try to solve and act on this issue they will become obsolete.

Western wealth has been built on colonialization, the first form of globalisation. The colonies were treated as "regions for pillage" from where you extract anything without care about people or environment. In a way this attitude has not changed (Boogaerdt, 2016). It has become time externalities are incorporated in economic modelling, that is to have all costs are internalised as matter of course. What are externalities in economics : the costs that are not included in pricings, but these costs are born by the rest of society. An example is air pollution where the polluter in general does not pay for the clean-up, but the taxpayer does. Internalising the costs is to incorporate them into pricing and internalisation of environmental costs will result in slowdown of growth. For this reason vested economic interests oppose to internalise environmental costs (Kallis, 2017). In the words of Paul Pollman, CEO of Unilever, "business is here to serve society", but most companies do not act that way. Profit is the metric for how well they do that, the problem with this metric is that a corporation's sole purpose is to serve shareholders is that it leads to many other undesirable outcomes (Hoffman, 2016). Businesses have to take the initiative say Hoffman (2016) to create solutions for a post carbon world, if they do not do it there will be no solutions. In economics externalities, like pollution control and oil well rehabilitation, are mainly seen as costs of paying for the extraction, destruction, social upheaval etc. However not everything can be seen as a cost. Maybe intangibles benefits are much larger than the accounting costs. For example, vertical gardens, skyparks or eco-bridges that form part of biophilic cities, create physical and mental health benefits to the occupants of the city. To cost the externalities a tool like eTool (2017) which is 'life cycle assessment' software for the building industry, could be used. Mainstream economics used assumes that people and companies are behaving rationally when trading goods, labour and money. As pointed out before environmental and social externalities are not included in the standard economic modelling. The issue is that the taxpayer in the end pays for these externalities is never explained or owned up by the neoliberals. To use a known expression "profits are privatised and costs are socialised". These concepts of pigouvian taxes and externalities were first raised in a book by Arthur Pigou published in 1920. Therefore some form of tax on carbon, preferably Fee & Dividend (CCL, 2016), would be a start to incorporate externalities. In economic modelling (Kallis, 2017) neoliberals always will answer that business cannot afford this. However there are taxes paid by individuals and businesses to cover the costs or more likely the payments are deferred to future generations. When businesses start paying for externalities, it means that these costs are paid for now and not passed on to future generations paid by their taxes. If implemented taxes can be lower because taxpayer does not have to pay for externalities.

There appears to be a popular opposition against globalisation which is often seen as a neoliberal ploy. However, without it we would not be able to enjoy our affluent lifestyle (Hoffman, 2016; Hu & Spence, 2017). It should be noted that globalised trade started soon after the discovery of the Americas when the spice trades. The VOC (Dutch East India Company), established in 1602, was the first globalised multinational company. In an era of climate change problems, which does not know national boundaries, international co-operation is necessary. Multinational corporations could play a leading role; it is part of their social licence. In the Postwork era, for details see next section, of the TiR there will be more cooperative activities (Boogaerdt, 2015 & 2016). There is also the idea came that business and people are purely driven by selfishness and organisations have no choice but to increase consumption and by doing so maximising profit. This has led to creating structures and processes in companies that provides non-ethical behaviour justifying that with excuses like “the system made me do it” (Christie, 2015; Nelson, 2016; Ryan-Collins, 2017; Turchin, 2017). Fitting with the neoliberals thinking always refers to Darwin’s “survival of the fittest” as the only way to do business and to survive as human society. That concept is an important factor in the evolutionary theory, but Darwin himself realized it was not the only one. He understood that of equal importance are cooperation, fairness and sympathy. In his book ‘The Descent of Man’ he wrote, “Those communities which included the greatest number of the most sympathetic members would flourish best, and rear the greatest number of offspring” (Johnson, 2015). Backed up by modern research in the fields of biology, neuroscience and psychology that show cooperation is a natural trait of humans and is really the only way of survival as a species. Humans are a social species and have only survived because of cooperation. For example when we were still roaming the plains the only way to catch a bigger animal was for individuals to cooperate, since on their own they would not have been able to do so (De Waal, 2016; Honick, 2015; Johnson, 2015; Nelson, 2017; Turchin, 2017; Varoufakis, 2016). Jane Goodall (2017) said that there are fighting bullying chimps that can become leader, but they do not last long. The more cooperative ones that become leader last longer in that position. A major example is organisational innovation of commons based peer production involving Cooperative Value Creation (CVC) with the result of creating opensource software like Libreoffice, Mozilla, VLC media player and an encyclopaedia like Wikipedia (Boogaerdt, 2016; Dunlop, 2016; Hankammer & Kleer, 2017). It has to be mentioned that this innovative work could not have been possible had there been no prior government funding for basic research.

When the inequality became too large in rentier economies in the past these societies went into decline, e.g. Roman Empire, Venice in 15C or Holland in 18C. Society and institutions do not exist in isolation they are directly or indirectly based on preceding structures (Hoffman, 2016). Currently inequality is on the rise and many expert commentators think that the gap has become too large. As result many in the population feel a loss of control. According to Klein (2017) followers of Milton Friedman have understood that confused and lost people look for “certainty” who they vote for political candidates that promise certainty. So the Friedmanites pray for crises through which they can increase control. And in her words it becomes a “movement that prays for crises the way drought stricken farmers pray for rain”. Interestingly according Bregman (2016) the countries with the biggest disparities in wealth are precisely those with the longest working hours. Here the vested interests tried to look only after themselves and in the end dragged everyone down. In equality also encourages the “us” versus “them” mentality (Nelson, 2016). If this is allowed to flourish, society will end up in revolution. That would be tragic because it will cause so much misery and unfortunately in the end the original aims of the revolution have not been achieved. Instead a “strongman” rises and will put order back into place.



Civilizations before the advent of capitalism experienced very slow rates of economic growth. What was it that capitalism did differently? The major change of thinking and action was that surplus work by humans and fossil fuels was concentrated in the hands of a new class of people - 'capitalists', who were the owners of production system. These capitalists tended to invest in machines, which made it possible to get more work out of humans and nature, creating ever-more surplus (Kallis, 2017). The advent of the invention of double ledger bookkeeping at end of 15C helped with the establishment helped facilitate a market economy.

The next phase is total automation by robots and other processes; this is the unstoppable trend of technological advancement. Increasing use of technology replacing people will happen in the long term. However in the short term there may be a downward facing trend of wages which will stop the replacement by technology. Automation does indeed substitute for labor – as it is typically intended to do. However, automation also complements labor, raises output in ways that lead to higher demand for labor, and interacts with adjustments in labor supply. Neoliberalism promotes a small state which would make the market economy more efficient they claim; the truth is, that it wants a compliant state. And as it stands, that means a state that enforces a regime of work on people, whether or not there are the jobs for the people to have (Dunlop, 2016). It is an irony that it happened in a capitalist system which has on values like efficiency and productivity and often portray governments as inefficient and not useful. However many of the technological advancements like the iPhone, would not have taken place had there not been possible if the public purse had not funded research in the underlying science (Dunlop, 2016; Hidalgo, 2015). Neoliberals often forget to mention that the GFC was caused by debts of the private financial sector and not what they like you to believe government debt. Quoting Mencingin (2015) “.....it was caused by decades of income redistribution in favour of capital, the duplication of production capacities, and the providing for demand by means of credit”. That debt by financial institutions was by the way in part created by very smart people who were attracted by the very high salaries of that sector by inventing very sophisticated financial models. All they were doing was “shifting” money around instead of creating wealth (Bregman, 2016). It would have been more beneficial to society if this talent created “wealth” in other sectors. Amassing their wealth through rent, even companies like Facebook and Uber fall in this category, they provide services and rightly attract very talented people. In past people could not really get rich get rich by shuffling money around like a small part of the financial sector does, ICT made it possible. Many of those do work extreme long hours and so they feel entitled to their wealth. Or, you could sell enough of your gadgets worldwide which resulted in a lot of money because the multiplier effect (e.g. like Bill Gates).

When fulltime work is scarce, this scarcity could be used a tool for oppression of the worker. So, in an era where society moves away from fulltime work the existing economic model that served us well has to change.

POSTWORK

Before we can talk about Postwork society we have to define what work is. There is this idea of splitting work into 'labour' which is needed to survive our living and 'work' which is an activity you get paid for in exchange of a productive activity (Dunlop, 2016). So a woman caring at home for her children is doing 'labour', while a woman who gets paid for childcare work outside the home,



does 'work'. If there had been no technological advancement during human history we would have only be doing labour, roaming the plains like hunter gathers. Why is the idea of splitting labour into labour and work important and not just an esoteric exercise? We are in a time when the amount of 'work' is decreasing in relation to the amount of 'labour'. The reason is, as has become clear from the previous section, that the nature of working arrangements is changing. More and more people will have plenty of time that is not spent at paid work, so we are entering the era of **Postwork**.

The opinion that 'labour' and 'work' were despised in antiquity because only slaves did it is regularly stated by modern historians. The ancients reasoned the other way around and that it was necessary to possess slaves because of the slavish nature of all occupations that that were needed for the living to be sustained (Dunlop, 2016). If one replaces the slaves with robots then we have all the time to pursue other interests. In light of this we should not be worried about working less. Society has accepted the idea of work-ethics being central to the wellbeing of the population. However part of the ancient Greek population did not have a problem with it by letting slaves doing the work. This work-ethics view is pervasive through society independent of political or religious persuasions. Work-ethic in general now refers only to activities that are related to a 'Real Job', the term should also apply to when people do volunteering or homework or caring. So the fact that someone does not have a regular paid job does not indicate how they treat the task outside that 'work' environment.

Productivity increased with mechanisation, so basically "labor productivity" is work done mostly by fossil fuels, above what humans could achieve (Kallis, 2017). By inventing machines that do work for us we have been able to advance. The paradox is that even though machines do our work we still have to go to work and often for longer hours than in the past. With the increased automation unemployment will increase which will initially have a downward pressure on wages, which affect workers. However, low labour costs also discourage investments in labour-saving technology, potentially reducing productivity growth (Avent, 2017). Automation and labour availability become the classic economic demand and supply concept of which scarcity could be part. So it is important to know how people react to scarcity. Interestingly when people are hit by scarcity people they can only focus on the problems at that point in time, they are unable to think about longer term issues. With the expected changes in the economic environment, the number of fulltime jobs will shrink. This creates a scarcity of jobs which will likely impact on the mental well-being of people. To alleviate this problem the basics of the economic system need to change, that is to have 'labour' paid for. As a species we need time to relax, a sort of compulsory time of "unemployment" and according to Bregman (2016) it is "Not coincidental the countries with the shortest workweeks also have the largest number of volunteers and most social capital". Therefore extra time off work is good in this respect. However there will be benefits if we increase labor the component of many of our economic activities. One way (Kallis, 2017) is to use manpower instead of new materials as is common in our 'throwaway society'. As an example refurbish a 50 year old building instead of demolishing it. The initial opposition against this will be the rising cost. But, if the externalities, like environmental impact, are included it may actually be much cheaper. A computer based program like eTool (eTool, 2017) could assess this. A pigouvian tax may be needed to make it happen initially.

The way globalisation influences lower wages is in part because workers lost their bargaining power. This caused weakening of the unions who in turn are unable to prevent jobs moving



abroad, resulting in wage stagnation (Stiglitz, 2016). But is that a good strategy? Henry Ford was aware of other employers push for lower wages. Instead he gave his workers a good rise in 1914, because then they could afford his cars (Bregman, 2016). Stiglitz (2016) highlights that empirical research by the IMF has shown, inequality is associated with economic instability, he also states the unions' inability to protect workers against the threat of job loss by the moving of jobs abroad has contributed to weakening the power of unions. The casualisation of work makes it even harder for workers to bargain, have a voice and result possibly of worker exploitation. In the meantime companies still expect loyalty from their workers. Loyalty should be a two-way street, but it has turned into a one-way street. Those casual workers are less likely to be a member of a union. In their current setup it will be very difficult for unions to attract these casual workers. If the underlying philosophy of the unions is to help workers they will have to change their structure they operate under, otherwise they will become obsolete. They may have to look to the insurance industry for a model how to restructure themselves. There is individualisation of insurance policies to match personal circumstances, so unions could have individualisation of membership benefits. The overhaul of the union movement becomes more pertinent now that we are at the start of the TiR, where distribution over the internet are near zero-marginal cost will be common (Boogaerdt, 2016; Dunlop, 2016). With the increase in life expectancy and workers still officially retiring around 60 - 65 there is a problem with funding retirement. Many of these retired people are still in good health and instead of doing nothing they may joining the gig economy with flexible work times. According to The Economist (2017) they may even be more suitable for the gig economy than the young because of their experience.

The concept of Postwork challenges the current notion of work, which has been around for a long time. As said before it forms part of society as we know it and is something that suits neoliberal thinking. Now with fulltime jobs becoming scarce, the form and concept of what work is has to change. The tax office should also be worried about this because fewer worker means less income tax collected but at the same time increased expenditure of social security payouts. They have to start looking for alternative ways of taxing society.

HOUSING

A very current issue is housing affordability with the notion that the younger generations will not be able to afford buying a home (i.e. house, apartment, unit, flat or just a place to live). To afford buying a home will become more difficult in the future since employment circumstances will change with less full time work available. If people cannot afford buying a home they will be renting. Currently residential tenancy terms in Australia in the residential market are short. So there needs to be more certainty for the tenant that they can stay for a longer period and make the place they rent their home. Tenancy terms could be modelled along commercial lines like an initial 3 year period with 2 options of 3 year extensions. This would work for larger developments like apartment blocks owned by institutional investors, but for individual houses where the landlord are likely to be a mum+dad investor there may be more uncertainty. The landlord may wish the redevelop or likes to sell the property and fears that there will be a smaller market for buyers of his tenanted property with a long lease. While institutional investors in general look at longer term income stream. Therefore it would be good if more institutional investors like



superfunds play a larger role in the residential tenancy market as they do overseas³. One suggestion to free up stock for younger generations is for the “older” generation to sell their home and down size. Now often these properties are often in a price bracket well above what the younger generation can afford. In addition these “oldies” are now buying into price brackets that the younger generation may be able to buy (Denniss, 2017).

With the prospect of more people being lifelong renters, rent affordability is an issue. The affordability of buying and renting are related issues. The general rule of rent affordability is that the amount paid does not exceed 30% of household income. When renting becomes more expensive a new problem arises like the one identified in the USA where a large percentage of the home unit stock affordable for very-low income households is rented by households that have income half as much as the very low incomes (Joice, 2014). This means a drop in housing stock for them and likely to push up prices. Rent increases are partially linked to the rise in value of the land which does not reflect any efforts by the landowner (Ryan-Collins, 2017). Estimates of cost burden that focus on the rents and mortgage payments currently experienced by households may under report or over report the extent of affordability when the housing market undergoes significant changes in a short period of time (Joice, 2014).

Regarding home affordability there is one underlying issue that cannot be changed and that is the availability of land. It is in finite supply that means prices will rise over time. It cannot like a man made product be reproduced and be consumed or disposed of. In Economic thinking and reporting more often the distinction has to be made between land and capital, because manmade capital products deteriorate or become obsolete due to innovation (Ryan-Collins, 2017). Housing affordability often partially blamed for by too strict planning rules or the influx of immigrants. That would be easy statements or slogans for the politicians to use. Ryan-Collins (2017) notes that while cost of many goods and service due to technological advancement drop, prized locations to live form a larger part of their income. The Bonn-based economic historian Moritz Schularick found that in the run-up to nearly all financial crises too many loans had been taken out on real estate.

Menzies did not have socialist tendencies only conservative ones, but he still wanted young Australians and immigrants have a stake in their home. He saw it as a unifying measure as he wanted to build a cohesive society. All the modern Liberal Party appears to want to do maintain the status quo and it is much simpler to divide and conquer (Denniss, 2017). Australian governments continue to promote home ownership. Home shortage is partially artificial because investors are not letting them out, this is supported by data from the census (ABS, 2017), for example in Sydney 7.7% and 9.6% in Melbourne are unoccupied. Inequality is related to home affordability, but is not the only reason. Tax systems like negative gearing and CGT do not cause the inequality but just increase it (Ryan-Collins, 2017; Denniss, 2017). It should also be noted that research (Hildago, 2015) shows that many financial crises are caused by mortgage debts. So it is suggested that the loan proportion allowed should be lowered for negatively geared properties. When a central bank lowers interest rates to try and stimulate capital investment and consumption, at the same time it drives up land prices as more money goes in to mortgages for both residential and commercial real

³ Australian superfunds invest in environmentally sustainable and social housing projects in London, UK, because cannot find equivalent investments in Australia (Newman, 2017).

estate. So banking lends money to the real estate sector rather than to a more productive sector (Ryan-Collins, 2017).

In the Postwork society where people spend less time at work, people will spend in their neighborhoods where they live which include modernist designed concrete jungles. For their physical and mental wellbeing in an increasing warming climate which will cause heat islands, it will become increasingly important that cities become 'greener'. Plus a need to have cities that are walkable, people friendly, that are people centric and not car centric (Beatley, 2017; Matan & Newman, 2016; Speck, 2013). Our current very suburban living makes the population very reliant of the car (Gordon, 2015 & 2016). From a monetary point of view owning and using a car is expensive and will take up a large part of people's income. This is especially true where people live in the outer suburbs where owning a car is a necessity. Analogous to 'rental stress' there could also be 'transport stress' for people who spend a certain amount of their income on vehicular expenses and spend large amount time travelling.

Why the issue of housing affordability has become even more important now than it already was, is because the nature of employment is changing. Due to the implementation of technology fewer full-time jobs will be available. Superannuation contributions will directly and indirectly be essential.

SUPERANNUATION

Neoliberals probably would like everyone to be a self-funded retiree when the time comes rather than a state funded pensioner. With increasing longevity fewer people will be in the workforce in relation to overall population, we come back to the well-known question "who is going to pay for retirement in the future?" So, there is no option but to start paying for it now to cater for the future and that is for both young and old. This probably will cause a reduction in current affluence.

Currently superannuation contributions are not compulsory for everyone that is for casuals or people working only a few hours per week. Management fees taken out these contributions are relatively large to these deposits size made by the bottom end of earners, it eats up all what has been put in. This has to change because there is no incentive to put any money into superannuation as it is wasted for the recipients. Superannuation payments should be compulsory as part of any payment of work. In this way the working population will start making contributions, albeit maybe small, from that start of their working career. The compounding effect of small amounts early on will have a large impact on their final super amount.

Owning your own home is seen as creating a nest egg for retirement. When this option does not exist anymore for many it becomes essential that the superannuation contributions go up in order to provide as good as possible retirement for everyone. A form of universal retirement savings exists in the Netherlands since mid 1950s. With the prospect of a changed labour market there is a need for a different approach to superannuation. The more people are renting the more important becomes. In a Universal Super Scheme like UBI a minimum amount of super has to be generated for each person per year. This is the amount needed for a reasonable retirement. In its simplistic form it would be like if someone does not work than 100% is funded by the State, if someone works let say 50% of the time that the other 50% has to come from the employer. A



large benefit of this scheme is that superfunds get larger and so can invest more in general housing for renters who because of casualisation of work are not able to afford their own house. Detractors will say who is going to pay for this. Well the tax structure has to change to deal with this. If the earlier mentioned externalities have to be incorporated in costs and pigouvian taxes. No doubt it is very complex, but simply let's get a start with figures of what governments spend or estimate of what they have to spend on environmental rehabilitation, black lung disease, mental health, to name a few, that are related to the externalities that were not paid for by the companies directly.

Superannuation is important because we pay now for our retirement in the future. With the movement towards postwork era less people work so less people pay superannuation contributions, what to do next is to rethink superannuation.

Universal Basic Income (UBI)

UBI is a scheme where everyone above a certain age gets a basic income, which is independent of what they do or income they receive from work or investments. The term UBI has been in the press and well known people like Facebook's Mark Zuckerberg promote it. Now the question is why do we need it and where does the money come from. As explained earlier employment opportunities are changing due to technological change. The result is that there has to be a new way to obtain income. The neoliberal mantra is that one has to work to earn and to deserve income. With the increasingly difficult opportunity to obtain a job the prospect of "earn an income" becomes smaller and smaller. Being unemployed is not a preferred lifestyle for most of us. Besides monetary issues it is often humiliating having to get unemployment benefits or to say you are unemployed. There is stigma attached to being unemployed, which will increase stress and possibly leads to mental health issues, which are costly for the state. With the large increase in underemployed and unemployed there will be a large increase in stressed, frustrated people. This is not good for a stable society.

Productivity and unemployment are seen by neoliberals as a 'laziness' problem. However, it is very difficult to find jobs when there are none (Bregman, 2016; Youth Action, 2017). Opponents of schemes like UBI often denigrate the lower classes which must stay poor or at least should not be given anything by the state because otherwise they will stay lazy, never become industrious and waste the money they received. In the 19C some clergy and others believed that the lower class did not deserve voting rights or a decent wage or free time and supported 70 hour working weeks as weapon against liquor consumption. Ironically many of these very hard working people in industrial cities took more often to the bottle to drink away their misery. Quoting Bregman (2016) "In history there have been utterances like everyone but an idiot knows that the lower classes must be kept poor or they never will be industrious". That is a very selfish approach which is typical for neoliberal and mercantilist thinking and has only benefits for limited times. In a cooperative community based approach one has to look at the benefit for the community as a whole and sharing is a large part of it. Many will say that they do resent the idea that others get money for free and do nothing while they are working hard. So if most hard work is carried out by robots then there is no reason for these resentments.



The invention of tools has made us more productive. These tools are not taxed with a 'productivity tax'. It is the overall unit of activity (e.g. worker + tool or company + tool) that are getting taxed. Not that long ago Bill Gates (Microsoft co-founder) suggested that robots may need to be taxed. This idea was in the media poo-pooed, but in the light that the robots will do all the work and that there will not be enough workers to be taxed the concept has merit. In which form can be worked later, but start thinking about it because it will be important in the near future. Varoufakis (2017) has already commented on the idea, namely that if robots gets taxed, than their capabilities will be incorporated in the machinery which is not taxed. So Varoufakis suggests the concept of Universal Basic Dividend (UBD) which will become a money generator for the UBI. The UBD as a general dividend concept is not so different Universal Basic Superannuation, except that it generates money instead using it. Swedish researchers (Bregman, 2016) found that the members of societies which are prepared to contribute, if all of us are likely to get something from the welfare state. It showed that in countries where government universal programs for poverty reduction have been more successful. This is the opposite to the ideology of entitlements (Varoufakis, 2016) where advantaged people feel it is their right to take the winnings and in a way behave more hostile towards each other. While the poor have learned to expect less and are more likely to act cooperative instead of free-riding. This is why US president Nixon wanted to implement UBI to fight poverty (Boogaardt, 2016). Then there is the question does everyone need UBI or should there be exceptions? In one way the beauty of UBI is its simplicity of no exceptions, however psychologically it may be better to implement Near-Universal Basic Income (NUBI), where the top income decile does not get it (Eyal, 2010).

In regional areas creating jobs is more difficult than in the big cities in general and are mainly related to agricultural and mining industry. Moving to a big city to look for work is very expensive and if no job can be found what then? Lost money for the shifting, still on the dole and increased stress levels. In the meantime they have also put pressure on the housing affordability in the big cities. With UBI in place these people can stay in the regions and negate the problems.

Unpaid housework and caring mainly by women has been a benefit to society and therefore an economic benefit. The downside is because houseworkers and carers do not get paid they are basically bonded to the providers of money, mostly men. This economic dependency can have social impacts on the women. UBI could remove this dependency and make society more equal. Conservatives do not like the idea that paying for 'housework', mainly to women, because doing housework is a lifestyle choice (Dunlop, 16).

In Ecuador there was a pilot program of a type of UBI, just for the poorest households (Mora, 2017). It appeared to be a success by amongst others to the rise of the participating households through the ranks of society. To achieve this there had to be a policy mechanism that could work out the various parameters for eligible households like gender, age, education. A proper UBI does not have to worry about these details and possible mistakes because the payout applies to everyone. Overall it appears to be a success according to Mora (2017). Another trial of UBI is currently conducted in Finland where 2000 people are randomly selected to participate in it.

Theoretical and practical tests indicate that UBI is the way forward. An additional benefit is that governments and businesses could get rid of many useless non-productive jobs. That would be a cost saving for the government and society, with the additional benefit that most of these jobs probably obstruct efficiency.



Conclusion

From every aspect it is clear to everyone that society is changing. Are we as society able to proceed in an orderly fashion with this change? Businesses need to adapt or they will disappear. So the main worry are governments, can they adapt in time before chaos comes? Can they setup frameworks that make smooth transitions possible? Definitely more research is needed and how these interrelated issues affect each other and what types of policies are feasible. Are politicians brave enough to admit that they cannot promise being able to go back to the “good old days” (Boogaerdt, 2017). There is no option, but for them to start planning now. To achieve the smooth transition in to TiR governments need to take the lead. NUBI is an integral part of the smooth transition into TiR. If the government sees the issues as separate silos without interdependence the result will be as mentioned before economic and societal chaos which possibly could end in dictatorship or war, because “strongmen” often arise from chaos and the vacuum left by civil leaders.

Economic change, Postwork, superannuation, housing affordability and UBI as are all interrelated issues part of the TiR economy.

Bibliography & References

Avent, Ryan (2017) : *How Low-Paying Jobs and Weak Safety Nets Reduce Innovation and Productivity. Given the structure of our social safety net, automation tends to increase poverty and inequality rather than unemployment* ; Economics.

Australian Bureau of Statistics (2017) : *Census 2016* ; <http://www.abs.gov.au>

Beatley, Timothy (2017) : *Handbook of Biophilic City Planning & Design* ; Island Press, Chicago, USA.

Boogaerdt, Humphrey (2015) : *Third Industrial Revolution Expanded* ; unpublished, www.payung.biz .

Boogaerdt, Humphrey (2016) : *Collaborative Team Process : a Framework to Create a Sustainable Economic System in the Third Industrial Revolution Era* ; unpublished, www.payung.biz .

Boogaerdt, Humphrey (2017) : *What Can Politicians Tell to the Voters about the Loss of Old-Style Jobs?* ; unpublished, www.payung.biz .

Boerema, Annelies (2016) : *Ecosystem Services : Study of Human Influences on Nature and the Effects for Society* ; PhD Thesis, Uni Antwerpen.

Bregman, Rutger (2016) : *Utopia for Realists : The Case for a Universal Basic Income, Open Borders and a 15-hour working week* ; The Correspondent, The Netherlands.

Bregman, Rutger (2017) : *Why Society's Biggest Freeloaders Are at the Top No, Wealth isn't Created at the Top. It is merely devoured there*; Economics .

Christie, David (2015) : *Proof of Vipers: Bullying and Toxic Workplaces How to Minimise their Effect* ; Amazon Kindle.

Citizens Climate Lobby (2016) : *Carbon Fee and Dividend* ; <https://citizensclimatelobby.org/> .

De Waal, Frans (2016) : *How Bad Biology is Killing the Economy* ; Economics.

Denniss, Richard (2017) : *Grandfathering the Australian Dream. House prices, insecure work and growing debts. Who can afford a stake in today's society?* ; <https://www.themonthly.com.au/issue/2017/june/1496239200/richard-denniss/grandfathering-australian-dream> .

Dunlop, Tim (2016) : *Why the Future is Workless* ; NewSouth Publishing, Sydney.

Economist (2016) : *Universal Basic Incomes : Sighing for Paradise to Come* ; The Economist, June 2016.

Economist (2017) : *The Economics of Longevity, Special Report* ; The Economist 10 July 2017.

eTool (2017) : *Life Cycle Design is an integrative design method that uses life cycle assessment to assess every single impact aspect of a product or process over its entire life span* ; <http://etoolglobal.com/> .

Eyal, Nir (2010) : *Near-Universal Basic Income* ; Int J Basic Income Res, vol5, #1.

Gordon, David (2015) : *"Is Australia a Suburban Nation?" seminar PIA or its Canadian predecessor (2013) "Sustainable Suburbs : Best Practices from Canada"* ; <https://www.planning.org.au/events/event/is-australia-a-suburban-nation> .

Gordon, David (2015) : *Patrec Perspectives : Estimating the Size of Australia's Suburban Population* ; http://www.patrec.uwa.edu.au/__data/assets/pdf_file/0005/2808410/OCT-2015-PATREC-PERSPECTIVES.pdf .

Gordon, David (2016) : *Australian Cities in the 21st Century: Suburbs and Beyond in Built Environment* ; <https://www.alexandrinepress.co.uk/blogged-environment/australia-suburban-nation> .



Goodall, Jane (2017) : *Comments about Primates on ABC's Q&A* ;
<http://iview.abc.net.au/programs/qanda/NC1703H019S00> .

Hankammer, Stephan & Kleer, Robin (2017) : *Degrowth and Collaborative Value Creation: Reflections on Concepts and Technologies* ; J Cleaner Production.

Harari, Yuval Noah (2016) : *Homo Deus: A Brief History of Tomorrow* ; Vintage Publishing, UK.

Hartz-Karp, Janette (2007) : *How and Why Deliberative Democracy Enables Co-Intelligence and Brings Wisdom to Governance* ; J. Public Deliberation, vol 3(1).

Hartz-Karp, J. (2012) : *Laying the Goundwork for Participatory Budgeting – Developing a Deliberative Community and Collaborative Governance : Greater Geraldton, Western Australia* ; J. Public Deliberation, vol 8(2).

Hidalgo, César (2015) : *A New Perspective on Economic Growth: What is Information and Why Does it Grow? The evolution of prosperity and accumulated knowledge* ; Economics.

Hoffman, Andrew J. (2016) : *The Invisible Hand Won't Solve the Climate Crisis. Capitalism Must Evolve. New economics to deal with the biggest global issue* ; Economics.

Honick, Alan (2015) : *The Origins of Human Fairness, Are we Really Born Selfish?* ; Economics.

Hu, Fred & Spence, Michael (2017) : *Why Globalization Stalled : And How to Restart It* ; Foreign Affairs vol 96, num 4.

Johnson, Eric Michael (2015) : *Chimpanzees Prove that Elites Don't Understand Darwin's Message About Cooperation* ; Economics.

Joice, Paul (2014) : *Measuring Housing Affordability U.S. Department of Housing and Urban Development* ; Cityscape: J Policy Development and Research, Vol 16.

Joutsenvirta, Maria (2016) : *A Practice Approach to the Institutionalization of Economic Degrowth* ; Ecol Econ.

Kallis, Giorgos (2017) : *Radical Dematerialization and Degrowth* ; Phil Trans.
<http://rsta.royalsocietypublishing.org/> .

Keen, Steve (2017) : *Why Economists Have to Embrace Complexity to Avoid Disaster, Microeconomics, Macroeconomics and Complexity* ; Economics.

Klein, Naomi (2017) : *Trump is an idiot, but don't underestimate how good he is at that* ; The Guardian <https://www.theguardian.com/books/2017/jun/11/naomi-klein-donald-trump-no-is-not-enough-interview> .

Lakoff, George (2014) : *Don't Think of an Elephant! : Know Your Values and Frame the Debate* ; Chelsea Green Publishing, Vermont, USA.

Marshall, Graham R. (2005) : *Economics Collaborative Environmental Management : Renegotiating the Commons* ; Earthscan, London.

Matan, Annie & Newman, Peter (2017) : *People Cities : The Life and Legacy of Jan Gehl* ; Island Press, London.

Mencinger, Jože (2015) : *The Revenue Side of a Universal Basic Income in the EU and Euro Area* ; Law Econ Rev.

Mora, Andrés Mideros (2017) : *Giving Money to the Poor Does Work. Just look at Ecuador* ; United Nations University.

Moriarty, Patrick & Honnery, Damon (2017) : *Three futures: Nightmare, Diversion, Vision* ; World Futures (DOI: 10.1080/02604027.2017.1357930).

Nelson, Julie (2017) : *What Is Radical Economics? (Hint: It's Not Neoliberal or Marxist)* ; Economics.

Newman, Peter (2017) : *A Week in England – Some Reflections on Resilience* ; Curtin Uni , <https://vimeo.com/224895282>.

Roth, Steve (2017) : *Why Welfare and Redistribution Saves Capitalism from Itself. Rich countries share wealth and create economic security* ; Economics.

Ryan-Collins, Josh (2017) : *How Land Disappeared from Economic Theory For classical economists, it was a factor of production, and the source of "rent."* ; Economics.

Seba, Tony (2016) : *Clean Disruption - Why Energy & Transportation will be Obsolete by 2030* ; Nordic Energy Summit, Oslo <https://www.youtube.com/watch?v=Kxryv2XrnqM>

Speck, Jeff (2013) : *Walkable City How Downtown Can Save America, One Step at a Time* ; North Point Press, New York.

Stiglitz, Joseph (2016) : *Standard Economics is Wrong on Inequality and Unearned Incomes Kills the Economy* ; Economics.

Turchin, Peter (2017) : *What Is the Role of Morality in a Capitalist Economy?* ; Economics.

Varoufakis, Yanis (2016) : *How the Economic Elites Get the Idea That They Deserve More* ; Economics.

Varoufakis, Yanis (2017) : *A Tax on Robots?* ; The World Opinion Page , <https://www.project-syndicate.org/commentary/bill-gates-tax-on-robots-by-yanis-varoufakis-2017-02> .

Voracek, Brad (2016) : *The Basic Income and Job Guarantee are Complementary, not Opposing Policies. Let's see what happens when everyone has some cash on hand* ; Economics.

Wilson, David Sloan & Kirman, Alan (2015) : *Everything You Need to Know About Laissez-Faire Economics. The history of the "let it be" philosophy* ; Economics.

Youth Action (2017) : *Youth Unemployment in Western Sydney* ; http://www.youthaction.org.au/western_sydney_unemployment .

