

New Zealand: The right-wing politics of the Opportunities Party

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9 September 2017

The Opportunities Party (TOP), founded by multi-millionaire businessman Gareth Morgan last November, has received significant promotion by the corporate media in the lead-up to the New Zealand election on September 23.

By presenting itself as “anti-establishment,” the party is seeking to exploit widespread discontent with the status quo, particularly among young people over the rise in social inequality and the high cost of housing. TOP’s website states that it opposes “policies that allow people to get rich at the expense of others or our environment.” One of its slogans is “Not left. Not right. But... what works.”

This is a sham. In fact, TOP is seeking to channel opposition behind a right-wing, nationalist agenda aimed at boosting New Zealand capitalism at the expense of workers’ living standards.

Morgan is one of the richest people in the country. During the 1980s, just before the pro-business deregulation of the 1984–1990 Labour Party government, he co-founded economic forecasting company Infometrics Limited, one of the largest businesses of its kind in the country.

In 1999, Morgan founded the investment company Gareth Morgan Investments, which he sold in 2012 to the state-owned Kiwibank for a sum estimated between \$50 and \$100 million. The Morgan Foundation was established to manage Morgan’s philanthropic activities, for which he is lauded in the media.

TOP is polling around 2 to 3 percent at this stage, below the 5 percent threshold needed to enter parliament.

There is widespread hostility to the National Party government and opposition Labour Party, which both support the program of austerity and militarism. The last two elections saw historically low voter turnouts with more than a million people abstaining, in a country of just 4.8 million.

While he tries to posture as an “outsider,” Morgan has stated that he could work with either of the major big business parties. On August 24, he told Newstalk ZB he expected the recently elevated Labour leader Jacinda Ardern to be the next Prime Minister “and I think that’s fantastic for New Zealand.”

So far, TOP has made no statement on the most pressing issue facing the working class: the immense danger of nuclear war. In response to Trump’s aggressive and reckless threats against North Korea, both Labour and National have publicly signalled the possibility of joining a US-led war.

Like the major parties, TOP supports New Zealand’s de facto military and intelligence alliance with the US and increasingly aggressive stance against China. Writing on his foundation’s website on July 1, 2015, Morgan endorsed the Trans-Pacific Partnership (TPP) agreement, promoted by the Obama administration to establish a US-dominated trade and investment bloc to counter China.

Morgan approvingly quoted Obama’s statement that “if we don’t write the rules, China will write the rules” in Asia and declared it “a no-brainer” that New Zealand should align with the US against “non-democratic” China. He endorsed the US “military steps such as beefing up its presence in Asia” to counter Chinese “expansionism” in the South China Sea.

Trump’s administration has scrapped the TPP and is instead threatening trade war, while increasing the US military build-up against China and North Korea.

TOP has also joined the established parties in stoking anti-immigrant xenophobia as a means of diverting acute social tensions. It calls for a 30 percent cut in immigration and attacks the government for allowing “desperate economic refugees from India and China” to study and work in New Zealand. It also advocates tougher immigration measures, including more stringent “English language” criteria, to require migrants to work in NZ for

five years (up from two) to qualify for Permanent Residency and 25 years for pensions (up from 10).

The Labour Party, the right-wing populist NZ First and the Maori nationalist Mana Party advocate similar policies. They have scapegoated Chinese people in particular for the housing crisis, low wages, drugs and other social problems—a campaign that is also bound up with further integrating New Zealand into the US preparations for war with China.

TOP’s economic and social policies are not aimed at reducing inequality, but further enriching New Zealand capitalists.

One of TOP’s billboards misleadingly states: “Rich pricks should pay more tax, including me,” i.e. Morgan. The party’s tax policy actually says “New Zealand companies are bearing an unfair and unsustainable tax load” and should “get relief.”

While lowering corporate tax by an unspecified amount, TOP would impose an “assets tax,” which it claims would be paid by the rich. In fact, the tax would not just apply to investment properties, but indiscriminately to every house, which would be regarded as a “productive asset” and taxed on its estimated annual rent. The party’s website asserts that home owners should be taxed on the “benefit of ‘free’ accommodation,” even if they receive no rent or capital gains on their home.

TOP claims that the tax would address the country’s speculative housing bubble by diverting investment from property to other economic activities. In March, the *Economist* wrote that New Zealand’s largest city, Auckland, was among the least affordable housing in the world, with modest homes frequently selling for over \$1 million.

TOP’s housing policies would only make the crisis worse. It does not propose any cap on rents, meaning landlords could pass on the extra tax to tenants. At the same time, many home owner-occupiers would have to take on debt to pay the tax. Retired people would have the tax deducted from the sale of their house after they die.

In addition, TOP calls for the privatisation of the country’s entire public housing stock, saying it should be “gifted” to “not-for-profit” organisations. Far from increasing the stock of affordable housing, this would end any responsibility by the state to house the poorest people in society.

Another central TOP policy is its call for a so-called “unconditional basic income” (UBI) of \$200 a week, which it cynically portrays as a form of wealth redistribution that would help to alleviate poverty.

In fact, the UBI would initially be available only to families with children under three years old. It would be funded, not by taxing the rich, but by cutting pensions through means testing. A single retired person is currently entitled to a maximum of just \$390 a week, which TOP says is “just too high.” Speaking to Radio LIVE on March 28, Morgan said approximately half of pensioners should have their payments cut in half.

TOP states that it eventually wants a UBI “for all” adults. It would be funded by eliminating or drastically reducing existing targeted welfare payments, most of which (invalid benefits, pensions and unemployment benefits plus accommodation supplements) are higher than the UBI.

The UBI is so low that nobody could realistically survive on it. The average rent in Auckland or Wellington is over \$500 a week, more than twice the level of the UBI, and single rooms are rented at around \$200 or higher.

If TOP gains seats in the next parliament, far from narrowing the gulf between rich and poor, it will use its numbers to assist in deepening the assault on the working class. The fraud that TOP is “anti-establishment” is being promoted by the corporate media, as well as the trade union funded *Daily Blog*, as another political safety valve to prop up a parliamentary system which is already under severe stress.

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[12 August 2017]

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