

New Zealand Maori business elite sues for water ownership

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The New Zealand Maori Council, representing indigenous tribal business interests, began legal action in the High Court on October 18 to delay the conservative National Party government's partial privatisation of state-owned power companies. The tribes are demanding that the government first address their claim to own the fresh water and geothermal resources used by the power companies.

The government has passed legislation to sell 49 percent of three power companies and the coal producer Solid Energy. It also plans to reduce its stake in Air New Zealand. The Maori Council's litigation has forced the government to postpone selling shares in Mighty River Power until next March. The privatisations will provide a windfall for corporate investors, who will profit from soaring household electricity prices and attacks on jobs and conditions. Solid Energy has already cut about 450 jobs and mothballed its unprofitable Spring Creek mine to prepare the company for sale.

The sell-off is part of an economic restructuring program, in line with those being implemented in Europe, the US and elsewhere, designed to impose the burden of the economic crisis onto working people. Since 2008, the government has axed 5,000 public sector jobs, cut spending on health, welfare and education, and increased the consumption tax (GST), while cutting taxes for big business. It has also lowered the minimum wage by 20 percent for 16- to 19-year-olds.

The Maori tribal business entities, which collectively control \$36.9 billion in assets, view the privatisation agenda as an opportunity to increase their wealth. The

Maori Council began litigation in the Waitangi Tribunal in July, alongside 10 iwi and hapu (tribes and sub-tribes), to establish property rights over water used in electricity generation. Speaking to Radio NZ on July 30, council lawyer Felix Geiringer stressed that they were "not trying to stop the asset sales," but wanted Maori "proprietary interests" to be recognised first.

The Maori Council is an unelected, government-funded body that was created in 1962, ostensibly to promote the "social and economic advancement of the Maori race." It is one of the mechanisms through which successive governments cultivated a privileged layer of Maori business and political leaders committed to the defence of the profit system. Millions were poured into tribal businesses, supposedly to redress the crimes of colonialism. Meanwhile, the Maori working class, who gained nothing from this process, remain among the most impoverished and oppressed sections of the population.

In a recent interview with the *Listener*, Maori Council co-chairman Maanu Paul expressed the right-wing nationalist politics of the layer it represents. Asked whether he thought the public would support tribes profiting from water, he declared that, "if it wasn't for the council, the water would be in Chinese hands by now." The Council's legal action is also supported by the Maori Party, which is part of the government coalition with National.

The Council took its case to the High Court after the government rejected the Waitangi Tribunal's suggestion that the tribes be given shares and special managerial rights in the power companies. The government has demagogically claimed that "no one

owns water,” but maintains that it will address Maori “rights and interests” in water after the part-privatisations. Finance Minister Bill English told the *New Zealand Herald* that the government preferred to negotiate “directly with iwi (tribes), not through the Maori Council.”

The opposition Labour Party and the Greens, which agree with the government’s austerity program, have criticised the privatisation agenda in a cynical effort to divert popular anger into nationalist channels. Together with the right-wing New Zealand First, the Maori nationalist Mana Party and the Council of Trade Unions, they organised a “Keep Our Assets” petition to trigger a non-binding referendum on the asset sales.

Labour and its allies do not oppose privatisation but only object to shares being bought by foreign investors, especially Chinese, rather than local interests. On this basis, they support the bid by the Maori elite to establish “local” property rights over water. Labour and the Greens have refused to pledge to re-nationalise the assets if they win the 2014 election.

Alongside Mana, the Greens and the trade unions, the pseudo-left groups, Socialist Aotearoa (SA) and the Workers Party, fully support the Maori tribes’ bid to profit from the asset sales. In September, SA applauded the Maori King Tuheitea, a figurehead of the Tainui tribal confederation, for organising tribes to support the Maori Council. SA absurdly claimed that Tuheitea had delivered “a serious blow to the asset sales agenda.” In fact, like all big businesses, the Tainui confederation does not oppose privatisation, provided it can profit from it. Tainui controls \$694 million worth of assets, including a hotel at Auckland Airport and a mall in Hamilton. In the past year, it made an after-tax profit of \$39.9 million.

The pseudo-lefts have assiduously tried to cover up the Maori Council’s support for privatisation by distinguishing between the Council and the “pro-capitalist” Iwi Leaders Group (ILG)—wealthy tribal leaders who work closely with the government. Council lawyer Geiringer, however, told Radio NZ on October 17 that “both groups are trying to achieve the same result ... to get Maori interests recognised to a greater

degree.” Mana Party leader Hone Harawira told TV3 on October 20 that most ILG members supported the Council.

The pretence that the actions of the Maori establishment are motivated by opposition to privatisation is wearing thin. Unite trade union leader Matt McCarten told TVNZ on October 21 that “the Maori Council [is] taking the view that it’s actually wrong to sell and it shouldn’t be done, and that if it’s going to be done, there’s the Treaty rights.” In other words, since the government is privatising companies, Maori capitalists should benefit.

Similarly, Mana leader Hone Harawira told TV3 that “Maori are not in support of government... moving ahead with the sale of state assets until Maori water rights have been settled.” He criticised the government for rejecting the Waitangi Tribunal’s recommendation, offering shares to some tribes, but not others, and refusing to offer bonus loyalty shares.

Socialist Aotearoa and the Workers Party, which are active within Unite and Mana, have unstintingly promoted the Labour-Greens “Keep Our Assets” petition and have organised protests under the nationalist slogan “Aotearoa [New Zealand] is Not for Sale.” The next rally—advertised as a “street party” with bands and circus performers—will be held in Auckland on Saturday. Like previous rallies, it will undoubtedly be used to promote the Maori Council’s court action.

The pseudo-lefts’ embrace of the Maori business elite demonstrates that they are a faction of the pro-capitalist political establishment. Steeped in middle-class racial identity politics, they do not seek an end to private property but a re-distribution of wealth in favour of particular sections of the ruling class.



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