

Neo-liberalism

Ideas for a Community Based Workshop

**Materials produced by the Auckland Workers Educational
Association in conjunction with the Kotare Trust**

WEA Auckland Workers Educational Association

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Ideas for a workshop on neo-liberal ideology

These are some suggestions for a range of exercises to uncover neo-liberal ideology as it affects us today, to analyse its effects, to understand some of its history and to think about possible alternatives.

I have provided a range of workshop suggestions for exploring the effects of neo liberalism, and it is not necessary to do all of them - each one will highlight some of the key negative effects. It is best to choose the ones you are most familiar with - or develop similar exercises that analyse the issues in a particular sector, e.g. health, education or whatever your participants are most familiar with. Ten Chairs is a general exercise that will cover a range of issues. For each exercise, suggested background reading is provided and it is useful to read these if you are less familiar with the area.

I think it is important to do at least one of the exercises which go into the effects before you look at the actual analysis of neo-liberalism, so that people are free to state what they think, rather than what they think they should think.

I have not suggested a particular Treaty related exercise but it would be good to have one. Treaty issues come up in each exercise, e.g. privatisation and sovereignty, ten chairs and poverty through colonisation, but a specific neo-liberalism and treaty issues exercise would make sure it's not missed out. Please let me know if you have one!

The workshops are designed to be delivered as participatory exercises, using the knowledge of the participants as well as the skills of the facilitator. They are definitely not lectures and the facilitator should avoid spending a lot of time reading out facts. The participants will get more from the exercises if they have plenty of time to talk through the issues with each other and build on the knowledge they already have.

Note that these workshops are not copyright to Kotare or to the Auckland WEA and in the workshop details I have stated when I have used other people's ideas and information. Please acknowledge the source if you copy any material.

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Workshop Outline

The Workshop is in four parts. Part 1 is a couple of introductory exercises. Part 2 goes into the effects of neo-liberalism in Aotearoa. As stated above, it is not necessary to do all these exercises - pick the ones you think will work best for your group. Part 3 goes into the specific ideology of neo-liberalism. Part 4 gives people a chance to think about alternatives, and it is quite important to let people have some time for this, so that they can see neo-liberalism is not inevitable. Each exercise is described in some detail and there is a list of the background handouts and key background reading. I have not put times on the exercises as you can make each of them as long or as short as you like. For most exercises, other than the introductory one, you would need a minimum of half an hour to allow for some understanding to develop - preferably 45 minutes up to an hour and a half depending on how interested people get.

1. Workshop opening and introductions

Warm up: Who's in the room?

A short active introduction to share some knowledge about the group; to find out who is not in the room to know who's analysis you won't get, and to make people start to think about how the issues apply to them.

Three treasures: the clash between our values and the market model

This makes people attempt to put a price on things they value, as is required by the neo-liberal model, e.g. children, family, health etc.

2. The effects of Neo-liberalism

Privatisation Exercise: the shift from public good to private profit

This exercise analyses how the distribution of goods and services could be determined in an ideal society and to compare this with the reality in New Zealand. It starts to get people to understand what values are behind calls for privatisation.

Behind the label: free market and globalisation

In this exercise, everyday objects such as tomato sauce, shoes, clothes, chocolate biscuits etc are used to illustrate the effect of free market policies on international trade and to assess how they have affected our local economy and lives, with the movement of manufacturing industries off shore. Also pay rates and sweat shops, lower environmental standards, loss of sovereignty, power and control etc.

Race to the bottom limbo

This is a possible extension to the previous exercise., focusing on pay rates and lowering of labour standards such as child labour laws, health and safety, environmental re.g.ulations etc. Also good to get people up and moving again.

Ten chairs: inequality

A role play exercise that portrays the current income distribution in NZ and identifies the different roles played as a result. Each chair is 10% of the total market income earned in NZ in a year and each person is 10% of the working age population. The top person gets to stretch over four chairs, the bottom five are all holding onto one chair.

Rich list: aka the rogues gallery

This exercise looks at who is benefiting in the current system. It helps to make the point that people calling for tax cuts and free trade are often the wealthiest members of society. While we often have an image of a poor person from the typical stereotypes, people tend not to look at the wealthy as a group. It highlights who is in this powerful groups as well as who is excluded. It is useful to do this exercise after the "ten chairs" exercise.

3. What is the ideology driving this?***Key points of neo liberal ideology***

At this point we finally get to see what is the underlying ideology. I think it's important to do the exercises in this order, so that the effects have been looked at first and you can reinforce the negatives. If you look at the ideology first, it's too easy for people to be limited by the positive spin these ideas have had over the last 18 years or so, especially if you are working with a group that hasn't thought about the problems before.

The five key points are:

1. The rule of the market
2. Cutting public expenditure for social services
3. Deregulation
4. Privatisation
5. Eliminating the concept of "the public good"

Each of these are illustrated with quotes, mostly from supporters of neo-liberalism and cartoons which help to emphasise the absurdity of the ideas.

Timeline - where did it come from? how did it happen to us?

This is the historical background.

4. What alternatives are there?***Passing community legacies***

A US exercise which gets people to think about what is important to them (c.f. three treasures exercise earlier), what are their common goals if any, and to see how these can develop into alternative strategies. It also gets people to think beyond the boundaries of what exists now.

What can we do right now?

Given the goals developed above, what campaigns, strategies can we work on right now? - open ended group discussion - depends on what group you are working with and their particular focus or lack of it.

What have other people tried? - resource backgrounder of success stories, international campaigns and groups.

What can we commit to doing? -Your group may want to go into this.

Reform or transformation?

If needed, a session on what is change could be added - a resource here is from *Training for Transformation*, Anne Hope and Sally Timmell, and I have included two photocopied pages: "Four levels of awareness" and "Five responses to poverty".

It's good to finish with an evaluation session, so you can identify what worked well and what should be changed for another time.

Part 1: Workshop opening and introductions

Use your own style of introductions to get things started. The following two exercises can be used after people have introduced themselves. They are both quite short and usually take about 15 minutes.

Warm up: Who's in the room?

What experiences do we share? What is different between us? Who is not here?

Objective:

To get people out of their seats; to share some knowledge about the group; to find out who is not in the room to know whose analysis you won't get, and to make people start to think about how the issues apply to them.

Materials:

Stick or string to divide the room
List of questions

Instructions:

Divide the room into two halves and lay down the stick or string. Everyone stands on one side of the marker. Call out a question and if any people want to answer "yes" they cross the line and stand on the other side. Call them back over and ask the next question. The tutor(s) should take part too.

Some possible questions are:

- Who likes chocolate?
- Who was born before 1960?
- Who would like more children?
- Who grew up poor?
- Who grew up with more than enough?
- Who is of Maori descent?
- Who was born outside New Zealand?
- Who is in full time paid work?
- Who works part time?
- Who works as a volunteer at least a couple of hours a week?
- Who has a university degree?
- Who earns over \$134,000 a year (average income of top 10% of income earners)
- Who has been on a benefit?
- Who is self-employed?
- Who works for a community-owned organisation
- Who's been discriminated against because of the colour of their skin?
- Who's been discriminated against because of a disability?

Add some more of your own that fit the group you are working with. Ask the group to suggest their own questions. Stress that all answers are optional - people don't have to say yes if they don't want to. After the activity, have a discussion about whose perspectives are missing that could be important.

[This exercise came from the American Friends Service Committee Praxis Project, Chicago]

Three treasures: the clash between our values and the market model

What do we value? What is happening to the things we value?

Objective:

To highlight the difference in values between the neo-liberal model and that of the majority of people.

Materials:

Whiteboard, pens. Price List Backgrounder

Instructions

Ask people to think of three treasures or taonga that they have. Record any responses people want to share.

Now ask them what they would sell them for. The usual response is that they wouldn't.

Then ask them what they think they could sell them for. Again people will say they can't.

Provide some prices from the Price List. Two or three of these statistics will do to make the point that in the present day free market model everything has its price. If any treasures aren't covered in the price list, get the group to think about how a price could be applied.

[The idea for this exercise came from ASPBAE: *Understanding the Present World Economy*]

Price List:

Children

Noam Chomsky, The Victors: Part 1, *Z Magazine*, 1990
<http://zmag.org/Zmag/articles/chomvic1.htm>

"After the discovery of clandestine "human farms" and "fattening houses" for children in Honduras and Guatemala, Dr Luis Genaro Morales, president of the Guatemalan Pediatric Association, said that child trafficking "is becoming one of the principal non-traditional export products," generating \$20 million of business a year. The International Human Rights federation (IHRF), after an inquiry in Guatemala, gave a more conservative estimate, reporting that about 300 children are kidnapped every year, taken to secret nurseries, then sold for adoption at about US\$10,000 (NZ\$20,000) per child."

Health

"Indian Firm Offers Cheap Aids Drugs", *NZ Herald*, 9 Feb 2001

"Bombay-based Cipla will sell the three drug anti-retroviral cocktail to Medecins Sans Frontieres for US\$350 (\$797) a year per patient, instead of the \$US10,000 to US\$15,000 charged in the United States and Europe."

Multiple Sclerosis Drugs \$24,000 a year in NZ (MS Society)

Life

AMP Insurance Policy for a 43 year old man - life insured for \$143,794

AMP Insurance policy for a 42 year old woman - life insured for \$170,419

Water

Metrowater charges (Auckland City) \$1.175 per cubic metre

Education

Tertiary fees - charges vary per course

Ireland does not charge for first three years of tertiary; Finland has at least five years without fees including post graduate.

Primary and Secondary - check your local school's "donation", e.g. Edendale Primary, Sandringham Auckland \$150 per child.

Land

Average house and land prices vary according to region, e.g. Sandringham, Auckland, c. \$330,000 for eighth of an acre and a house, Epsom, c. \$550,000 for similar.

Part 2: The effects of neo-liberal ideology

Privatisation: the shift from public good to private profit

What do we need for a good life? What should our taxes pay for? What should we pay for privately? What does "privatisation" mean?

Objective:

To analyse how the distribution of goods and services could be determined in an ideal society and to compare this with the reality in New Zealand. To start to understand what values are behind calls for privatisation.

Materials:

Paper, pens

Backgrounder - what do we own - list of New Zealand's public assets

Key privatisation events handout

Summary of rationale for privatisation

Instructions:

Can be done as a whole group or small group exercise, depending on the size of the group and how much participation you are getting from everyone.

1. Ask people to first write a list of what goods and services are needed for a basic decent life. e.g. food, shelter, water, education, health etc

2. Next ask people which they think the public sector (Govt/local govt) should provide, and why. Report back with discussion on the values behind these choices.

3. Then ask which are actually provided by the public sector now?

Backgrounder: NZ's Public Assets

4. Privatisation timeline - what's been privatised when.

Construct a timeline - people can add their own experiences to this (if they are old enough to have any) and discuss what the effects have been on themselves and their communities.

Backgrounders: Declaration of Independence; Te Tiriti o Waitangi; Privatisation Timeline; Tranzrail Case Study; Who owns New Zealand?

5. Why privatise? What do people know of the reasons behind recent privatisations?

Backgrounder: See Key points of neo-liberal ideology: privatisation in Part Three.

6. Are these values the same as those discussed above in part 2? (if they are I'm not sure what you should do!) What's the same? What's different? Who benefits? Who doesn't?

Further Reading:

The 1998 VUWSA Conference Against Privatisation - This includes a privatisation primer, as well as much other discussion of the effects of privatisation in particular sectors.

Jane Kelsey, 1993, *Rolling Back the state: privatisation of power in Aotearoa/New Zealand*. Bridget Williams Books, Wellington.

A detailed analysis of how so many state assets were privatised in New Zealand.

[This exercise is derived from a privatisation workshop by AFSCME Praxis Project, Chicago. It can be further extended by looking at international experiences of privatisation - AFSCME handouts with a trade union focus are available on South Africa, Mexico, Nigeria, Chile, Puerto Rico - covers overview, history, resistance and some key questions - who are the actors? Who benefits, who suffers? What strategies to oppose have been developed? What can we learn from this? Could also be extended by looking more at NZ context and privatisation of things Maori owned collectively, e.g. land, knowledge, te reo (language classes for profit), fish etc.]

Hard copy resource sheets

- 1835 Declaration of Independence
- Te Tiriti o Waitangi
- What do we own in New Zealand? New Zealand's public assets

He Wakaputanga o Te Rangiratanga o Nu Tireni

DECLARATION of the INDEPENDENCE of NEW ZEALAND

1. KO MATOU, ko nga Tino Rangatira o nga iwi o Nu Tireni i raro mai o Hauraki kua oti nei te huihui i Waitangi i Tokerau i te ra 28 o Oketopa 1835, ka wakaputa i te Rangiratanga o to matou wenua a ka meatia ka wakaputaia e matou he Wenua Rangatira, kia huaina, Ko te Wakaminenga o nga Hapu o Nu Tireni.
2. Ko te Kingitanga ko te mana i te wenua o te wakaminenga o Nu Tireni ka meatia nei kei nga Tino Rangatira anake i to matou huihuinga, a ka mea hoki e kore e tukua e matou te wakarite ture ki te tahi hunga ke atu, me te tahi Kawanatanga hoki kia meatia i te wenua o te wakawakarite ana ki te ritenga o o matou ture e meatia nei matou i to matou huihuinga.
3. Ko matou ko nga tino Rangatira ka mea nei kia kia huihui ki te runanga ki Waitangi a te Ngahuru i tenei tau i tenei tau ki te wakarite ture kia tika te hokohoko, a ka mea ki nga tauiwi o runga, kia wakaretea te wawai, kia mahara ai ki te wakaoranga o to matou wenua, a kia uru ratou ki te wakaminenga o Nu Tireni.
4. Ka mea matou kia tuhituhia he pukapuka ki te ritenga o tenei o to matou wakaputanga nei ki te Kingi o Ingarani hei kawe atu i to matou aroha nana hoki i wakaae ki te Kara mo matou. A no te mea ka atawai matou, ka tiaki i nga pakeha e noho nei i uta, e rere mai ana i te hokohoko, koia ka mea ai matou ki te Kingi kia waiho hei matua ki a matou i to matou Tamarikitanga kei wakakahoretia to matou Rangiratanga.

1. We, the hereditary chiefs and heads of the tribes of the Northern parts of New Zealand, being assembled at Waitangi in the Bay of Islands on this 28th day of October 1835, declare the Independence of our country, which is hereby constituted and declared to be an Independent State, under the designation of the United Tribes of New Zealand.
2. All sovereign power and authority within the territories of the United Tribes of New Zealand is hereby declared to reside entirely and exclusively in the hereditary chiefs and heads of tribes in their collective capacity, who also declare that they will not permit any legislative authority separate from themselves in their collective capacity to exist, nor any function of government to be exercised within the said territories, unless by persons appointed by them, and acting under the authority of laws regularly enacted by them in Congress assembled.
3. The hereditary chiefs and heads of tribes agree to meet in Congress at Waitangi in the autumn of each year, for the purpose of framing laws for the dispensation of justice, the preservation of peace and good order, and the regulation of trade; and they cordially invite the Southern tribes to lay aside their private animosities and to consult the safety and welfare of our common country, by joining the Confederation of the United Tribes.
4. They also agree to send a copy of this Declaration to His Majesty the King of England, to thank him for his acknowledgement of their flag; and in return for the friendship and protection they have shown, and are prepared to show, to such of his subjects as have settled in their country, or resorted to its shores for the purposes of trade, they entreat that he will continue to be the parent of their infant State, and that he will become its Protector from all attempts upon its independence.

Agreed to unanimously on this 28th day of October, 1835, in the presence of His Britannic Majesty's Resident.

W TE TIRITI O WAITANGI

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HE KUPU WHAKATAKI

Ko Wikitoria te Kuini o Ingarani i tana mahara atawai ki nga rangatira me nga hapu o Nu Tirani i tana hiahia hoki kia tohungia ki a ratou o ratou rangatiratanga me to ratou wenua a kia mau tonu hoki te rongo ki a ratou me te Atanoho hoki kua wakaaro ia he mea tika kia tukua mai tetahi rangatira hei kai wakarite ki nga Tangata Maori o Nu Tirani kia wakaaetia e nga rangatira Maori te Kawanatanga o te Kuini ki nga wahikatoa o te wenua nei me nga motu – na te mea hoki he tokomaha ke nga tangata o tona iwi kua noho ki tenei wenua a e haere mai nei.

Na ko te Kuini e hiahia ana kia wakaritea te Kawanatanga kia kua ai nga kino e puta mai ki te tangata Maori ki te Pakeha e noho kore ana.

Na kua pai te Kuini kia tukua ahua a Wiremu Hopihono he Kapitana i te Roiara Nawi he Kawana mo nga wahi katoa o Nu Tirani i tukua aianeia a mua atu ki te Kuini e mea atu ana ia ki nga rangatira o te wakaminenga o nga hapu o Nu Tirani me era rangatira atu enei ture ka Korerotia nei.

KO TE TUATAHI

Ko nga rangatira o te Wakaminenga me nga rangatira katoa hoki, kihai i uru ki taua Wakaminenga, ka tuku rawa atu ki te Kuini o Ingarangi ake tonu atu te Kawanatanga katoa o o ratou wenua.

KO TE TUARUA

Ko te Kuini o Ingarangi ka wakarite ka wakaae ki nga rangatira, ki nga hapu, ki nga tangata katoa o Nu Tirani, te tino rangatiratanga o ratou wenua o ratou kainga me o ratou taonga katoa. Otiia ko nga rangatira o te Wakaminenga me nga rangatira katoa atu, ka tuku ki te Kuini te hokonga o era wahi wenua e pai ai te tanga nona te wenua, ki te ritenga o te utu e whakaritea ai e ratou ko te kaihoko e meatia nei e te Kuini hei kaihoko mona

KO TE TUATORU

Hei whakaritenga mai hoki tenei mo te wakaaetanga ki te Kawanatanga o te Kuini. Ka tiakina e te Kuini o Ingarangi nga tangata Maori katoa o Nu Tirani. Ka tukua ki a ratou nga tikanga katoa rite tahi ke ana mea ki nga tangata o Ingarangi.

Na, ko matou nga rangatira e te Wakaminenga o nga hapu o Nu Tirani ka huihui nei ki Waitangi ko matou hoki ko nga rangatira o Nu Tirani ka kite nei i te ritenga o enei kupu. Ka tangohia ka wakaaetia katoatia e matou. Koia ka tohungia ai o matou ingoa o matou tohu.

Ka meatia tenei ki Waitangi i te ono o nga ra o Pepuери i te tau kotahi mano, e waru rau e wa te kau o to tatou Ariki.

**Signed at Waitangi February 1840 and afterwards
by about 500 chiefs**

TREATY OF WAITANGI: A MODERN ENGLISH TRANSLATION OF THE MĀORI TEXT

Translated by Professor Sir Hugh Kawharu

Victoria, the Queen of England, in her concern to protect the chiefs and the subtribes of New Zealand and in her desire to preserve their chieftainship and their lands to them and to maintain peace and good order considers it just to appoint an administrator one who will negotiate with the people of New Zealand to the end that their chiefs will agree to the Queen's Government being established over all parts of this

So the Queen desires to establish a government so that no evil will come to Māori and European living in a state of lawlessness.

So the Queen has appointed me, William Hobson, a Captain in the Royal Navy to be Governor for all parts of New Zealand (both those) shortly to be received by the Queen and (those) to be received hereafter and presents to the chiefs of the

THIS IS THE FIRST

The Chiefs of the Confederation and all the Chiefs who have not joined that Confederation give absolutely to the Queen of England for ever the complete government over their land.

THIS IS THE SECOND

The Queen of England agrees to protect the chiefs, the subtribes and all the people of New Zealand in the unqualified exercise of their chieftainship over their lands, villages and all their treasures. But on the other hand the Chiefs of the Confederation and all the Chiefs will sell land to the Queen at a price agreed to by the person owning it and by the person buying it (the latter being) appointed by the Queen as her purchase agent.

THIS IS THE THIRD

For this agreed arrangement therefore concerning the Government of the Queen, the Queen of England will protect all the ordinary people of New Zealand and will give them the same rights and duties of citizenship as the people of England.

(signed)
William Hobson
Consul and Lieutenant-Governor.

So we, the Chiefs of the Confederation and of the subtribes of New Zealand meeting here at Waitangi having seen the shape of these words which we accept and agree to record our names and our marks thus. Was done at Waitangi on the sixth of February in the year of our Lord 1840.

THE FOURTH ARTICLE

Two churchmen, the Catholic Bishop Pompallier and the Anglican Missionary William Colenso recorded a discussion on what we would call religious freedom and customary law. In answer to a direct question from Pompallier, Hobson agreed to the following statement. It was read to the meeting before any of the chiefs had signed the Treaty.

E mea ana te Kawana ko nga whakapono katoa o Ingarani, o nga Weteriana, o Roma, me te ritenga Maori hoki e tiakina ngatahitia e ia.

Translation:

The Governor says that the several faiths (beliefs) of England of the Wesleyans, of Rome and also Maori custom shall alike be protected by him.

ENGLISH VERSION

PREAMBLE

Her Majesty, Victoria, Queen of the United Kingdom of Great Britain and Ireland, regarding with her Royal Favour the Native Chiefs and Tribes of New Zealand, and anxious to protect their just Rights and Property, and to secure to them the enjoyment of Peace and Good Order, has deemed it necessary, in consequence of the great number of Her Majesty's Subjects who have already settled in New Zealand, and the rapid extension of Emigration both from Europe and Australia which is still in progress, to constitute and appoint a functionary properly authorised to treat with the Aborigines of New Zealand for the recognition of Her Majesty's Sovereign authority over the whole or any part of these islands.

Her Majesty, therefore, being desirous to establish a settled form of Civil Government with a view to averting the evil consequences which must result from the absence of the necessary Laws and Institutions alike to the Native population and to Her Subjects, has been graciously pleased to empower and authorise me WILLIAM HOBSON, a Captain in Her Majesty's Royal Navy, Consul, and Lieutenant-Governor of such parts of New Zealand as may be or hereafter shall be, ceded to Her Majesty, to invite the confederated and independent Chiefs of New Zealand to concur in the following Articles and Conditions.

ARTICLE THE FIRST

The Chiefs of the Confederation of the United Tribes of New Zealand and the separate and independent Chiefs who have not become members of the Confederation, cede to Her Majesty the Queen of England, absolutely and without reservation, all the rights and powers of Sovereignty which the said Confederation or Individual Chiefs respectively exercise or possess, or may be supposed to exercise or to possess over their respective Territories as the sole Sovereigns thereof.

ARTICLE THE SECOND

Her Majesty the Queen of England confirms and guarantees to the Chiefs and Tribes of New Zealand, and to the respective families and individuals thereof, the full exclusive, and undisturbed possession of their Lands and Estates, Forests, Fisheries, and other properties which they may collectively or individually possess, so long as it is their wish and desire to retain the same in their possession; but the Chiefs of the United Tribes and the Individual Chiefs yield to Her Majesty the exclusive right of Pre-emption over such lands as the proprietors whereof may be disposed to alienate, at such prices as may be agreed upon between the respective proprietors and persons appointed by Her Majesty to treat with them in that behalf.

ARTICLE THE THIRD

In consideration thereof, Her Majesty the Queen of England extends to the Natives of New Zealand Her Royal Protection and imparts to them all the Rights and Privileges of British subjects.

W. Hobson

Lieutenant-Governor

Now, therefore, We the Chiefs of the Confederation of the United Tribes of New Zealand being assembled in Congress at Victoria, in Waitangi and We the Separate and Independent Chiefs of New Zealand claiming authority over the Tribes and Territories which are specified after our respective names, having been made fully to understand the Provision of the foregoing Treaty, accept and enter into the same in the full spirit and meaning thereof. In witness of which, we have attached our signatures or marks at the places and the dates respectively specified.

Done at Waitangi, this sixth day of February in the year of Our Lord, one thousand eight hundred and forty.

The British Government gave a brief to Captain Hobson, as to what should be in the Treaty.

A group of British men wrote a draft after Captain Hobson arrived in the Bay of Islands, based on the brief.

The draft was given to Reverend Williams and his son to translate into te reo.

They substantially altered the draft, in order to make it more acceptable to Tangata Whenua; the document they produced is called the **Maori Text** and is what is signed on February 6.

In May 1840, a law clerk was given the job of rewriting the draft in British legal language; this is what is called the **English Version**.

NB: For Tangata Whenua, especially in 1840, the spoken word is more important than the written; thus Te Tiriti may be seen as the discussion and explanations surrounding the signing as well as the document itself.

Privatisation Timeline

What was privatised?	Sold to:
After 1840 -	
Maori land and other assets	Crown, Pakeha settlers
1984	Labour Government elected
1986	State Owned Enterprises Act – SOE's must operate like businesses and generate profit
1987 to 1990	
Formerly Government owned:	Sold to:
BNZ	Capital markets, National Australia Bank
NZ Steel	Equiticorp, then Min Metals,
Petro Corp	Fletcher Challenge
Development Finance Corporation	Nat. Provident Fund/Salomon brothers
Postbank	ANZ
Air NZ	Brierly, Qantas, JAL, American Airlines
Shipping Corporation	ACT (NZ)
Landcorp Mortgages	Mortgagers
Rural Bank	Fletcher Challenge
Government printing office	Rank Group and others
National Film Unit	TVNZ
State Insurance	Norwich Union
Tourist Hotel Corporation	South Pacific Hotel Corp
Telecom	Ameritech/ Bell Atlantic/Fay Richwhite/Gibbs/Farmer
Maui Gas	Petrolgas
Synfuels	Fletcher Challenge
NZ Liquid Fuel	Fletcher Challenge
Govt supply brokerage	Prof. Service Brokers
Housing Corp Mortgages	TSB, Postbank, Tower
State Forest cutting rights	Carter Holt Harvey/Fletcher Forests/and others
NZ Timberlands	ITT Rayonier
Forestry Cutting rights	Various
1990	National Government elected
Further sales 1990-1993:	Sold to:
Health Computing services	Paxus
Landcorp Mortgages	
Government Computing Services	EDS
NZ Rail	Wisconsin Central/ Fay Richwhite
Since 1993	
Contracting out of services of Government services to private business	
Service:	Contracted to:
Prison management	Serco (UK), Wackenhut (UK), Group 4 (US)
Local Govt water services	United Water, Vivendi-CEG (France)
Ministry of Works and Development:	
local govt contracts	Opus International (Malaysia)
roading	Opus International (Malaysia), Fulton Hogan, others
Auckland Harbour Bridge maintenance	Opus International subsidiaries (Malaysia)
Rubbish and tips	Wastecare Management (US)

GATS, EU and Privatisation

From: Arena, P O Box 2450, Christchurch

20 April 2002

MEDIA RELEASE

In the most significant leak since the Multilateral Agreement on Investment was exposed to public scrutiny in 1997 and eventually sunk, drafts of the European Union's 'requests' of other countries in the WTO services negotiations have just been posted on a European website: www.gatswatch.org

The document makes across the board demands that 29 countries open up their postal services, water supplies, finance and banking, electricity generation and supply and telecommunications services to European transnational companies.

The EU also wants all these countries to lower or abandon their vetting of foreign investments in all services sectors. Coming at a time of mounting protests against privatisations of water, electricity, prisons, health services, education and more, the documents have provoked outrage throughout the world

The EU's specific "requests" of New Zealand (see www.arena.org.nz/gatseu1.pdf) include:

- removing the requirement for Overseas Investment Commission approval of foreign investments in services, including purchase of rural land
- removing the right to prefer local purchasers in any future privatisations, such as NZ Post, TVNZ, Kiwibank or universities
- not giving preference to New Zealanders engaged in research and development work in natural sciences, social sciences and humanities and interdisciplinary areas, including rights to government subsidies
- no limits on security operators, such as private prison companies, in establishing their businesses, buying land or having full control of such activities
- committing postal and courier services to full, private international competition and ownership
- removing the limit on any single overseas company owning more than 49.9% of Telecom
- no restrictions on foreign ownership or access to contracts for water collection, purification or distribution, waste water, refuse disposal, sanitation
- no preference for local owners or providers of maritime transport and port services, rail transport maintenance, air transport sales and marketing and ground handling

This comes on top of the US hit list of services they want opened to free trade rules that was released last week. US targets include the new 'light-handed' telecommunications regulations and the current Government's policy to impose local content broadcast quotas, already on hold as a result of commitments the National government made under GATS in 1994.

"Trade Minister Jim Sutton and the Government only ever talk about the holy grail of free trade in agriculture. It's time they started to explain to people what the implications of these services agreements are for the rights of New Zealanders to control what happens in our country'," said Professor Kelsey

The Europeans' demands are the latest stage in controversial negotiations to expand the existing coverage of free trade rules to more key services and extend those rules. Known as the General Agreement on Trade in Services or GATS, these rules limit the right of central and local governments to protect their domestic services and put the interests of foreign investors ahead of people's right to affordable, quality public services.

The Doha ministerial meeting of the WTO last November ignored concerns from the UN sub-commission on Human Rights about the implications of GATS for human rights, and demands from poorer countries to assess the impacts of the agreement so far, when it set June this year as the deadline for countries to table their demands of other countries

"This leak confirms what ARENA and many international critics have claimed, that the GATS is a Trojan Horse for the takeover of core public and essential services by transnational companies aligned with the EU and US", said Professor Jane Kelsey on behalf of the Action, Research and Education Network of Aotearoa (ARENA). "Once commitments are made, governments can only change their minds at a price which almost none can afford".

Tranz Rail - (Sourced from Foreign Control Watchdog Aug 2001 and The Roger Award Winner 2000)

Ownership

- ▶ Privatised 1993 for \$328 million. Sold to Wisconsin Central (24%), Pacific Rail (14%) and NZ investors including Michael Fay and David Richwhite (Fay Richwhite also handled the sale process for the Government).
- ▶ Wisconsin Central sold its share to Canadian National Railways in 2000.
- ▶ In June 2001, Tranz Rail sold Tranz Scenic long distance passenger train division to West Coast Railways of Victoria, which is owned by Connex, part of a French based multinational Vivendi-CGE. Vivendi-CGE is one of the world's two biggest private water companies and is the company behind the privatised Papakura water system. Vivendi has been involved in a number of corruption cases.

Problems

1. Line closures

- ▶ West Coast railways/Vivendi has closed unprofitable lines: ChCh-Dunedin, Wgn-Napier, Akl- Rotorua, Akl - Tauranga.
- ▶ Should Government subsidise a private company to keep these lines open?

2. Selling commuter lines

- ▶ Tranz Rail bought control of the entire track infrastructure from the Govt for \$1.
- ▶ They are now asking \$112 million for the Auckland rail corridor.
- ▶ Rail and Maritime Transport Union has launched Take Back the Track Campaign to return tracks to public ownership.
- ▶ Campaign Against Foreign Control of Aotearoa (CAFCA) would like the whole rail system renationalised.

3. Injury and accident record

- ▶ Since 1997 9 workers have been killed on the job at Tranz Rail - fatality rate is 8 times the national average. 5 workers died in the 1999-2000 year.
- ▶ Since 1993, OSH has investigated 22 serious injuries, including loss of limbs, and fatalities.
- ▶ Because the record was so bad, a Ministerial Inquiry was held into Tranz Rail's OSH record. It found that Tranz rail had increased working hours, reduced staff numbers and increased pressure on workers.
- ▶ The Rail and Maritime Transport Union states that Tranz Rail has underfunded maintenance, track maintenance gangs have been cut back, trains signalling system has been replaced by a lower safety margin system. Capital spending in 2000 was only 22% of capital spending in 1998 down from \$218 million to \$49 million.

4. Environment vs quick profits

- ▶ According to its Annual report 2000, Tranz Rail is now seeking to invest in only those activities that will generate "quick paybacks", hence the recent sales and threats of line closures.
- ▶ The rail network is being dismantled to maximise profits at the same time as NZ is trying to reduce greenhouse gases.

- 📌 The Green Party has pointed out that if a spur line between Whangarei port and the main rail line is not built, 700 logging trucks per day will be required for the next five years.

Selling NZ offshore - Buy up of private business

Company	Sold to:
NZ Herald, Listener	Independent Newspapers - Tony O'Reilly (Eire)
Dominion, Evening Post	INL (Australia/US)
Watties	Heinz (USA)
TV3 and TV4	Camwest (Canada)
Natural Gas Co (on Energy/TransAlta/Petrocorp)	Australian Gas Light Co.
Tranzrail	Wisconsin Rail (USA), FayRichwhite (Switzerland)
Griffins	Danone (France)
Arnott's	Campbells Soup (US)
Foodtown, Countdown	Foodstuffs (Australia)
Lion Nathan	Kirin 46% (Japan), UK, US, Aus, NZ
DB	Asia Pacific Breweries (Singapore)
ASB	Commonwelath Bank (Australia)
Westpac Trust	Westpac (Australia)
National Bank	Lloyds (UK)
Shopping malls	Westfield (Australia)
Movies	Hoyts, Village Force (Australia)
major fast food outlets	US often through Australian subsidiaries
Chain store clothes	Most Australian - Glassons, Hugh Wrights, Jeans West, Just Jeans, Kmart

Behind the label: free market and globalisation

Why are so many things made in China or Vietnam now? Why can't we afford to buy local? What's wrong with being a global shopper?

Objective:

To illustrate the effect of free market policies on international trade and to assess how they have affected our local economy and lives

Materials:

Paper/pens, sheet/cards on pay rates in different countries

Instructions:

This exercise can be done a number of ways.

Collection of items, depending on which option is used:

1. use one object and analyse in depth, e.g. Asian made shoe, pair of jeans, item from a \$2 shop, Watties tomato sauce (use the bottle with the made in Australia label). Check the internet for background on your chosen item - there is plenty on sweatshop made clothes, Nike footwear and other sports shoes and jeans - see website resource list.
2. Use a collection of items spread around groups - I tend to use this to make sure I cover a range of products and effects of trade liberalisation e.g. shoes of different origins, food items, clothing, toys. I try to include one NZ made item in each group, with the rest usually sourced in China, Vietnam, Australia, Thailand, Indonesia, Fiji. This has the advantage of not laying blame/guilt on anyone else as all the items come from my house (even the tin of Pokemon spaghetti made for Watties/Heinz in Canada).
3. Get everyone to check the labels on each other's clothing and shoes and use what you generate from that. May not cover all countries but should give you the basics for a good analysis of the footwear/clothing industries.

Whichever option you choose, it is good to have done some background reading on the types of products used (see background resource list).

Instructions

Divide into groups of 3-4 people and share the items around, either one item per group, categories of items for each group, or looking at the labels on each other's clothing and shoes.

Find out: where was the item made? Who owns that company - where do the profits go? (*Backgrounder: Selling NZ offshore*)

How much was someone paid to make the item? (*Wage rates handout*)

What are the social costs of making the item? (e.g. labour, unions, health, unemployment in NZ, migrant workers, sweatshops)

What are the environmental costs of making the item? (e.g. pollution, unsafe materials e.g. chlorine bleach, pesticides for cotton, transport, resource use). What happens to it when you've finished with it?

Report back

Then either back to small groups, or as a large group, go through the following discussion topics. You could also get groups to each look at different topics:

Why do we buy these things?

Who benefits from trade liberalisation?

Who doesn't?

Why would some people support trade liberalisation?

Why would people not support it?

What do we know about challenges to trade liberalisation relating to this product, e.g. union activity, any campaigns, anti sweatshop, Nike campaigns (see the resource list/background reading for some information)

For this exercise it is important to not leave people feeling guilty because they can only afford to buy cheap, overseas made products. The analysis needs to cover why we have limited choices so that many of us can only afford cheap imports. It is also good to highlight some activity that local Asian campaigners are doing and not leave the image that they are just victims - the anti-sweatshop websites provide some good examples of actions people are taking, as does the Arena website for New Zealand. Give people the idea that they can work in support of these campaigns. As much as possible use people's own knowledge but have resource sheets available to cover any key gaps, e.g. "Selling NZ Offshore" and "Pay rates". The resource sheets need to be kept up to date as companies keep changing and moving around - Kotare will probably keep updating this information.

This exercise can go in a lot of different directions depending on the points that need to be made. For a workshop on neo-liberal ideology, the facilitator can stress the values driving the increase in trade liberalisation and the who benefits, who doesn't aspect.

Backgrounders for facilitators (some can also be used as handouts):

- Pay rates
- Low wages backgrounder
- Selling NZ offshore - who owns what?
- Resource list for further information
- Mean Jeans - analysis of the jeans trade - an example of the type of background information available on the internet
- What else would these people be doing? - answers to a commonly asked question
- WTO and other acronyms

[I designed this exercise after reading Ira Shor on critical thinking exercises and have also seen a similar exercise analysing coffee for a fair trade campaign. I thought my adaptation of it was original but have since seen a number of variations on it, especially in anti-sweatshop and anti-child labour campaigns. One group, United for a Fair Economy, uses it as a warm-up getting people to pair up, read each other's labels and then introduce that person to the rest of the group: This is Eloise and she's wearing shoes from China... and then working with the items named. A good example of how this type of exercise can work is in: Bill Bigelow "The Human Lives Behind the Labels", *Rethinking Schools*, Vol. 11, No.4, Summer 1997, www.rethinkingschools.org/Archives11_04/swetm.htm]

Race to the bottom limbo

This is a possible extension to the previous exercise.

What are people paid in other countries? Why are their wages so low? Should we compete? What else can we do?

Objective:

To identify changes to the rules of international trade; to connect what happens overseas to what is happening in NZ

Materials :

Limbo stick. Wage rate cards for items covered in previous exercise, e.g. hourly rate of NZ worker, Vietnamese worker, Chinese worker etc

Instructions:

Hand out the wage rate cards - be sensitive to people's physical abilities and give the higher wage cards to people who are less bendable.

Ask the NZ wage card holder to go first and hold limbo stick fairly high so they can go underneath.

"you should be able to get under the limbo stick with no difficulty, so long as you work in a legal NZ company" (contrast sweatshop wage); then go through the other wage cards in order, lowering the limbo stick slightly each time - don't go low too quickly unless the wage rates drop appallingly (will check figures...)

keep up a good dialogue and keep people moving quite quickly: "if you can't make it under the bar I can go somewhere else, Crawl if you have to," etc.

After all the cards have been used, put on a CEO hat, go back to the NZ wage holder and say something like: "Ok this is foreign competition. I can get my clothes made for x cents an hour. What are you going to do to match that?"

Brainstorm of any suggestions from the group. Note current minimum wage laws and anti-sweatshop legislation prevent wages falling much lower.

Add in BRT suggestion: flexible labour market so workers can price themselves into a job - what does this mean? How do you price yourself into a living wage to pay for food, housing etc?

Conclusion will be that wages can barely decrease, so what else has to be done?

Put the CEO hat back on: "Well if you can't get under these wages, maybe there's something else you can do to cut my costs. As CEO I have a responsibility to my shareholders to minimise costs and increase profits. So turn to your partner and take a minute to think of other ways you could offer me a lower cost environment. What can you do to cut my production costs?:

Time's up, let the bidding war begin. What do you have to offer?"

Write up suggestions and make sure the following are included:

- fewer labour laws - minimum wage, minimum age, health and safety
- don't enforce the laws you have

- don't let workers organise unions
- repress workers and unions with army or police
- fewer environmental laws
- don't enforce the environmental laws you have, allow companies to pollute
- give corporations tax breaks and tax holidays
- build corporations new factories and Free Trade zones/Special economic Zones
- build roads, sewer lines, ports, airports to export their goods

Finish with a discussion on what values are driving trade liberalisation.

Backgrounder: Neo-liberal Arguments for Trade Liberalisation

Who benefits? Who doesn't? (A good point to keep driving home).

[This exercise is from United for a Fair Economy, www.ufenet.org, and is part of a workshop on the WTO: *Sweating it out with the WTO*, available in Economic Literacy Action Network's *Unpacking Globalization: A Popular Education Toolkit*, 2000, Highlander Research and Education Center, www.hrec.org. For a globalisation workshop it would be good to go on to the role of the WTO at this point, but for neo liberal ideology it probably isn't necessary. There are also other forms of auction exercises which can be used to make the same points about how low do we have to go for private profit. One option for the auction is to add in a further round for how can we co-operate internationally so that we raise the limbo stick on a particular issue, e.g. campaigns against sweat shops, child labour, environmental regulations etc.]

Neo-liberal Arguments for Trade Liberalisation

The rule of the market

- people should be able to freely buy and sell goods and services around the world
- the market is a level playing field - every country has an equal voice through the World Trade Organisation
- the market will ensure we pay the right price for goods

Cutting public expenditure for social services

- we shouldn't have so much spending on social services - we should spend more on improving our export image
- It's hard for businesses in the global market place - taxes are a drain on our profits
- Profits will rise with trade liberalisation and then we can provide more social services in the future (but not right now)

Deregulation

- there is no need for minimum wage laws - it stops us competing with overseas companies
- overseas companies should be allowed to set up businesses and buy land here, so we can do the same in their countries
- laws on environmental and human rights protections are unfairly restricting trade - we can't compete with countries that don't have these laws

Privatisation

- State monopolies are an unfair advantage - we shouldn't have them
- Overseas companies can buy these services and we can go to their countries and run their services
- Private businesses provide better services - just look at the British railway service - oops, maybe the British water privatisation - oh, forget that - Air New Zealand?

Eliminating the concept of "the public good"

- we are global citizens - we don't have to belong anywhere
- trade liberalisation increases profits for export oriented companies, who can then employ more people - maybe even some of those people who've lost jobs from companies which have had to close down.

For further reading on arguments for:

The New Zealand Trade Liberalisation Network website, www.tln.org.nz
Or read the business section of your local paper.

WHO OWNS NEW ZEALAND?

KEY FACTS

- Foreign direct investment (ownership of companies) in New Zealand increased from \$9.7 billion in 1989 to \$49.3 billion in 2001 - an increase of more than 400%.
- Foreign owners now control 47% of the share market. In 1989, the figure was 19%.
- In 2001, the Overseas Investment Commission (OIC) approved foreign investment totalling \$1.2 billion, the lowest since 1993 (it approved \$4.1 billion in 2000). Only company takeovers involving \$50 million or more need OIC approval, except those involving land or fishing quotas. Until 1999, the threshold was \$10m.
- In 2001, the OIC approved the nett sale of 37,368 hectares of rural land to foreigners, also the lowest since 1993 (in 2000, it approved the sale of 93,000 hectares).
- Statistics NZ figures, as of March 2001, list the biggest foreign owners of New Zealand as, in order: Australia, Netherlands, US, UK, Singapore, Hong Kong and Japan (Canada's figure was listed as "confidential").
- Transnational corporations (TNCs) make massive profits out of New Zealand. For the 2000/01 financial year, US-owned Telecom made an \$643 million profit. It paid out 50% as dividends to its owners. Previously, the percentage of annual profits paid out as dividends went as high as 98% for the 1998/99 year. From 1990 - 99, TNCs made \$27.5 billion profits: only 24% was reinvested, and in some years more was sent overseas than was earned.
- The great majority of foreign "investment" is actually a takeover, not creating new assets.
- Foreign investors are not big employers - they only employ 18% of the workforce. Foreign ownership does not guarantee more jobs. In fact, it quite often adds to unemployment. TNCs have made tens of thousands jobless.
- Foreign ownership does nothing to improve New Zealand's foreign debt problem. In 1984, total private and public foreign debt stood at \$16 billion. As of March 2001, it was \$123 billion, more than 100% of NZ's Gross Domestic Product, despite all of the asset sales and takeovers.
- Ownership means political power. Foreign control means recolonisation, but by company this time, not country.
- Nearly everything that has been done to New Zealanders in the past decade has been done to "make the New Zealand economy attractive to foreign investment". This is what it all means to ordinary New Zealanders - we are involuntary competitors in the race to the bottom.

From: CAFCA
Campaign Against Foreign Control of Aotearoa
Box 2258, Christchurch, New Zealand
cafca@chch.planet.org.nz
www.cafca.org.nz

Pay Rates (in NZ dollars)

	Per hour
New Zealand	
Average full time wage	\$18.50
Minimum wage	\$8
Youth minimum wage	\$6.40
NZ sweat shop	c\$6
Prison wage	12c-43c
USA	
Minimum wage (average - States differ)	\$12
Prison	\$2
Fiji	
clothing and footwear workers	
Men	\$1.87
Women	\$1.37
Philippines	
Clothing worker	\$1.30-\$1.80
Mexico	
Clothing worker	\$1.60
Thailand	
Factory worker	75-85c
China	
Footwear worker	44c
Clothing worker	46c-56c
Prison worker (e.g. for Adidas)	unknown
Indonesia	
Clothing worker	68c
Footwear worker (Nike)	34c
Vietnam	
Footwear worker	17c
Toy factory (McDonalds)	12c

These are not official rates, except the minimum wage in NZ.

Behind the Label

Background Resource List

Bill Bigelow "The Human Lives Behind the Labels", *Rethinking Schools*, Vol. 11, No.4, Summer 1997, www.rethinkingschools.org/Archives11_04/swetm.htm
An example of a similar exercise.

Jane Kelsey, 1999, *Reclaiming the Future: New Zealand and the Global economy*, Wellington, Bridget Williams Books.
Free trade on a global scale, detailed information on APEC, WTO and other acronyms

Dennis Small, 1996, *The Cost of Free Trade: Aotearoa New Zealand at risk*, Christchurch, Campaign Against Foreign Control of Aotearoa
Comprehensive analysis of Government policies on free trade, with some good case studies

Murray Horton *A Beginner's Guide to Foreign Control*
Fifty pages of facts and analysis - the basis of many of Murray's speeches around the country. He regularly updates it. CAFCA: www.cafca.org.nz.

Websites

Arena: Action, Research & Education Network Of Aotearoa
www.arena.org.nz

"Arena is an Aotearoa/New Zealand network of individuals and organizations committed to resist 'globalization' in all its forms. Arena stands for an alternative development model based on self-determination, social justice, genuine people-centered development and environmental sustainability."

Probably the best New Zealand site for information on corporate globalisation, with many links, e.g. to www.corpwatch.org for information about particular multinational companies.

Sweat shops and labour rights: Two user-friendly good sites are:
www.behindthelabel.org
www.cleanclothes.org

See also:
www.nikewages.org

For particular products, e.g. Watties Tomato sauce, Arnott's Biscuits, etc, go to the companies' websites by searching on their names. Watch for links to parent companies as these are the real owners of the label.

Mean Jeans

From: www.cleanclothes.org

My name is Amanda. I am 20 years old. I work in a garment factory in Djakarta, Indonesia. I sew Levi's jeans. Though I have to work 75 hours a week, I am making less than minimum wage. Even the minimum wage would not be enough to live on. I can barely buy food with what I make. We cannot refuse to do overtime, they fire you. One time we went on strike to demand better wages and a transportation and food allowance. The management refused to give in to our demands and the people who were suspected to have organised the strike were fired.

Green jeans?

Environmental issues related to jeans mainly have to do with the stuff that they're made of: cotton. Cotton fields take up more than 5% of the world's land surface (that's 34 million hectares). This cash crop places a high demand on water. This has consequences for food production especially in poorer countries with insufficient land and water for such farming. Importantly, huge quantities of pesticides (25% of pesticides used worldwide) are used in growing cotton. Pesticides, some banned in the West on safety grounds, are exported for use in cotton production in developing countries. For example, pesticides with organophosphates are particularly harmful and can seriously damage workers' health. The excessive and/or unsafe use of these pesticides in cotton production alone results in an estimated 1 million acute pesticide poisonings each year. Don't forget the dying, washing and bleaching involved in making jeans which also involves lots of chemicals.

The organic cotton industry is at an early stage of development (just 0.08% of cotton grown worldwide is organic) and the switch to organic production isn't easy. It takes money to invest in new systems and also a willingness to relearn old techniques. Most jeans producers and retailers lack knowledge and a commitment toward environment-friendly production. Levi Strauss has an environmental policy, but it doesn't have any fixed targets and dates for improvements! Hemp jeans are an alternative to cotton jeans since hemp is a much stronger plant, that can easily be grown without the use of lots of pesticides.

World Wide Web of Work

In many ways--through high tech communications and travel options --large distances are shrinking. But investment and business are also important ways that once distant cultures are coming into contact, and the clothing industry is a good example. Producers of jeans roam around the world looking for the best locations to set up production sites. Though some jeans are still stitched in Europe, most production has moved to countries where wages are lower and conditions more favourable for the big companies. The jeans in your closet might be produced in China, Indonesia, the Philippines, Poland, Romania or France. Often the factories are not owned by the jeans companies. They only place orders there. The factories compete fiercely with one another to get these orders. Therefore, they sometimes accept orders for a very low price, which doesn't even enable them to make a profit. To survive, they subcontract the order to another factory--usually small workshops--for an even lower price. This small workshop can subcontract again, for example to homeworkers--for an ever lower price. Such a 'subcontracting chain' can even stretch across borders into even more countries. The jeans company that placed the order might not even be aware of who actually makes their jeans.

JOB DESCRIPTION

Seeking young women willing to work long hours, for low pay, without protective gear, seven days a week, sometimes 24 hours in a row. Ability to deal with stress a plus. Union activists need not apply.

Job: Sewing jeans and other clothes for Pepe, Guess, Wrangler, Tommy, the Gap and Burton. You and your 700 colleagues will sew 500,000 pieces a month for customers in the UK, Ireland, France, Belgium, the Netherlands and the United States.

Equipment: Sewing machines and stools.

Place of work: Hong Kong-owned factory in Mauritius.

View of busy industrial estate from windows that don't open.

Hours: Seven days a week

Housing: Nearby or inside the factory

Benefits: A multicultural experience: You'll meet other workers, some who have travelled all the way from China!

Contact us Now

What to do?

By now you probably have a better idea of where, by whom and at what cost your jeans are made. As you can see, labour conditions in the international jeans industry are among the worst. But we're not sharing this information with you to get you depressed. It's not hopeless, though it seems that at the moment none of the major jeans manufacturers offer real socially responsible jeans. You really do have to search hard to find truly clean clothes.

Purchasing Power

As a consumer each individual has some power. You should use it as constructively as you can, opting for relatively good rather than absolutely bad products. This means thinking differently and redefining the message transmitted by the label stitched onto the back of your jeans. Once you know about the labour behind that label, it's up to you to choose accordingly. Don't let your backside be a billboard for a set of standards you don't believe in.

Make Noise

Apart from consuming as responsibly as possible, there are other things to do. People belonging to labour unions, women's organisations, consumers organisations, and fair trade shops all over the world are busy with awareness raising activities, helping to educate consumers about the way their clothes are produced, and also working with organisations of garment workers, sweatshop workers, homeworkers and migrant workers to educate and organise to demand an end to bad working conditions.

From: nikewages.org

Jeff Keaty, a US coach who was fired for refusing to wear a uniform with a Nike logo, went to Jakarta to try and live for two months on Nike wages, around NZ\$5 a day. Basic food costs in Jakarta are about NZ\$4.50 a day. People then still have to pay rent and other expenses.

"What else would those people be doing?"

"What else would those people be doing?" I have been asked this question so many times. It has almost become the litmus test for whether or not what we are doing here has any meaning. I know that there are a few people who ask the question with genuine concern for the workers. "If they weren't doing this, would they be able to survive? Would they be OK? I'd be worried about them."

Then there are the majority of people that ask the question, "What else would those people be doing?" These are the people who want to feel OK about actively or passively contributing to the horror that is the workers' daily reality. They ask the question meaning, "Hey, those people are desperate, they should be happy they have those jobs. If they weren't doing this they would be starving, so they should feel lucky that they are making the little they are making from Nike." My gut reaction when I hear this is to want grab them by the collar and say "You self-righteous, privileged, #\$\$%@! Is there a heart beating in that chest of yours?" To these people, if the question "What else would those people be doing?" is not answered, it justifies the exploitation in some warped way.

To be very honest, I do not know what the workers would be doing if they weren't working for Nike. How many of us would be able to answer that question for ourselves let alone thousands of people? What would you be doing if you weren't at your current job? There are a lot of factors to figure in aren't there? What would happen to the workers if Nike did not provide these jobs? Again, I do not know. But I do know what would not happen to them.

- They would not be working 10-15 hour days and not making enough to eat.
- They would not be screamed at and humiliated when they weren't meeting their production quota.
- They would not be forced to work overtime.
- They would not be threatened verbally or physically for trying to form unions.
- They would not have healthcare plans that do not meet their basic medical needs.
- They would not work 48-hour shifts when production quotas were high during American holiday seasons.
- They would not have their water supply polluted by factory waste.
- They would not have their once fertile farmland covered by factories.
- They would not be at the mercy of American companies that worked hand and hand with one of the most brutal military dictatorships in history.
- They would not have their economy dominated by foreigners that want to exploit their current situation and keep them oppressed for financial gain.
- They would not be reduced to cogs in the machine that feeds American greed and consumption.
- They would not be making American athletes and coaches rich from their sweat.
- They would not be helping to maximize American shareholder's profits.
- They would not have their hope taken away.
- They would not be dehumanized.

What else would they be doing? Once again, I'm not sure. Do I have to be? Most likely they would be poor and desperate, much like their reality now. They give so much to us in America. They give their hearts, their lives, their sweat, so we can be rich, in-style, comfortable, better athletes... They give us all of these things. But it isn't enough, we want more, we want to exploit them AND not feel guilty about it. So we smugly ask the question "If you weren't working this hard to serve our selfish wants what else would you poor, dirty, uneducated Indonesians be doing?" In asking this question we take from them the one thing they have left, their dignity.

I hope this answers your question.

World Trade Organisation (WTO)

Formed 1995

Purpose:

- to administer multilateral trade agreements such as:
 - GATT: General Agreement on Trade and Tariffs
 - GATS: General Agreement on Trade in Services (e.g.. education, media, post, communications)
 - TRIPS: Trade Related Aspects of Intellectual Property Rights
 - (TNC monopolies on drugs, patents, seeds, DNA etc, often taken from poorer countries)
 - TRIMS: Trade Related Investment Measures (prevents less than 100% restrictions on foreign investment)
- enforce trade disputes between countries
- facilitate future trade negotiations
- oversee

WTO commitments are binding on its members and le.g.ally enforceable.

WTO is meant to operate by consensus but in reality it is dominated by the USA, Japan, European Union and Canada. Poorer countries have far less access to negotiations.

Negotiating positions and contents of agreements are kept secret until they have been signed.

State interventions by governments to protect local businesses and services are now regarded as unfair trade barriers, e.g. a local procurement law for governments and local bodies

Every environmental or public health law challenged at the WTO has been ruled illegal by the WTO, such as the following:

- on electrical products containing cadmium, lead, mercury (EU attempt to ban imports of asbestos (opposed by Canada)
- USA restriction on polluting impurities in oil (opposed by Venezuela)
- EU ban opposed by USA)

NZ and the WTO

NZ governments have been negotiating at the WTO without any mandate from Maori. There has been little public debate on the agreements NZ has signed up to.

Reform the WTO?

Moves to reform the WTO's environmental and labour protection will not have the desired effect, as they will always be secondary to the prime motivation of trade. It is better to strengthen existing international organisations and agreements such as ILO. These need to have equal powers of enforcement with the WTO, not be subject to it. But do we need free trade anyway?

Closer Economic Relations between NZ and Australia (CER)

- to remove regional differences, no respect for tangata whenua
- to allow NZ and Australian firms to compete "equally"
- to lower environmental standards to lowest common denominator, e.g. food labelling

Asia Pacific Economic Co-operation (APEC)

- voluntary association of "economies" (to allow both China and Taiwan)
- as usual, strong business input through ABAC APEC Business Advisory Council
- pushing for free trade amongst Asia Pacific region

North American Free Trade Agreement - (NAFTA) similar to APEC, about to be extended throughout the Americas

NZ-Hong Kong Free Trade Agreement

NZ Singapore free Trade Agreement

- Agreements that allow for increased free trade between NZ and Singapore and Hong Kong.
- Hong Kong and Singapore suppliers get equal treatment with NZ suppliers e.g. for government purchases
- 88.5% of Hong Kong exports are re-exports from China
- While Hong Kong has labour laws, these don't apply to Chinese factories where goods are produced.

Multilateral Agreement on Investment (MAI)

- was a failed attempt to allow business to sue governments that "discriminated" against them, e.g., with labour laws, restrictions on pollution etc.

World Economic Forum (last held in Melbourne)

- forum of 1000 CEOs, trade ministers, academics and heads of state to discuss trade policies and globalisation
- Cullen (Minister of Finance) called people involved in discussions on alternatives "hairy persons somewhat unkempt and unwashed"

World Bank

- organisation set up in 1944 to oversee loans to rebuild the world economy after WW2

International Monetary Fund (IMF)

- one of the instruments of the World Bank, mostly controlled by the US Treasury
- Hands out loans so long as countries agree to SAPs structural adjustment programmes: increase interest rates, cut govt spending, privatise govt services

Transnational corporation (TNC)

- 300 largest TNC's own or control over one quarter of the world's productive assets.
- many have annual sales greater than the GDP of various countries
- e.g. Royal Dutch Shell's annual income equals the GDP of Iran

Ten chairs: Income inequality in Aotearoa

What does rich and poor mean in Aotearoa? How do people become rich? How do people become poor? Who are the rich and who are the poor? What do we need to change?

Objective:

To understand historical and current income distribution in NZ and to identify the different roles played as a result; to recognise the key events and ideas that have led to this distribution; to provide an opportunity to discuss some possible ideas for change.

Materials:

Chairs with ten seating places. This exercise works best with at least ten people, one for each chair, but can be done with less if you are creative. Background handout on "Figures used for 10 chairs" - this explains where the data comes from so people know it's for real and some other facts and figures that can be used.

Instructions:

Encourage people to play their role throughout - usually they get into it without the facilitator having to do anything to start them off. The facilitator has the role of conductor - direct people when to move, get people to chant back the key ideas of neo liberal ideology as they are announced (see below), and act as the police force to keep people from getting out of chairs when they are not meant to! I've provided a basic outline of key ideas, but the aim is not to lecture - use these as short prompts to keep people focussed. They can also help you with the questions people might ask.

Start

Line up five chairs. Ask for five volunteers to sit in the chairs. Explain that they represent Maori in Aotearoa before 1750, and the chairs represent the wealth they have.

What is that wealth? Land, fish, birds etc

Some hapu may have more resources than others at any one time, but there is no concept of individual wealth.

Shift time to **1830**. Add in two chairs, one at the top, one at the bottom, and two more people. These represent contact with Pakeha and new technology, increasing wealth - ships, sawmills, fur trade - many owned and developed by Maori. Some Pakeha are resource rich and are starting to buy land, others aren't.

1840: Treaty of Waitangi is signed. What happens next?

Add in three more chairs at the top and three more people. Move Maori down to the bottom chairs - land is sold and confiscated, people die from sickness and war, forests are cut down, many new migrants arrive. Take people representing Maori off their chairs except for the last one and replace them with new settlers.

At this point we have one person in each chair - this represents the egalitarian ideal that NZ was supposed to be, but already we can see Maori are at the bottom and have lost much of their resources.

Explain that each chair represents 10% of the total market income earned in NZ over a year - all the money earned by wages, rent, investments, individual's business income - figures are as people estimate their income on the census. Does not include benefits/superannuation.

Each person represents 10% of the population over the age of 15.
Number people from 1 to 10, 10 is the highest income earner, 1 is the lowest.

If you don't have ten people, positions 6, 7, or 8 can be filled by giant teddies, cushions etc, but it is always preferable to use people. Explain the rule that you must be touching a chair at all time. This stops people walking away when things get too crowded -they need to be uncomfortable for this exercise.

Move time forward to **1984**.

What's happened?

- Increase in oil prices led to Bill Birch's "Think Big" projects, which meant the Govt had to borrow huge amounts from overseas - paying back this debt took up a lot of tax income. Total loss \$7.4 Billion (Brian Gaynor, *NZ Herald*, 25/9/1999)
- Britain started to look to Europe for products that NZ and other colonies had supplies - farmers had to be propped up with "Supplementary Minimum Price" guarantees
- As a result, local unemployment rose, inflation rose, Govt imposed a wage freeze, followed by a shorter price freeze
- NZ was heading into economic recession

A new Labour Govt comes in with some tailor made solutions to provide wealth and prosperity for all.

"When the crisis hit in July 1984 it was Roger Douglas who, above all, had thought through the economic issues - so when the Cabinet needed to fall back on an economic philosophy, it was Douglas who had one." David Lange, NBR, 11 July 1986

Of course, Roger Douglas had the help of Treasury and their 1984 publication, *Economic Management* which followed much the same line, based on the work of Hayek and Milton Freidman of Chicago.

I've provided some ideas for the effect of each key component of the neo-liberal ideology - people will offer their own suggestions as well from their experiences.

1. the first idea is the **Rule of the Market**.

- people can freely choose what they buy and sell, such as wages, shoes, education, health services
- prices will be set in the market according to demand and scarcity
- "democratic" rule - one \$ = 1 vote: we make choices by choosing where to spend our money, e.g. for quality training or keeping our bodies healthy by buying good food and not smoking

What is the effect of this on the distribution of wealth in Aotearoa now?

Get the person in Chair 10 to stretch themselves over 4 chairs - they are the richest 10% and have 40% of the income. Other people have to share chairs, but keep in their respective order. They are allowed to complain!!

2. The second idea is **Cut Public Spending for Social Services**

- introduce user pays - fees for services. This helps people make rational choices as to where best to spend their money
- cutback govt subsidies - e.g. increase rentals for state housing, hospital fees, tertiary fees
- cut benefits - (1991) this will ensure people have an incentive to go out and find work
- by cutting Govt spending we can cut tax rates for the highest income earners, so they can have more incentives to earn more
- tax benefits - beneficiaries should pay their share.

The person in chair 9 stretches over two chairs - they have 20% of the income.

3. The third idea is **Deregulation**

- cut the red tape - make it easier for overseas companies to buy NZ companies and land
- make it easier to buy and sell shares - who needs lotto?
- Let's get rid of the minimum wage - people need to be able to "price themselves into the labour market" (BRT) - this hasn't happened yet....
- Why do we need all these expensive OSH rules? (Occupational Safety and Health)

The person in chair 8 takes one and a half chairs - 15%.

4. The fourth idea is **Privatisation**

- the Government doesn't need to own so much - the private sector can do it more efficiently
- sell BNZ, Rural bank, Postbank, Tranzrail, NZ Steel, forestry cutting rights, power generators, radio networks - ZB, Telecom, Air New Zealand, Tourist Hotel Corporation
- contract out the operation of prisons, local government services, social welfare benefit computer system etc, etc. (resource list from Privatisation exercise).
- Sell off our assets, things we paid for as taxpayers. Profits go over seas, not back to us.
- some efficiency gains, but at what price?

Person in chair 7 gets one chair - shares half with person 8 and half with person 6

5. the fifth idea is **Eliminate the Concept of Public Good**

- We are all individuals - there is no such thing as society
- Let's not think about anyone else - we have to look after number one - Me.
- Just do it! (Nike);

Person in chair 6 gets the remaining half a chair, shared with person 7.

The remaining five people should now be clustered around the last chair - make sure they are all touching it. Two people can sit on the ground holding onto the legs - they are under the official poverty line.

Give people the figures for the income range in each of the positions (from handout) so they have a concrete idea of where income puts them. They can also think about their own real income and where they would be on this scale.

Ask people for the highest wages at the top end (see hand out for some examples)

Contrast with current minimum wage \$8 (see "Pay Rates" backgrounder for Trade Liberalisation exercise)

People may ask about people who earn nothing, e.g. 15 to 18 yr olds at school, women looking after children. In this model they are in the bottom chair because to the market they are worth nothing.

Ask the group to think about who else may be in the bottom chair.

Ask people how they feel in their positions - what is life like for them?

Ask the audience where they would like to be on the chairs and where?

Where are Maori in this? Why?

Where would a refugee go on the chairs? A disabled person?

Ask people if they think this is a good distribution or not - why? Who benefits by it?

Who doesn't?

Make sure you finish by derolling: get everyone back into individual chairs and allow them to be themselves again - this is important or else the person at the top can get stuck in role!! It's also important for people who are on low incomes - this exercise can be painful and it is important to emphasise that it doesn't have to be like this, and by understanding the current distribution we can start to think what we would like to change and why.

You can add a number of other things to this exercise.

1. Combatting the official story: Developing community indicators

This is a useful extension when working with a particular community. The idea comes from *Claiming What is ours: An Economics Experience Workbook*, prepared by Wendy Luttrell for Highlander Research and Education Center, Tennessee

- What are the most important signs of wealth in this community?
farms, size of house, car, or what?
- How much of the population in our community have each of these?
- What are the most important signs of poverty?
unemployment, no land, housing, no electricity etc?
- How much of the population deals with these problems?

e.g. social welfare, police... community org??

- Ask people if they want to change it? Why? How?
strategies for change: benefits, wage increases, taxation
limits on greed: moral; maximum pay ratios
- What is the goal? Change who is at the bottom or top or fairer distribution?

2. Effect of benefits.

Benefits allow for some distribution and it can help to show how benefits make at least a small improvement to the distribution:

Top 10 3.5 chairs

8 1.5 chairs

8, 7, 6 - 1 chair each

5 and 4 share 1 chair

3,2,1 have 1 chair

3. USA distribution

Top person has 7 chairs, remaining people all on 3 chairs (figures from United For a Fair Economy, www.ufe.org)

Get the group to think about why the US would be like this.

4. World distribution

This is always a good one to finish on but can detract from the NZ focus.

Top person has 8 and a half chairs, everyone else has 1 and a half.

Who's in the top chair, who's not? Why?

Some statistics:

The richest 50million people have the same income as 2.7 billion poor.

Top 1% have same wealth as bottom 57% . (Larry Elliott, "A cure worse than the disease", **The Guardian** 21/1/2002, www.guardian.co.uk)

[This exercise was originally a street theatre piece from United For a Fair Economy in Boston. I adapted it to use as a workshop exercise and have since found a number of other US groups have done the same. A good example is in a *Rethinking Schools* article vol. 12, no 3 1998 www.rethinkingschools.org/Archives/12_03/wealth.htm.

The NZ figures for this exercise are hard to find and I have only found one set from the 1996 census. There should be an update for 2001 census soon.

If you are going to use this exercise regularly, it is good to keep a file of income statistics of various kinds, so that you have some idea of the highest wages, who's wages increase the most, and how we value different jobs - contact Kotare as I usually have a file on this.]

Further Reading:

Joint Methodist Presbyterian Public Questions Committee and The New Zealand Council of Christian Social Services, 1998, *Myths About Poverty in New Zealand*

A study kit refuting eight common myths about poverty with concise statements and clear statistics. Available on: www.socialissues.godzone.net.nz/mythsaboutpoverty

Tim Hazledine, 1998, *Taking New Zealand Seriously*, Harper Collins, Auckland

A readable critique of neo-liberal economics, as well as a strong advocate for more equitable distribution of income.

Jane Kelsey, 1995, *The New Zealand Experiment*, Auckland University Press/Bridget Williams books, Auckland.

Peter Crampton, Clare Salmond, Russell Kirkpatrick with Robyn Scarborough, Chris Skelly, 2000, *Degrees of Deprivation in New Zealand: an atlas of socioeconomic difference*, David Bateman, Auckland

Maps of rich and poor locales in NZ using 1996 census data. Shows clearly the concentration of poverty in urban areas and some rural areas.

Figures used for 10 chairs

I use figures from the Dept of Statistics website www.stats.govt.nz, from a section called New Zealand Now-Incomes. This is a huge set of Excel spreadsheets and I used 2.15 " Shares of personal market income."

This gives the following figures:

Market Income Decile (1 is lowest, 10 is highest)	percent	chairs
1	0	first
2	0	five
3	1	on
4	2	one
5	4	chair
6	8	half a chair (artistic licence)
7	11	1 chair
8	15	1 and a half chairs
9	20	2 chairs
10	39	4 chairs

If you add benefits into the picture, it changes a little bit.

Distribution of personal gross income, including benefits (from Stats chart 3.16)

1	2%	first 3 on
2	3%	one
3	3%	chair
4	4%	share one
5	5%	chair
6	8%	1 chair
7	10%	1 chair
8	13%	1 chair
9	17%	1 and a half chairs
10	34%	3 and a half chairs

The chairs exercise comes from the Boston group United For a Fair Economy, www.ufe.org. At Kotare we have the full script of the "performance" version, complete with chorus line and conductor, but it's a bit wordy and uses US statistics, so feel free to adapt to your own use. if you want a copy of the US version to see how they use it as a performance Karen is happy to copy it for you for the cost of copying and postage (about \$1).

While the figures on the next page for incomes in each decile seem quite low, it is good to find out the highest wages being paid, to show what is actually included in decile 10.

For example, The former head of the Reserve Bank, Don Brash was paid \$495,000 a year. This is the chap who wants benefits to be reduced. Most CEO's earn between \$156,147 and \$286,696, including perks such as cars and bonuses, with 7% earning over \$500,000 (*NZ Herald* 25/3/2002). The highest salary package I've heard of in NZ was \$2.9 million a year for Paul Anthony, CEO of Contact Energy in 2000. Divide by 52 = \$55,769 a week; divide that by 40 = \$1,394.23 an hour.

NZ minimum wage is \$8/hr, youth \$6.40/hr.

Figures from Department of Statistics "Incomes", www.stats.govt.nz

This table gives some income ranges for the deciles. It includes all people aged 15 and over.

Number of People by Income Decile and Sex					
Annual Taxable Personal Income Decile					
1998/1999	(000)				
	Male ⁽¹⁾	Female ⁽¹⁾	Total ⁽¹⁾	chairs	
Under \$2,550	125.6	162.5	288.0	1	
\$2,550 to \$7,629	129.7	158.2	287.8	2	
\$7,630 to \$9,949	159.2	165.6	324.8	3	
\$9,950 to \$12,539	107.8	142.9	250.7	4	
\$12,540 to \$15,079	89.3	199.4	288.7	5	
\$15,080 to \$20,839	122.3	165.5	287.8	6	
\$20,840 to \$28,009	142.6	145.5	288.1	7	
\$28,010 to \$35,999	159.7	127.8	287.5	8	
\$36,000 to \$48,799	175.6	112.5	288.2	9	
\$48,800 and over (to c\$2,900,000)	213.0	75.0	287.9	10	
ALL	1,424.7	1,454.8	2,879.5		

(1) All figures are numbers of people rounded to the nearest 100.

There are 77,000 people in NZ earning over \$100,000 a year. (Key facts for taxpayers, Budget 2002)

9% of Maori are in the two top chairs, compared to 21% of Pakeha. 28% of Maori are in the last two chairs, compared to 17% of Pakeha. (NZ Incomes Now 1996).

Myths about poverty:

Even though NZ's GDP (overall economic wealth) continues to increase,

- *Poverty has doubled between 1987/1988 and 1992/1993 (Easton, 1994) and inequalities increased (fastest in OECD between 1984 & 1993: Stephens, 1998)*
- *The gaps between Maori and Non-Maori widen in employment, incomes housing, health and education (TPK, 1998)*
- *There is an increasing split between 'job-rich' and 'job poor' families. Between 1986 and 1996, the number of 'prime working age' couples where both have paid work increased by 60,000; while those where neither had paid work also increased by 23,000 (Callister 1998)*

Some people think that we should focus on economic growth regardless of the impact on poverty and inequality.

Some people believe that inequality doesn't matter - in fact they think it may even be a good and necessary thing to encourage economic growth.

- *"Nobody disputes the widening income gap. Economic realists positively welcome it, for it means that success...is being rewarded." (Editorial, NZ Herald, 28/7/98)*
- *"The fact that income at the top of the ladder have grown more than those at the bottom is not a bad thing. I think it's an inevitable part of increasing rewards for effort...You've got to send the right signal." (NZ Minister of Finance (Birch), 28/7/98)*

Some people believe that a growing economy requires a certain ('natural') level of unemployment to act against pressures for wage inflation.

- *Bancorp economist Stuart Marshall thus welcomes rising unemployment "because it shows the labour market is responsive to the economy." (Dominion, 5/8/98)*

From: Joint Methodist Presbyterian Public Questions Committee and The New Zealand Council of Christian Social Services, 1998, *Myths About Poverty in New Zealand*

A study kit refuting eight common myths about poverty with concise statements and clear statistics. Available on: www.socialissues.godzone.net.nz/mythsaboutpoverty.

Rich list: the rogues gallery

Who are the rich? Who's missing from the Rich List? How do the rich have power?

Objective:

To identify the types of people in the top 1% of income earners; to shift the focus from the problem of poverty to the problem of excessive wealth.

Materials:

The current Top 100 rich list from National Business Review or Sunday Star Times. NBR has better photos for this exercise.

Photocopy enlarged photos of the top income earners from the Rich List, so that there is one for everyone likely to be in the group.

Paste each one on to a sheet of paper, add their name, their total wealth and the categories they got their money from, e.g. oil, inherited, food, investments, etc.

Ball of string - preferably plastic, scissors

Instructions:

Hand everyone one of the photos. They can introduce the person on their photo to the rest of the group.

How much do we know about these people? Which ones are regarded as role models? Why? Are they *our* role models? Why/why not?

Discuss - who is here? Who isn't? Why?

How do these people have power?

Background sheet is available on business organisations that lobby for neo-liberal reforms

Web of power (optional extension)

With everyone in a circle, one person names a way the rich list people have power - throw the ball of string to the next person who thinks of another way they have power. Hold the string when it reaches you, so that eventually a web of power is constructed, linking all the members of the rich list.

You can finish here, though it is a bit depressing. You could also think of ways to cut the strings of power and use scissors, or unravel the web, but suggestions may be a bit unrealistic at this stage, and you could always put the web aside until after the alternatives sessions later. - or think of another way of finishing and let me know! We tried overlaying it with a web of community power using natural string instead - we got some good suggestions but a few unrealistic answers as well, e.g. "our songs are better!" (debatable, I know). However it does lift the mood of gloom and doom that can descend at this point.

Background Reading: "Deconstructing the Rich List", chapter 13 of Tim Hazledine, 1998, *Taking New Zealand Seriously*, Harper Collins, Auckland
Game Hunt, 2000, *The Rich List: Wealth and Enterprise in New Zealand 1820-2000*, Reed, Auckland

[The rich list is a Kotare original exercise! But of course since designing it I've found a related exercise in United For A Fair Economy's "*Teaching Economics as if People Mattered*" on CEO's pay, which looks more at pay gaps. The web of power idea came from a children's game.]

Business organisations

Background sheet available on business organisations which could be added in or used as a home work exercise: find out what these groups do:

New Zealand Business Roundtable

"The New Zealand Business Roundtable (NZBR) is an organisation of Chief Executives of major business firms who meet to discuss and develop points of view on matters of common interest, and particularly public policy issues.

Members represent most of the large business interests in New Zealand and are drawn from all parts of the business sector. Their organisations comprise listed and private companies and other types of business enterprise, both domestically and overseas owned, primarily in the private sector. " www.nzbr.org.nz

An organisation of chief executives of New Zealand's major business, the majority of whom are now overseas owned. Promotes neo-liberal ideas through publications, networks, government lobbying. Works to improve the profitability of big business ahead of other concerns, while masking this as being about improving society for all. Increasingly trying to move public opinion towards the right on social issues such as education and welfare, as away to lower taxes and promote "individual self-reliance".

Business New Zealand

Business NZ is the policy and advocacy wing of the following regional business associations:

- Employers' & Manufacturers' Association (Northern)
- Employers' & Manufacturers' Association (Central)
- Canterbury Employers' Chamber of Commerce
- Canterbury Manufacturers' Association
- Otago Southland Employers' Association

BUSINESS NZ - Championing a competitive, growing economy based on:

- the production of high value-added goods and services
- global excellence for all knowledge and learning benchmarks
- balanced employment, economic and environment legislation
- minimal government intervention
- low compliance costs
- reduced taxation

www.businessnz.org.nz

Trade Liberalisation Network

"The New Zealand Trade Liberalisation Network is a business organisation aimed at encouraging broad public understanding and support for trade. Funded and led by New Zealand's leading export interests, the Trade Liberalisation Network is an incorporated society which works with other like-minded individuals and organisations to promote policies which will accelerate economic growth and social development.

The Trade Liberalisation Network:

- provides members and supporters with information and resources to enable them to become effective champions for trade liberalisation
- promotes the benefits of trade liberalisation in ways that are meaningful to New Zealanders
- works with other groups in New Zealand and overseas to advocate trade policies which enhance economic and social development.

www.tln.org.nz/home.asp

International:

APEC Business Advisory Council (ABAC) (NZ members)

ABAC is the official voice of the private sector within APEC. Established by APEC Leaders at the APEC Summit in Osaka in November 1995 as the vehicle for formalising private sector participation in APEC, the Council's mandate is two-fold:

- To provide APEC Leaders with advice on the implementation of the APEC Agenda and other specific business sector priorities.
- To respond to various APEC forums' business related issues or the business perspective on specific areas of co-operation."

New Zealand members change each year. For 2002 they are:

- **Sir Dryden Spring**, currently the Chairman of Goodman Fielder New Zealand Limited, Ericsson Communications Ltd. (NZ), WEL Energy Group Ltd., and Fletcher Challenge Forests Ltd. He is also the Deputy Chairman of Goodman Fielder Limited, and a Director of Nufarm Ltd., the National Bank of New Zealand, Maersk New Zealand Ltd., and Fletcher Building Ltd.
- **Peter Masfen**, Chairman of Montana Group (NZ) Limited, Montana Wines Limited, and Masfen Holdings Limited Group of Companies. He is a Director of AXA Asia Pacific Holdings Limited, and a Director of National Mutual Life Association of Australasia. He is also a member of the New Zealand Business Roundtable.
- **Wendy Pye**, MBE, is the Managing Director of the Wendy Pye Group of Companies. The Group is a privately owned worldwide publishing company that exports to all countries within the APEC region.

Pacific Business Economic Council

Lobbies for free trade at APEC and World Trade organisation meetings

Organises meetings of business people such as the Chief Executives Meeting at APEC 1999.

Proposals include a request that APEC accelerate planned trade and investment liberalisation, with a decision on that to be put forward when World Trade Organisation negotiations recommence (*NZ Herald* 14 September 1999).

World Economic Forum

"The World Economic Forum, based in Geneva, Switzerland, is an independent organisation committed to improving the state of the world. Funded by the contributions of 1,000 of the world's foremost corporations, the Forum acts in the spirit of entrepreneurship in the global public interest to further economic growth and social progress. The Forum serves its members and society by creating partnerships between and among business, political, intellectual and other leaders of society to define, discuss and advance key issues on the global agenda. " www.weforum.org

See also www.geocities.com/pwdyson/wef_orgs.htm for an analysis of membership of the WEF and links to sites monitoring multinationals.

Heritage Foundation

One of the best know US think tanks, closely associated with Ronald Reagan while he was president. When he was elected, Heritage's director provided a 1,000 page document of neo-liberal policy advice, most of which later became law. Heritage spends a third of its \$18 million budget on marketing and writes over 200 documents a year (George, 1997). The Fraser Institute is a similar style think tank based in Canada.

Mont Pelerin Society

Founded in 1947 by Freidrich von Hayek, to promote his economic and social ideas. Has around 400 members including Roger Douglas and Margaret Thatcher, and meets annually.

Part 3: What is the ideology driving this?

Key points of neo liberal ideology

What is neo-liberal ideology? How have the previous exercises shown us how it affects Aotearoa?

In groups: Use headings of the five key points and discuss how they are expressed in NZ and how they impact on us. I have provided the suggestions used in the ten chairs exercise as prompts if necessary. In addition there is a backgrounder with some key quotes on the points and a hard copy set of cartoons for each of the five key points that show up some of the absurdities.

1. The first idea is the **Rule of the Market**.
 - people can freely choose what they buy and sell, such as wages, shoes, education, health services
 - prices will be set in the market according to demand and scarcity
 - "democratic" rule - one \$ = 1 vote: we make choices by choosing where to spend our money, e.g. for quality training or keeping our bodies healthy by buying good food and not smoking
2. The second idea is **Cut Public Spending for Social Services**
 - introduce user pays - fees for services. This helps people make rational choices as to where best to spend their money
 - cutback govt subsidies - e.g. increase rentals for state housing, hospital fees, tertiary fees
 - cut benefits - (1991) this will ensure people have an incentive to go out and find work
 - by cutting Govt spending we can cut tax rates for the highest income earners, so they can have more incentives to earn more
 - tax benefits - beneficiaries should pay their share.
3. The third idea is **Deregulation**
 - cut the red tape - make it easier for overseas companies to buy NZ companies and land
 - make it easier to buy and sell shares - who needs lotto?
 - Let's get rid of the minimum wage - people need to be able to "price themselves into the labour market" (BRT) - this hasn't happened yet....
 - Why do we need all these expensive OSH rules? (Occupational Safety and Health)
4. The fourth idea is **Privatisation**
 - the Government doesn't need to own so much - the private sector can do it more efficiently
 - sell BNZ, Rural bank, Postbank, Tranzrail, NZ Steel, forestry cutting rights, power generators, radio networks - ZB, Telecom, Air New Zealand, Tourist Hotel Corporation
 - contract out the operation of prisons, local government services, social welfare benefit computer system etc etc. (resource list from Privatisation exercise).

- Sell off our assets, things we paid for as taxpayers. Profits go over seas, not back to us.
 - some efficiency gains, but at what price?
5. The fifth idea is **Eliminate the Concept of Public Good**
- We are all individuals - there is no such thing as society
 - Let's not think about anyone else - we have to look after number one - Me.
 - Just do it!

Feedback: Develop a short dramatic skit to illustrate its meaning and effect in New Zealand from your experiences, or from what you've learnt through this workshop. The skit can be done in different ways. One that seems to work well is to say that each person in the skit can only use one word. If you have access to more dramatic skills, you can develop this further! Making a painting might be another alternative. After a lot of wordy discussion time, it is good to get into some different ways of dealing and processing this material.

Key points of neo liberal ideology

The explanations for each point are from "*What is neo-liberalism*" Elizabeth Martinez and Arnaldo Garcia http://aidc.org.za/archives/what_is_neo-lib.html.

1) THE RULE OF THE MARKET

Liberating "free" enterprise or private enterprise from any bonds imposed by the government (the state) no matter how much social damage this causes. Greater openness to international trade and investment, as in NAFTA. Reduce wages by de-unionising workers and eliminating workers' rights that had been won over many years of struggle. No more price controls. All in all, total freedom of movement for capital, goods and services. To convince us this is good for us, they say "an unregulated market is the best way to increase economic growth, which will ultimately benefit everyone." It's like Reagan's "supply-side" and "trickle-down" economics -- but somehow the wealth didn't trickle down very much.

Quotes:

"Unemployment is caused by people not willing to offer labour services to employers at mutually acceptable terms."

"Unemployment can be reduced by allowing the unemployed to bid themselves into jobs by temporary wage reduction which would make them attractive for employers to hire."

(NZ BRT 1990 *Unemployment, Realities and Illusions*)

"We need to produce what our markets want most and produce it more competitively than other suppliers."

(Roger Douglas, 1985. Address to the credit Union Conference, Speech notes.)

"You're taught that humans are supposed to be rational wealth accumulators, each acting as an individual to maximise his own wealth in the market. The market is regarded as democratic because everybody has a vote. Of course some have more votes than others because your votes depend on the number of dollars you have, but everybody participates and therefore it's called democratic."

(Noam Chomsky (a critic of neoliberalism), www.madre.org/resources/manyfaces.html)

"Think about over the top romantic comedies - that's the market place. It throw itself into enthusiasm, it falls madly in love and throws money desperately in one direction and gets itself way over extended then collapses."

John Ralston Saul, *Listener*, 22/6/2002

"Q: How many economists does it take to change a light bulb?

A: None, they're all waiting for the unseen hand of the market to correct the lighting disequilibrium."

Paul Bielski, 2000, *The Anti-Economist Papers*, Tandem Press, Auckland.

2) CUTTING PUBLIC EXPENDITURE FOR SOCIAL SERVICES

in areas like education and health care by reducing the safety-net for the poor, and even maintenance of roads, bridges, water supply -- again in the name of reducing government's role.

"Overall, I believe awareness of the harmful moral and financial effects of the welfare state is likely to see it gradually replaced by private and voluntary approaches in all the major areas: Income support, education, health care, accident insurance and pensions. Its proper role is to supply a safety net as a guarantee against the failure of personal effort and private welfare."

Roger Kerr, "Seven Deadly Economic Sins of the Twentieth Century", NZBRT 1997

Education:

"If there is one area where we can safely forecast a withdrawal of state intervention in the twenty first century, it is education, since the state's failures in this area are so starkly manifest, and too much is at stake to allow them to continue."

Kerr *ibid*, 1997

Welfare:

Outside the marketplace, another outcome of more limited government would be a renewed role for private welfare. As a recent *Herald* editorial noted: '*... private arrangements carry more meaning than social welfare ever can. Much nonsense is heard about the caring ethic of the welfare state; far from fostering human concern it provides an excuse to people disinclined to offer personal help.*'

"Instead of the ecclesiastical hand-wringing and calls for government assistance that we are incessantly subjected to on Morning Report, we might find a resurgence of initiative and hard work in the church and other voluntary organisations, which would in the process help reverse their diminished standing in society."

(Alan Gibbs Chairman Auckland, Gibbs Securities Limited "Rescuing the Insolvent Society"⁷ April 1992, New Zealand Society of Accountants)

Health

"Green argues that a good health system would need to satisfy the 'three inseparables' that he sees as essential for a civil society. These are: personal responsibility to provide for oneself, one's family and dependants, and those in need; voluntary association to achieve common objectives; and a government that is confined to maintaining the conditions for individual freedom and choice. Private hospitals, private insurance, private funding and private charities with a government safety net would conform far more closely with this prescription than a largely nationalised hospital system."

(Roger Kerr, *New Zealand's Health System: Still Operating Behind The Berlin Wall?* New Zealand Business Roundtable, 10 September 1999)

3) DEREGULATION

Reduce government regulation of everything that could diminish profits, including protecting the environment and safety on the job.

"The deregulation of the finance industry, which will give us better, more efficient, cheaper and more diverse financial services to both business and the public."
(Roger Douglas, 1985, speech to the Credit Union League)

"We are one of the most open and deregulated economies in the world now."
(Ron Trotter, speaking on Four Corners Documentary, 1992)

"We must permit free employment contracting in a competitive labour market so that pay rates and other rewards continuously reflect prevailing conditions of labour supply and demand."
(NZ BRT 1990, *Unemployment, Realities and Illusions*)

"Governments have gradually added to labour costs through compulsory insurance payments (e.g. for accidents) and minimum wage restrictions."
(Roger Kerr, NZ BRT, 1997)

4) PRIVATISATION

Sell state-owned enterprises, goods and services to private investors. This includes banks, key industries, railroads, toll highways, electricity, schools, hospitals and even fresh water. Although usually done in the name of greater efficiency, which is often needed, privatisation has mainly had the effect of concentrating wealth even more in a few hands and making the public pay even more for its needs.

"The percentage a consulting company can earn in fees in New Zealand is among the highest in the world - 3.5 to 4.5 per cent of the value of the deal...Although the [Ports of Auckland] sale was halted by public pressure, Fay Richwhite billed the ARC \$500,490 for their trouble. Had it proceeded they could have pocketed close to \$1.7million."
(Metro, July 1992)

"The benefits of competition and private ownership have been highly visible in cases such as the airline industry (Air New Zealand and Ansett) and telecommunications (Telecom and Clear)."
(Bob Matthews, *The Public Benefit Of Private Ownership: The Case For Privatisation*, New Zealand Business Roundtable, June 1992)

"many of the jobs that have been lost contributed little or nothing of social value"
(Bob Matthews, *ibid.*)

"[The job of providing private goods – those that can be bought and sold in the marketplace or organised through voluntary activities – should be left to the private sector. The list of public goods does not include things such as running Lotto, television stations, coal mines, ports, airports, electricity businesses, property companies, forestry operations, accident insurance schemes and a whole raft of other activities that central and local governments in New Zealand engage in.

Because, on average, government ownership of such enterprises leads to inferior performance compared with the disciplines of private ownership, it harms economic growth. It should also be noted that with changing technologies, a number of goods and services such as roading which were once public goods are increasingly capable of being provided and charged for as private goods."

(Roger Kerr, *How Big Should Government Be?* NZ BRT, 14 October 1998)

"The issues with water and sewage are similar to those with roading and other utility businesses. Last month the Kennett government in Victoria announced a water reform package which will abolish water and sewage rates and introduce a user-pays approach to water pricing. This is expected to clear the way for privatisation after the next state election in 2000. There would be major gains for household and business users from similar moves in New Zealand, which has been lagging well behind overseas developments in the water industry."

(Roger Kerr, *Why Local Government Needs A Bomb Under It*, Speech to New Zealand Forest Owners' Association Seminar, 12 November 1997)

5) ELIMINATING THE CONCEPT OF "THE PUBLIC GOOD" or "COMMUNITY"

and replacing it with "individual responsibility." Pressuring the poorest people in a society to find solutions to their lack of health care, education and social security all by themselves -- then blaming them, if they fail, as "lazy."

"I can do most for my fellow man by the intelligent pursuit of my own long run self interest."

(Alan Gibbs 1989?)

Millionaire businessman Alan Gibbs says that poverty in NZ was not being caused by economic reforms, but by a decline in the institution of marriage in our culture. *"We have swapped husbands for benefits."*

(Reported in *The Jobs Letter*, no. 6, 5/12/1994)

"We do not need the Government to spend our money for us. Social policy in the 21st Century should be about requiring people to make adequate provision for themselves, first by working, then by saving."

(Peter Saunders, "Time to care for ourselves", *NZ Herald*, 26 March 2002. Peter Saunders is director of social policy research at the Centre for Independent Studies)

"Individual freedom is the ultimate social ideal; government power, while necessary, must be limited and decentralised."

Quoted in Susan George, *"How To Win The War Of Ideas: Lessons From The Gramscian Right"*

"ACT stands for individual freedom and choice, personal responsibility and the protection of the life, liberty and property of each and every citizen." From www.act.org.nz

"Even in New Zealand, where collectivism went further, but also more lately retreated further, than in most western democracies, a sentimental attachment to big

government remains strong. It has been inspired by a mixture of well-meaning but naive utopianism, ignorance, envy, a desire to avoid personal responsibility and also an erroneous conviction that collective action is motivated by altruism and morally superior to individual action, which is equated with selfishness."

(Roger Kerr, "Seven Deadly Economic Sins of the Twentieth Century", NZ BRT, 1997)

Where did neo-liberalism come from? how did it happen to us?

How did we let this happen to us? How does it affect me?

For this exercise I have not provided a quick history of neo-liberalism. The best short articles for this are:

Susan George: The rise of the Gramscian Right, *Dissent*, Summer 1997, vol. 44.no.3 and Susan George, A short history of neo liberalism. Both of these are available from: www.tni.org/george/.

Start with the knowledge people have themselves of the events. Use the above articles as background reading if necessary, with Jane Kelsey, *The New Zealand Experiment*, as a useful resource to fill in the New Zealand details.

For younger people or people who've moved to New Zealand in the last ten years or so you will need to fill in some gaps with their historical knowledge, stressing that the changes were very sudden and largely experimental. At this point, showing either of the Alistair Barry videos on New Zealand will be more useful than trying to do the timeline first.

- *Someone Else's Country*
- *In a Land of Plenty*

Available from: Community Media Trust, PO Box 3563, Wellington
Local community groups often have copies of these, or ask at your local library.

Draw a timeline for recent New Zealand history. Use the key dates below for people to add their own experiences to and/or information from the articles and videos. For example, when did people notice unemployment increasing? Do they remember any opposition to the changes? What do people know the 1980s? Were they affected by the 1990 Benefit cuts?

Key dates:

1840	Te Tiriti o Waitangi
1880s-1890s	period of laissez-faire capitalism - an earlier version of neo-liberalism
1914-1918	WW1
1920s-1935	Depression; start of the Welfare State; US version was "New Deal"
1939-1945	WW2
1944	Bretton Woods meeting - established the International Monetary Fund and the World Bank to regulate trade and money flows
1947	Mont Pelerin Society founded in Vienna to spread the ideas of neo-liberal Friedrich von Hayek, an Austrian who taught at the Chicago School of Economics -regarded as a small fringe group
1950s - 1960s	period of full employment
1973	Coup in Chile, Socialist government overthrown and neo-liberal economics is tried for the first time
1979	Margaret Thatcher, a follower of Hayek, becomes Prime Minister in UK and starts neo-liberal reform

"Having set the ideological stage and the context, now let me fast-forward so that we are back in the twenty year time frame. That means 1979, the year Margaret

Thatcher came to power and undertook the neo-liberal revolution in Britain. The Iron Lady was herself a disciple of Friedrich von Hayek, she was a social Darwinist and had no qualms about expressing her convictions. She was well known for justifying her programme with the single word TINA, short for 'There Is No Alternative'. The central value of Thatcher's doctrine and of neo-liberalism itself is the notion of competition - competition between nations, regions, firms and of course between individuals. Competition is central because it separates the sheep from the goats, the men from the boys, the fit from the unfit. It is supposed to allocate all resources, whether physical, natural, human or financial with the greatest possible efficiency."

A Short History of Neo-liberalism: Twenty Years of Elite Economics and Emerging Opportunities for Structural Change Susan George, Conference on 'Economic Sovereignty in a Globalising World', Bangkok, 24-26 March 1999

1984	Labour Government elected in NZ; Roger Douglas, another follower of neo-liberalism and Hayek, pushes through neo-liberal economic reforms
1986	State-Owned Enterprises Act
1986	Overseas Investment Commission Act - only land sales to overseas buyers required a "national interest" test
Oct 1987	Stock Market crash
1988	State Sector Act and 1989 Public Finance Act - Both of these established separation between funding and provision of govt services
1989	Reserve Bank Act - price stability became main focus of the bank, allowing unemployment to increase to keep interest rates down.
Dec 1990	Benefit cuts - to ensure gap between low wages and benefits
1994	Fiscal Responsibility Act - standards for Govt budgets such as surpluses, stable tax rates, low debt
1995	World Trade Organisation established to ensure "free" movement of trade goods around the world

The following quotes give some of the flavour of the changes.

"We are in the mainstream of thought, not as we were 50 years ago, members of the derided minority."

(Milton Friedman, taught by Hayek and one of the recent proponents of neo-liberalism: (Milton and Rose D Friedman, 1998, *Two Lucky People: Memoirs*, University of Chicago Press, Chicago)

"Why on earth, you might well ask, does The Economist devote so much space to New Zealand, a tiny country of only 3.5m people.... The answer quite simply is that the country merits it. Over the past decade or so, New Zealand has embraced more of the free market reforms that this country espouses than any other industrial country."

(The Economist, quoted in Kelsey 1999, p.87)

"A lot of my specific job is to deal with the news media here and we do a lot of what our local media call carpet bombing. Which is you dump so much on them in one day that they can't keep up with the criticism of it. It's part of what Roger Douglas had taught us. The faster you go in that context too the less time and potential the interest groups have for being able to make specific one-issues cases."

(From media campaigners for Ralph Klein, premier of Alberta, Canada, quoted in Kelsey 1999)

Part 4: What alternatives are there?

What do we think is important? What changes can we make?

Passing community legacies

Objectives:

To consider our own beliefs about what is important and to see how these can develop into alternative strategies; to think beyond the boundaries of what exists.

Materials:

Paper, pens, large index cards

1. Ask each person to write down 10 things they would want to leave their descendants seven generations from now.
2. From this list of 10 things, ask each person to select three and give concrete examples of each on a separate index card. The cards can have written descriptions, pictures, diagrams, or however the person chooses to represent their idea. Collect the cards from everyone and post them up around the room for everyone to look at.
3. Working with these legacies, ask the groups to develop a set of common goals for community development.

[From Wendy Luttrell, *Claiming What is Ours: An Economics Experience Work Book*, 1988]

"New Zealand is a small and vulnerable participant in an international arena that we cannot control and which is very volatile. How we respond to this situation depends on how we see ourselves as a 'nation' and our relations and responsibilities to each other...The strengthening of iwi and hapu, of the geographical regions, of collectives such as unions and of businesses rooted in the communities to which they belong, provides the foundation for us to move forward differently. These proposals are not radical. Nor are they impractical. Indeed, many of them already operate in other comparable countries. The challenge facing us as New Zealanders is to debate these and other alternatives - and instil in a progressive government the political will and courage to implement them."

*Jane Kelsey, 2002, **At the Crossroads**, Bridget Williams Books, Wellington.*

Other questions your group may like to look at

What can we do right now?

Given the goals developed above, what campaigns, strategies can we work on right now? - open ended group discussion - depends on what group you are working with and their particular focus.

What have other people tried?

- resource backgrounder of success stories, international campaigns and groups, photocopy of the Peoples Charter as an example of one group's vision..
- See also A Dictionary for a Better Alternative to Economic Rationalism

What else do we need to know?

What can we commit to doing?

Reform or transformation?

If needed, a session on what is change could be added - a resource here is from *Training for Transformation*, Anne Hope and Sally Timmell, and I have included two photocopied pages: "Four levels of awareness" and "Five responses to poverty".

Four levels of awareness

Five responses to Poverty

A Dictionary for a better alternative to Economic rationalism page 4

The peoples Charter

Further Reading on Alternatives:

Aotearoa New Zealand:

Two readable books are:

Jane Kelsey, 2002, *At the Crossroads*, Bridget Williams Books, Wellington.

Tim Hazledine, 1998, *Taking New Zealand Seriously: the economics of decency*, Harper Collins, Auckland

A booklet on the *Peoples Charter* is available from Kotare Research and Education for Social Change, 510 Wayby Station Rd, RD2, Wellsford, for an A5 stamped addressed envelope.

One of many books on environmentally sustainable issues:

Sharon Beder, 1996, *The Nature of Sustainable Development*, Scribe Publications, Newham, Australia

International alternatives:

Another World Is Possible, *New Internationalist*, no 342, Jan/Feb 2002

- short articles on a range of alternatives, with many links to specific websites for more information. Also available on the new *Internationalist* website www.new.int.org

Jeremy Brecher, Tim Costello and Brendan Smith, *Globalisation From Below: The Power of Solidarity*, Cambridge: South End Press, 2000

Anita Roddick, *Take it Personally: How Globalization Affects you and Powerful Ways to Challenge it*, London: Thorsons, 2001. Very readable with plenty of photocopyable resource pages.

Internet resources - alternatives

Global Exchange

www.globalexchange.org is an American-based fair trade organisation.

Public Citizens Global Tradewatch

www.tradewatch.org

Run by the Public Citizen organisation originally founded by Ralph Nader - has an e-list which mostly contains info on what's happening in the US re trade issues/actions.

Third World Network

www.twinside.org.sg

Top site for coverage of range of issues, especially as affecting the Third World. Worth browsing regularly.

Rural Advancement Foundation International

www.rafi.org

Covers agriculture trade issues, especially seed resources, biosafety, etc.

There is also the **International Forum on Globalisation**

www.ifg.org

Other sites you might want to also check (and should be able to link to via these sites) are the international environmental NGOs e.g. FOE, Greenpeace and organic/consumer movements e.g. IFOAM

Then there are two good sites for general progressive info on global political issues, including trade, debt, development, etc.

ZNet - www.lbbs.org (this has a daily news service, a good search by topic service, and links through to back issues of Z magazine, which has top US political writers writing for it)

and **Oneworld.net** - www.oneworld.org - which is particularly good on environmental info.

For the latest publications go to the **Zed Books** site - www.zedbooks.demon.co.uk - and get the DRC library (see below) to buy and lend them.

Locally you should link yourself in with the **Development Resource Centre** www.drc.org.nz and join their free information service - you can access their library catalogue via the internet and then borrow books and videos for free.

Subscribe to the CAFCA journal "**Foreign Control Watchdog**" - send \$20 to Box 2258, ChCh - for an excellent resource on who owns what and the politics around it in NZ.

OK - so now that you are completely overloaded with info and wonder if there is any fun to be had on the Net on these subjects I can recommend that you chill out with www.slowfood.com, where you can drool over the efforts of people devoted to artisanal and ethnic food who also have an international "friendly tables" project to make sure more/poor people get fed well

www.disgruntledhousewife.com which has lots of funny things to see and do (re-design your man, kitchen, etc., send cake or meat wallpaper cards) and

www.adbusters.org which also takes the mickey out of consumer culture

and www.gratefulness.org which has lots of playful approaches to celebrating what we do have to share

super surfing!

List courtesy of Christine Dann

Final session: Evaluation

What have we learnt? What do we still need to find out? What are we going to do about it?

Use your own creative ways of presenting this!

You need to include: what was good, what wasn't, what could be done differently next time?

Feedback

Kotare Trust and Auckland WEA would very much like to hear from people who have used this resource to see how we could make it better.

- How would you improve the exercises?
- What additional exercises would help build on this work?
- Do you have additional resources we should include?
- Is there anything that really doesn't work and why?

You can email us at kotare.trust@xtra.co.nz or write to Kotare Trust, 510 Wayby Station Rd, RD2 Wellsford, 1242, New Zealand.

We have tried to use resource material that is available to be copied but if you think we have breached copyright please let us know . Thank you!

Composite Resource List

1. Books and Articles

American Friends Service Committee, *The Praxis Project*, Chicago, AFSC

Another World Is Possible, *New Internationalist*, no 342, Jan/Feb 2002,
Also available on the New Internationalist website www.new.int.org

ASPBAE: *Understanding the Present World Economy*

Sharon Beder, 1996, *The Nature of Sustainable Development*, Scribe Publications, Newham, Australia

Bielski, Paul, 2000, *The Anti-Economist Papers*, Tandem Press, Auckland

Bigelow, Bill, 1997, "The Human Lives Behind the Labels", *Rethinking Schools*, Vol. 11, No.4, Summer 1997, www.rethinkingschools.org/Archives11_04/swetm.htm

Brecher, Jeremy, Tim Costello and Brendan Smith, *Globalization From Below: The Power of Solidarity*, Cambridge: South End Press, 2000

Crampton, Peter, Clare Salmond, Russell Kirkpatrick with Robyn Scarborough, Chris Skelly, 2000, *Degrees of Deprivation in New Zealand: an atlas of socioeconomic difference*, David Bateman, Auckland

Economic Literacy Action Network, 2000, *Unpacking Globalization: A Popular Education Toolkit*, Tennessee, Highlander Research and Education Center

George, Susan: The rise of the Gramscian Right, *Dissent*, Summer 1997, vol. 44.no.3

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Giecek, Tamara Sober with United for a Fair Economy, 2000, *Teaching Economics as if People Mattered*, Boston, United for a Fair Economy

Hazledine, Tim, 1998, *Taking New Zealand Seriously*, Harper Collins, Auckland

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Joint Methodist Presbyterian Public Questions Committee and The New Zealand Council of Christian Social Services, 1998, *Myths About Poverty in New Zealand* Available on: www.socialissues.godzone.net.nz/mythsaboutpoverty

Kelsey, Jane, 1993, *Rolling Back the state: privatisation of power in Aotearoa/New Zealand*. Bridget Williams Books, Wellington.

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Kelsey, Jane, 1999, *Reclaiming the Future: New Zealand and the Global economy*, Wellington, Bridget Williams Books.]

Kelsey, Jane, 2002, *At the Crossroads*, Bridget Williams Books, Wellington.

Luttrel, Wendy, *Claiming What is ours: An Economics Experience Workbook*, prepared for Highlander Research and Education Center, Tennessee

Roddick, Anita, *Take it Personally: How Globalization Affects you and Powerful Ways to Challenge it*, London: Thorsons, 2001.

Small, Dennis, 1996, *The Cost of Free Trade: Aotearoa New Zealand at risk*, Christchurch, Campaign Against Foreign Control of Aotearoa

The 1998 VUWSA Conference Against Privatisation, Wellington, VUWSA

2. Websites

Arena: Action, Research & Education Network of Aotearoa www.arena.org.nz

CAFCA :Campaign Against Foreign Control of Aotearoa, Box 2258, Christchurch, New Zealand, cafca@chch.planet.org.nz, www.cafca.org.nz

Dept of Statistics website www.stats.govt.nz

Development Resource Centre www.drc.org.nz

Focus on the Global South www.focusweb.org

GATS: www.gatswatch.org

Global Exchange: www.globalexchange.org

Highlander Research and Education Center www.hrec.org

International Forum on Globalisation www.ifg.org

NZ Business Roundtable: www.nzbr.org.nz

New Zealand Trade Liberalisation Network website, www.tln.org.nz

Oneworld.net - www.oneworld.org

Public Citizens Global Tradewatch: www.tradewatch.org

Rural Advancement Foundation International www.rafi.org

Sweat shops and labour rights: www.behindthelabel.org , www.cleanclothes.org, www.nikewages.org

Third World Network www.twinside.org.sg

United For A Fair Economy: www.ife.org

"What is neo-liberalism" Elizabeth Martinez and Arnoldo Garcia
http://aidc.org.za/archives/what_is_neo-lib.html.

ZNet - www.lbbs.org

3. Videos

- *Someone Else's Country*
- *In a Land of Plenty*
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Available from: Community Media Trust, PO Box 3563, Wellington