New Zealand Labour forms government with support of right-wing party

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In a distinct turn to the right, New Zealand Labour Prime Minister Helen Clark announced in early August that she had formed an alliance with the United Future Party, a right-wing formation with close attachments to a grouping of fundamentalist and evangelical Christian churches.

After nearly two weeks of secretive negotiations following the July 27 elections, which left Labour without a parliamentary majority, United Future agreed to support a minority Labour government for the next three-year term of office.

Labour had already formed a coalition with the two MPs from the Progressive Coalition Party, established by former deputy Prime Minister Jim Anderton after the Alliance, the junior party he led in the last government, split into two factions in April and lost all its seats in the election.

However, the Labour and the Progressive Coalition between them control only 54 seats in the 120-member parliament, forcing Clark to secure an arrangement on matters of confidence and supply with another party in order to govern.

United Future will not formally join the coalition government, but has confirmed its support in return for an undertaking by Labour to involve it in decision making on policy, legislation and budgetary matters. Clark has also agreed to several specific demands from United Future, including the establishment of a "Family Commission" to assess the impact of government policies on families. The commission was a policy priority for United Future, which campaigned in the election as supporting the "family".

Before the election campaign, it seemed most likely that an understanding would be reached with the Greens in order to buttress Labour from the "left", as they had during the previous government. However, the Greens signalled at the beginning of the campaign that they would withdraw confidence over Labour's plans to allow commercial development of genetically engineered (GE) foods from October 2003.

The deal with United Future came in response to business and media demands that Labour keep the Greens in the cold and establish itself firmly in the political "centre". Auckland Chamber of Commerce CEO Michael Barnett predicted United would offer "a much friendlier business face than what the Greens have". Business NZ executive director Anne Knowles said United Future would be a "moderating influence" in areas of concern to business, including occupational health and safety legislation and proposals to extend annual leave provisions.

While the Greens supported the anti-working class measures of the previous Labour government, there are concerns in business circles that the party would be more susceptible to pressure than the United Future as Clark is compelled to make even deeper inroads into living standards. Sections of big business also want a government that would permit GE technology to proceed in order to boost agricultural exports.

Media proprietors urged Clark to undertake a clear political shift. In an editorial, the *Dominion Post* declared that an alliance with United Future would represent "an opportunity for Miss Clark to shrug off the shackles ... in having an alliance with the Left. She now has the opportunity instead to pursue policies with an eye on the economic growth the country desperately needs."

Previous Labour governments have rested on the trade union bureaucracy, which has policed the working class. But, in another signal of a shift in the government's social base, Clark rebuffed the peak union body, the NZ Council of Trade Unions (CTU), which called for a continued accommodation with the Greens, claiming it was essential for the realisation of Labour's "social democratic policy direction".

United Future campaigned in the election as a "common sense" alternative to both Labour and its main opposition, the National Party, the traditional conservative party of business, which was decimated in the election. On the basis of vague promises to ease the "burden" on working families, United Future won 7 percent of the vote, increasing its representation from one seat in parliament to eight. Before negotiations with Labour began, United Future leader Peter

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Dunne declared he was prepared to deal with either Labour or National to form a government.

Dunne is a former Labour MP. As a member of the Labour government from 1984 to 1990, he was a prominent supporter of Labour's pro-market assault on the social conditions of working people, led by Finance Minister Roger Douglas. When Dunne quit Labour in the early 1990s, his departure was prompted by moves within Labour to reposition itself after its disastrous defeat in the 1989 election by dumping, if only in name, the legacy of "Rogernomics".

Dunne was Internal Affairs Minister in the Nationals' 1996 coalition government and his voting record has consistently been with the Nationals, both in government and opposition. During the last parliament, he was instrumental in blocking a government bill to strengthen union representation in overseeing the country's dismal occupational health and safety laws. "The last thing we want is the Sovietisation of the workplace, through the establishment of special workers' committees," he declared.

United Future is a coalition formed in November 2000 between Dunne's previous party, United, and Future NZ, a remnant of the Christian Coalition led by former National MP Graeme Lee. United's MPs are noted for their extreme right-wing views, particularly on social issues.

Dunne's deputy leader, Gordon Copeland has been a financial administrator of the Catholic Church since 1984 and, in an interview given to a church periodical, declared his commitment to the "evangelisation of the nation". Fellow MP Bernie Ogilvy established a religious cult in Auckland in the 1970s called Youth With A Mission (YWAM). According to the *Sunday Star Times*, YWAM recruited hundreds of homeless teenagers, putting them to work as a cheap labour force while the organisation enriched itself through extensive property purchases. Another United MP has called for the Family Planning Association's $6.2 million annual government funding to be cut because it promotes condom use to teenagers, while yet another is on record as demanding that AIDS sufferers be identified and "quarantined".

United Future's 7 percent electoral support does not reflect a widespread constituency for such views. Based on right-wing populist rhetoric, the party was able to exploit the widespread disaffection with Labour and its allies as well as the conservative National Party. Over the past two decades, the economic restructuring policies of successive Labour and National governments have created high levels of unemployment and poverty and deepening social polarisation.

The Greens were initially bitter about being unceremoniously dumped by Labour as its prospective governing ally. Having cravenly served Labour over the past three years, they now find themselves cast aside. Nevertheless, they remain anxious to serve the government. Greens co-leaders Rod Donald and Jeanette Fitzsimmons are in talks with Labour to "formalise" support for the government on specific legislation. They have emphasised that there is "no breakdown" in their relations with Labour.

Labour's turn to United Future underlines processes that have been under way for some time. Labour positioned itself to gain office in 1999 by exploiting a groundswell of opposition to the pro-market reforms of the previous period. Once in government, it quickly adapted to the demands of big business and deepened the attacks on the social and economic position of ordinary people. Its anti-working class character was underlined following September 11, when it was among the first governments internationally to offer US President George Bush troops to join the "war on terror", earning praise from the White House and plaudits from local editorial writers.

None of this would have been possible without the support and complicity of the "left"—the Alliance and the Greens inside parliament and the union bureaucracy outside it. At every step, Labour was sustained in office by its allies who voted for its legislation and approved its budgets. In order to prop up Labour, the Greens and the Alliance jettisoned their professed commitments to free education, public health and social welfare. The unions also enforced Labour's agenda, heading off and breaking up any opposition to its austerity measures. The official "left" therefore carries a primary responsibility for the rise of right-wing parties.

The deal with United Future confirms a further step to the right by Labour. The new government has already signalled its intention to carry out the policy demands of big business and launch a fresh round of assaults on working people. After an election campaign in which all the parties vied to outdo each other with promises for tougher "law and order" measures, Labour is set to push through new anti-democratic "security" legislation, increased prison terms, harsher punishment regimes and a crackdown on "youth crime".

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