

# Deep concerns in New Zealand ruling elite over Brexit vote

John Braddock  
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The political establishment in New Zealand has reacted to the Brexit vote in the United Kingdom with a sudden expression of interest in, and alarm over, the potential emergence of a popular “revolt” at home.

While both the “Leave” and “Remain” camps in the UK were dominated by nationalism and anti-immigration rhetoric and neither represented the interests of the working class, the outcome contained a profound rebuke to the British ruling elite.

The vote to leave, as the WSWS explained, was “a cry of social distress, particularly from the poorest layers of workers, who know that the European Union has been no less ruthless in its attacks on the working class than the Tories in Britain, above all in its destruction of Greece.”

Similar hostility and alienation from the political establishment was reflected in the July 2 Australian election, which saw a surge in support for minor parties, producing a fractured parliament and an unstable government.

In New Zealand, the apparent stability of the National Party-led government of Prime Minister John Key, which has been in office since the end of the 1999-2008 Labour administration, is showing signs of weakening. The country is experiencing a profound social crisis, with one in 100 people homeless and more than 300,000, or one in four, children living in poverty.

Running through much of the media commentary on the Brexit vote is seething hostility to the working class. It is falsely assumed that working people—labelled “NZ’s festering malcontents” by one newspaper headline—will inevitably blame immigrants for the worsening social conditions, with the main beneficiary being the racist and xenophobic NZ First Party.

As part of an attempt to promote NZ First, its leader

Winston Peters was interviewed on television following the Brexit result, attacking immigrants and comparing New Zealand to Britain. In a speech at the British House of Lords in May, Peters had told the British to be “bold and courageous” and ditch the European Union. He raised the issue of British “apprehension and dismay” at the “invasion” of European nationals from countries like Poland and Romania and England’s “seeming inability to do anything about it.”

In reality, the entire New Zealand ruling elite is promoting nationalism and scapegoating immigrants. The Reserve Bank last week warned the government that it needed to reduce immigration in order to control spiralling house prices.

There is already mass disaffection toward all the official parties in New Zealand. In the 2008 election, Labour’s vote collapsed as many workers abstained from voting. In 2011, only 74 percent of registered voters turned out, the lowest percentage in 120 years. The 2014 election continued the trend, with the third lowest turnout in 100 years. About one million eligible voters abstained, including 280,000 predominantly young people who did not enrol to vote. The Labour Party received just 24.7 percent of the vote, its worst result since 1922.

A recent study commissioned by Victoria University’s Institute of Governance and Policy Studies, showed a “crisis of distrust” in parliament. The level of trust in MPs had fallen by 54 percent since 2013, with less than one in 10 saying they had complete or lots of trust in elected officials.

Another survey of “trust,” cited in the *New Zealand Herald* on July 6 by Otago University lecturer Bryce Edwards, showed a gap of 12 percentage points between wealthier social layers and the mass of the population. Only 41 percent of the population overall

expressed any confidence in the existing political set-up. Edwards noted that widening economic inequality, both internationally and in New Zealand, was “leading to various forecasts of proletarian revolt.”

According to journalist Duncan Garner, social inequality is “a ticking time-bomb” and should be a “wake-up call” for politicians. Referring to statistics showing the bottom 40 percent of the population own just 3 percent of the wealth, he declared one could “shudder at the thought” of them all voting.

*Herald* business editor Liam Dann warned of “growing unease” in financial and banking circles as “political upheaval is stoking turmoil in currency markets as a wave of populist anti-globalisation sentiment sweeps the world.” While New Zealand has been depicted as a “safe haven” for investors, ANZ bank chief economist Cameron Bagrie warned that the NZ dollar will “come under pressure” if “populist-driven unease” spreads to emerging economies, which include many of New Zealand’s export markets.

In a particularly hypocritical blog post, former Labour prime minister Geoffrey Palmer suggested that “some sense of democratic renewal is needed to avoid alienation.” As a member of Labour’s 1984-90 cabinet, Palmer carried a special responsibility for initiating its widely detested pro-market onslaught against the working class, including mass redundancies and privatisations. The National government continued the attacks in the 1990s, including brutal reductions in unemployment and sickness benefits. The 1999–2008 Clark Labour government did not reverse any of these cuts.

Former Labour leader David Cunliffe, falsely promoted in the media as a “left” figure, wrote on the *Daily Blog*, that “extremist nationalist figures are converging far right and left wing dissatisfaction thinking under a nationalistic, populist banner.” The question, he asked, was how to fix it. “People want to feel good about their country. They want to feel proud and connected. They need to feel their country is progressive and has a plan.” Only Labour “can and will deliver on” such a plan, Cunliffe asserted.

Labour is far less concerned about the growth of right-wing nationalism than a leftward movement of the working class that would come into conflict with all the established parties. Labour and the unions, supported by various pseudo-left organisations, bear the prime

responsibility for promoting right-wing nationalism. Labour has joined NZ First in whipping up xenophobia and nationalism by scapegoating immigrants, particularly Chinese, for unemployment and the housing shortage. Underscoring the right-wing nationalist orientation of the New Zealand pseudo-left groups, Socialist Aotearoa joined NZ First in supporting the “Leave” campaign in Britain.

The anti-immigrant rhetoric and economic nationalism is aimed at dividing the working class and preventing a united struggle against austerity and war. Anti-Chinese xenophobia, in particular, will be used more and more openly by Labour and NZ First to justify New Zealand’s alignment with the US military encirclement and preparation for war against China.

The New Zealand ruling elite has already once in its recent history been forced to modify its election process to try to head off mass disenchantment with the two major parties and the institution of parliament. Following a referendum in 1992, a German-style mixed member proportional representation system was adopted to open the way for smaller parties. The Greens, NewLabour, the Alliance, NZ First and many other parties were established. Without exception, they have all, at one time or another, collaborated with Labour or National governments in the assault on living standards and participation in overseas military interventions.



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