New Zealand: Kim Dotcom to launch pro-business Internet Party

Tom Peters
28 January 2014

Kim Dotcom, founder of the file-sharing web site Megaupload, announced this month that he would establish the Internet Party to contest this year's election in New Zealand. The German-born multi-millionaire planned to launch his project with a "party party" on January 20 at Auckland's Vector Arena. He told the *New Zealand Herald* that 25,000 people registered for tickets to the event—which was cancelled after the Electoral Commission advised that it could constitute "treating" voters and violate the law.

The Internet Party is being launched at a time of soaring social inequality and widespread alienation from the political establishment among youth and the working class. The National Party government has implemented harsh austerity measures, including 7,000 public sector job cuts, attacks on welfare beneficiaries and cuts to spending on education, healthcare and other social programs. The opposition Labour Party—which suffered its worst election defeat in 80 years in 2011—fully supports the government's agenda and is calling for an increase in the pension age.

At the same time, there is considerable public sympathy for Dotcom because of his persecution by the government, an operation that highlighted the extent of domestic spying operations.

In 2012 Megaupload.com was shut down and Dotcom's Auckland mansion raided by heavily armed police, in an operation directed by the FBI and US Justice Department. Dotcom is currently fighting extradition to the US on charges of copyright infringement, racketeering and money laundering. He has denied the charges and described Megaupload as a "YouTube competitor."

The operation against Dotcom exposed the activities of the government's security agency, the Government Communications Security Bureau (GCSB), in illegally spying on him. An inquiry last year revealed that more than 80 New Zealand citizens and residents had been spied on. The government's moves to legalise the GCSB's domestic spying and increase its powers last year provoked large protest rallies and public meetings, which Dotcom addressed.

The WSWS denounced the illegal campaign against Dotcom and the GCSB's operations as deeply anti-democratic. But that does not in any way signify support for Dotcom's politics, which are oriented toward the same big business and political establishment that is responsible for mass spying and many other abuses of democratic rights.

Dotcom has previously donated money to the far-right ACT Party, which is part of the governing coalition and supports lower taxes for the wealthy and sweeping measures to dismantle welfare. He recently sought political advice from Don Brash, a former leader of both National and ACT. Dotcom has criticised the GCSB and New Zealand's alliance with the US, but not the National-ACT policies of austerity, privatisation and attacks on wages and working conditions.

The Internet Party resembles Germany's Pirate Party, which was also founded on a narrow platform based on opposition to copyright laws and vague demands for "transparency." In its 2009 election campaign, the Pirate Party, assisted by the corporate media, made an "anti-establishment" appeal to young people alienated from the main big business parties. But its right-wing orientation soon became apparent on issue after issue: it endorsed the European Union's brutal austerity measures, supported Germany's secret service and military, and joined in an ultra-right campaign against refugees.

Although the Internet Party has not officially announced any policies, it is clearly directed toward

existing and aspiring digital entrepreneurs. Dotcom's perspective is that of a wealthy businessman who has fallen foul of more powerful vested interests, namely, the major Hollywood studios that instigated legal action against Megaupload. Before it was shut down, his company was worth an estimated $US2.8 billion and accounted for 4 percent of Internet traffic.

Dotcom recently told the *Guardian* he wanted "safe harbour" laws in New Zealand to shield companies like Megaupload from prosecution. His opposition to state surveillance is bound up with its impact on the profits of web-based businesses. In a submission to the government last July, Dotcom stressed that spying by the GCSB "has a negative impact on innovation, economic growth and business."

According to the *Guardian*, one of Dotcom's political advisors is James Kimmer, whose previous clients include Russian billionaire Mikhail Khodorkovsky. Another supporter is Derek Handley, the founding CEO of billionaire Sir Richard Branson's leadership collective The B Team, which Handley describes as "advancing the future of capitalism."

Dotcom has also courted, and been courted by, the main opposition parties. On January 19, Labour leader David Cunliffe told the *New Zealand Herald* he would not rule out a coalition with the Internet Party. Last year, leaders of Labour, the Greens, the anti-immigrant NZ First and the Maori nationalist Mana Party appeared at public protests alongside Dotcom to hypocritically denounce the government's spy laws, with which none of them have any fundamental disagreement.

It was the 1999-2008 Labour government, backed by the Greens, which set up the GCSB as an independent department in 2003 and allowed it to spy on New Zealanders—including journalist Jon Stephenson, who exposed war crimes committed by NZ troops in Afghanistan. Labour and the Greens have promised a "review" of the GCSB if they win the election—which would undoubtedly only expand the agency's powers.

Various media commentators are drumming up support for the Internet Party.

Pro-Labour columnist Chris Trotter warmly endorsed the Internet Party, describing Dotcom as a "serious funster" with the "ability to mix serious politics with the digital playfulness" and attract young and disillusioned voters. Trotter also praised Handley for supporting Dotcom and absurdly described Richard Branson's B Team as "dedicated to future-proofing capitalism against its own worst impulses."

Martyn Bradbury, whose union-funded web site *The Daily Blog* promotes Labour, Mana and the Greens, offered to stand as a candidate for Dotcom (who cannot stand himself because he is not a NZ citizen). Bradbury also proposed an election strategy for the Internet Party, which was leaked by a right-wing web site. He wrote candidly that Dotcom should promote the "economic gains" of better Internet services to the upper middle class. "It is mostly young affluent apartment dwellers who will be highly susceptible to the Internet Party's message," Bradbury advised.

Clearly both Trotter and Bradbury regard the Internet Party as a useful political safety valve for widespread alienation, especially among young people, and understand that it presents no threat to the political establishment or to the corporate profit system.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact