

Far-right government formed in New Zealand

Tom Peters

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After 40 days of secret negotiations following New Zealand's October 14 election, the conservative National Party leader Christopher Luxon yesterday signed a coalition deal to form a government with two widely despised far-right parties, ACT and New Zealand First.

The agreement brings to power the country's most right-wing government in decades. Its task will be to make drastic cuts to public services and ramp up the exploitation of the working class, while significantly increasing spending on the military to prepare the country to join imperialist wars.

Notwithstanding Luxon's mantra that he has built a "strong and stable government," the protracted negotiation period indicates that the three-way coalition will be profoundly unstable. The three parties failed to reach an agreement in time for Luxon to join world leaders at the APEC (Asia-Pacific Economic Cooperation) summit in mid-November, a major international forum.

The absence of a government for nearly six weeks—during which mass protests erupted opposing the US-backed genocide by Israel against the people of Gaza—will have caused concern among NZ allies in Washington and Canberra. New Zealand is a minor imperialist power in the Pacific region and a member of the US-led Five Eyes intelligence-sharing network. Successive governments have joined US-led wars against Iraq and Afghanistan, and the political establishment is supporting the US-NATO war against Russia over Ukraine and the militarisation of the Indo-Pacific region against China.

None of the three parties has any significant popular support. The National Party only got 38 percent of the votes, while ACT received 8.6 percent and NZ First just 6 percent. Taking account of roughly one million eligible adults—one quarter—who did not vote for anyone, National's support falls to 28 percent.

Responsibility for the right-wing victory rests with the outgoing Labour Party, which received 26.9 percent of the votes, a dramatic collapse from 50 percent in its 2020 election victory. After six years in government—in coalition with the Greens and, during 2017–2020, NZ First—Labour's claims that it would alleviate the housing crisis and end child poverty were completely discredited.

Under Labour, living standards collapsed amid soaring costs for food and housing. About 600,000 people—11.5 percent of the population—relies on food parcels to survive. More than 100,000 people, one in 50, are homeless or severely housing deprived. Meanwhile, tens of billions of dollars were found to provide subsidies and bailouts for big business during the pandemic.

The Labour government's support plummeted after it ended New Zealand's effective COVID-19 elimination strategy in late 2021 and allowed the coronavirus to infect millions of people.

Since then, more than 3,500 people have been killed by COVID and 34,000 hospitalised in what is an ongoing public health disaster.

The new National-led government will intensify the attacks on the working class, with the two extreme-right parties wielding disproportionate power. *Newsroom* journalist Marc Daalder posted on X that based on the coalition deals, "it's hard not to get a sense that this is ACT and New Zealand First's government, and National is just running it."

NZ First leader Winston Peters and ACT leader David Seymour will split the role of deputy prime minister, with Peters taking the job for 18 months before handing it to Seymour. Disagreement between the two leaders over the role was reportedly one issue that dragged out the coalition talks. During the election campaign, ACT and NZ First competed for the small number of far-right voters, with Seymour attacking Peters as untrustworthy.

Peters—whose party has a long record of racist agitation against immigrants, especially Muslims and Chinese people—has also been made foreign minister. NZ First's Shane Jones will be minister of regional development and the party's Casey Costello will be in charge of customs.

Labour and the Greens hypocritically denounce NZ First as racist, despite the fact that in 2017 then Labour leader Jacinda Ardern formed a coalition with NZ First and made Peters both deputy prime minister and foreign minister. The deal was supported by the Greens, which joined the Ardern government.

NZ First chose to form a government with Labour rather than National in 2017 because at that time Labour was viewed in Washington as the preferred party to strengthen military and intelligence ties, and to integrate New Zealand into the build-up to war against China.

Both National and Labour committed to increasing military spending from 1.4 to 2 percent of gross domestic product. Labour's defence minister Andrew Little stated in August that this was necessary in case New Zealand is "called on" to join a war against China.

National's commitment to boost military spending, along with income tax cuts which will overwhelmingly benefit the rich, will be paid for through drastic austerity measures in other areas. The libertarian ACT will play a major role with Seymour as minister of regulation and ACT's deputy leader Brooke Van Velden as minister of internal affairs, workplace relations and safety.

Seymour said yesterday that the number of public servants will return "to the levels we saw in 2017," which entails about 15,000 job cuts. Already WorkSafe and Statistics NZ have indicated that hundreds of jobs will be lost, and under Labour thousands of jobs

were destroyed across the university sector.

The National-ACT deal includes tax cuts for landlords and greater powers to evict tenants. A so-called 90-day trial period during which new employees can easily be sacked will be expanded to cover all businesses, not just small ones.

With unemployment rising from 3.4 to 3.9 percent this year and likely to increase further, the three parties agreed on sanctions and “electronic money management” for people receiving the Jobseeker benefit who fail to find employment.

In education, the government has adopted ACT’s policy of reintroducing privately-run charter schools, which can set their own pay rates and curricula. National also agreed to NZ First’s reactionary policy of ending sex and gender education in schools.

NZ First’s demand for an expanded “inquiry” into the previous government’s COVID-19 response has also been adopted, with the aim of delegitimizing the temporary lockdowns and other public health measures used during the first two years of the pandemic.

To deal with the inevitable opposition and fallout from these anti-working class policies, the government is promising tougher criminal sentencing, an increased prison population, and to train at least 500 new police officers (about a 5 percent increase).

The “law and order” policies include a ban on gang insignia and powers for the police to carry out warrantless searches and to break up alleged gang meetings. These anti-democratic laws, initially aimed against alleged criminal gangs, can easily be modified to target left-wing protests and groups of workers who seek to oppose the government’s attacks.

For youth offenders, the government will introduce military-run boot camps, in order to enhance the role of the armed forces in society and recruit more young people into the military.

A major component of the coalition agreement is an attempt to exploit widespread animosity towards the Labour-Green government’s promotion of race-based identity politics, and to steer it in a reactionary, racist direction. The new government aims to divert anger over the social crisis by scapegoating indigenous Māori, most of whom are part of the poorest layer of the working class.

National has adopted the demands of ACT and NZ First, which both campaigned against policies which they falsely claimed gave Māori a “privileged” status—including Labour’s “by Māori, for Māori” healthcare authority and Māori tribal “co-governance” of water infrastructure. The vast majority of Māori did not benefit from these policies.

The new government will disestablish the Māori health authority and “examine” affirmative action initiatives for Māori healthcare students. It will withdraw from the United Nations Declaration on the Rights of Indigenous Peoples—which NZ First denounced as a document enshrining “race-based preference”—and instruct public agencies to communicate primarily in English, not Māori.

ACT will draft legislation to define the principles of the Treaty of Waitangi, but National would not agree to its policy of holding a referendum on those principles. The Treaty, signed in 1840 between the British and representatives of most Māori tribes, was elevated in the 1970s and 1980s with the establishment of the Waitangi Tribunal to investigate the crimes of colonialism. Its findings led to multi-million dollar payouts to the tribes, under

successive Labour and National governments, creating an affluent layer of Māori committed to the defence of capitalism.

ACT and NZ First support the payouts to the tribes, but have called for the removal of references to “Treaty principles” in many other pieces of legislation, and are seeking to diminish the status of the Treaty in public life more broadly.

Members of Labour, the Greens and Te Pāti Māori (the Māori Party, TPM) have warned that ACT’s proposed law change will provoke a backlash or even civil unrest. This is precisely the point. The entire political establishment—including the previous Labour-Greens-NZ First government—is complicit in promoting racism and xenophobia to block the development of a unified working class movement against capitalism.

Workers should not place any confidence in the Labour Party and its allies, including the Greens, TPM, and the trade unions and middle class, pseudo-left groups that support these parties. These forces bear direct responsibility for the social crisis facing working people and for paving the way for the National-ACT-NZ First government.

To oppose the historic assault on workers’ living standards, and the ruling elite’s plans to take New Zealand into what is developing into a Third World War, the working class needs its own party and program. During the election, the Socialist Equality Group (SEG) fought for the mobilisation of the working class against all the parliamentary parties, for a workers’ government and the socialist reorganisation of society. We urge readers seeking a genuine way forward to contact the SEG and join its fight to build the New Zealand section of the International Committee of the Fourth International.



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