

# Labour Party details coalition agreement with New Zealand First

Tom Peters

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Incoming Labour Party Prime Minister Jacinda Ardern signed a formal coalition agreement yesterday with the right-wing, anti-immigrant New Zealand First Party.

One month after the September 23 election, the Labour Party, which won 36.9 percent of the vote and 46 seats, is forming a government with NZ First, which received 7.2 percent and nine seats. The coalition will be supported by the Greens, which won 6.3 percent and eight seats. The National Party, which held office for almost nine years, received 44.4 percent of the vote and 56 seats, the largest bloc in the 120-member parliament. NZ First chose to form a highly unstable coalition with Labour and the Greens instead of partnering with National.

Labour has rewarded NZ First with a role in the government that is vastly out of proportion to the popular support for the far-right, Trump-like party. The party will get four key cabinet posts. Its leader Winston Peters will become deputy prime minister and foreign affairs minister. NZ First deputy leader Ron Mark, a former army officer, will become defence minister.

The coalition agreement underscores the warnings made by the Socialist Equality Group that the Labour-NZ First-Greens government will pursue an extreme nationalist and militarist agenda, including attacks on immigrants, democratic rights and living conditions. No one voted for this right-wing agenda, which was agreed behind closed doors in secretive and anti-democratic talks.

NZ First's elevation parallels the rise of far-right and authoritarian formations in country after country, including UKIP in Britain, Trump in America, the French National Front, the Alternative for Germany, the Austrian Freedom Party and the Czech Republic's new leader, billionaire Andre Babiš. In response to deepening opposition to social inequality and capitalism, these forces are seeking to divide the working class by whipping up nationalism and xenophobia, while strengthening the repressive state apparatus and the military.

Ardern has criticised sections of the American media for likening her policies to those of Donald Trump. Like the Trump administration, however, Labour and NZ First have feigned concern over poverty and inequality, while scapegoating immigrants and ethnic minorities, especially Chinese, for low wages and the lack of affordable housing. In yesterday's press conference, Ardern and Peters reiterated plans to cut immigrant and foreign student numbers by up to 30,000 a year, or some 40 percent.

The ministerial appointments for NZ First signal a shift into even closer alignment with US war preparations against China and North Korea, in line with demands made by Trump's ambassador to New Zealand Scott Brown, in three media interviews following the election.

Ardern told TVNZ today that on Monday she had "a warm conversation" with Trump, who, she said, was "genuinely interested" in the New Zealand election. Ardern declared yesterday that New Zealand's relationship with the US, which includes membership in the Five Eyes intelligence-sharing network, "is incredibly important. That has not changed and it will not change."

Just as significant was Ardern's announcement that her first overseas visit will be to Australia, New Zealand's main military ally. The Australian conservative government and Labor opposition have vowed full support for Trump's warmongering against North Korea and the broader US confrontational stance against China.

For years, NZ First and Labour attacked the National government for cultivating close business ties with China, New Zealand's second-largest trading partner. Four days before the election, Peters claimed that China was "starting to dominate the lives of New Zealanders and clearly our economic direction."

In a press conference today, the NZ First leader echoed the demands made in the McCarthyite report released by the Washington-based, US government-funded Wilson

Center, just three days before the election, calling for an “investigation” into Chinese “interference” in New Zealand politics and society. Peters again reiterated his call for an inquiry into unsubstantiated allegations that National MP Jian Yang is a Chinese spy.

Mark, the new defence minister, has previously called for greater military spending to prepare for the prospect of war with China. In June 2016, after the National government announced \$20 billion in additional military spending over 15 years, Mark told TV3 there should be even more funding for an “air strike capability” and elite SAS combat forces. He said National had “dropped the ball” over “the threat that China is posing... in the South Pacific.”

New Zealand’s financial elite considers large areas of the South Pacific and Antarctica to be its sphere of imperialist influence. Together with the US and Australia, major sections of the ruling class want to roll back China’s growing economic and diplomatic weight in the region.

Workers should not be diverted by Ardern’s populist rhetoric to address poverty and homelessness, which has been hailed by pseudo-left groups and the trade union-funded *Daily Blog*. The latter has demonised Asian immigrants and supports the witch-hunt against Chinese “influence.” It declared yesterday that “big corporate farming and big business interests have been defeated” by Labour and “we should be ecstatic.”

In reality, Ardern stressed yesterday that Labour would abide by the “budget responsibility rules” that it agreed with the Greens in the run-up to the election. This means restricting government spending to below 30 percent of gross domestic product, about the same as the National government’s austerity budgets over the past nine years. Ardern announced on Radio NZ this morning that her government will consider further tax concessions for some companies and businesses, which will be funded by further cuts to basic services.

To try to lessen immense social discontent and political alienation, Labour has proposed a grossly inadequate increase of 1,000 state houses per year—in a country where 41,000 people, or one in 100, are homeless. Ardern said her “goal” was to increase the minimum wage to \$20 an hour from the current poverty level of \$15.75. Even if this highly conditional promise were implemented, which is far from certain, the increase would take place gradually over the next four years and would not address soaring living costs.

Like the Trump administration, the Labour-led

government is moving to strengthen the police, in preparation to suppress working class opposition to its real agenda of austerity, militarism and war. Labour campaigned for 1,000 extra police but Ardern and Peters announced that this has been boosted to 1,800 as part of the deal with NZ First. This is a 20 percent increase on the 2016 level of 9,000 sworn police officers, in a country with just 4.7 million people.

Former Police Association leader Greg O’Connor, who is part of the government as a newly-elected Labour MP, has repeatedly defended acts of police brutality, including killings, and demanded that all officers be equipped with firearms.

The Greens, which previously described NZ First’s policies as “racist”, will work closely with that party and support the government’s anti-immigrant and anti-Chinese measures. Greens leader James Shaw told Newstalk ZB he paid a “social” visit to Peters yesterday and gave him a bottle of whisky to celebrate NZ First’s coalition deal with Labour.

The Greens will have three ministers outside cabinet, mostly in environmental-related roles. Labour has promised \$1 billion to develop “low carbon” industries to benefit the Greens’ corporate supporters.

The working class inevitably will come into conflict with the new government’s reactionary agenda, sooner rather than later. The movement against war and austerity requires a conscious internationalist and socialist perspective and leadership, in opposition to the Labour-NZ First-Greens government and its defenders in the trade unions and pseudo-left groups.

We urge workers, students and young people to attend the Socialist Equality Group’s public meeting to discuss the way forward after the election, this Sunday, October 29, at 1:15pm, at the Toi Poneke Arts Centre Community Room, 61/69 Abel Smith Street, Te Aro, Wellington.



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