

## NEOTRIBAL CAPITALISM AND CO-GOVERNANCE

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In the 1990s, I developed the theory of neotribal capitalism to explain a phenomenon occurring in New Zealand's version of identity politics. The phenomenon was the rapid emergence of the neotribal corporation. These economic entities gained their initial capital in the 1980s by claiming Treaty of Waitangi Settlements on behalf of all Māori. They have since become the political and ideological vehicle for co-governance demands. This poses a serious threat to nearly two centuries of democratic nation-building by both Māori and colonists.

### Accumulation

Those in charge of the neotribal corporations have grandiose ambitions. Not content with righting historical wrongs, their ambitions extend to acquiring both vast amounts of capital and the political power needed to secure ever-increasing amounts. This is to be expected. It is the way all elites behave. Relentless accumulation is what makes capitalism such a successful economic system. Its capacity to add value and hence accumulate from itself makes it superior to economic systems such as the redistributive system of pre-colonial New Zealand.

But – and there is a big but . . .

### Regulation

Relentless accumulation requires political regulation if capitalism is to do what it does best – create fair opportunities so that all may contribute and benefit. Regulation supports capitalism through the rule of law. In turn, capitalists must be accountable to the political system for the use of the resources they develop – the land, water, fisheries, forests, foreshore and seabed, minerals, flora, fauna, and *knowledge* – all the means of production held by the people in common. Regulation in the public interest keeps unbridled capitalism in check while encouraging its entrepreneurial spirit. At a deeper level, democratic regulation ensures that liberalism' commitment to individual freedom – the Enlightenment wellspring of modernity – operates in the separate economic and political spheres.

### Ideology

The creative tension of the capitalism-democracy separation fails when capitalists use ideologies to claim resources and power to which they are not entitled. This is what happened in New Zealand. More resources were sought, no longer justified as historical reparations but as a political right. The neotribal corporations sought political power through 'co-governance'. The corporation, not the citizen was to be the political category.

The blindness of the Left to this soft revolution by the neotribal elite is remarkable. Captured by successful ideological strategies, especially targeted at the education system, the Left is complicit in the subversion of democratic governance. In 2003 I published a paper with the question 'a new Middle Age?' in the title foreshadowing this process.

## **Ideological Strategies**

### ***The 'disappearance' of secularism***

Secularism is foundational to liberalism's main tenets of freedom, tolerance, and the public. The very word itself has disappeared from public use as has its practice in public institutions. Instead there are beliefs supporting retribalism which lay the foundation for tribal governance.

### ***The invention of history***

An invented history has been taught to at least two generations of schoolchildren. It includes the reinterpreted Treaty of Waitangi as a 'partnership' and a sacred covenant (hence the need to remove secularism). Accurate, verifiable accounts of the past are replaced by tales of oppressor and oppressed. The history of 19th century Māori education is just one example of this distortion. Most Māori were as committed to building a new nation as were the colonists, clearly shown in the Research Report 'A History of New Zealand Education' available on this website.

### ***Collaboration with the New Left***

The New Left, those privileged 'revolutionaries at play' believe that an economic corporation with a racialised ideology and self-interested political ambitions shares their commitment to a socialist utopia. This is misguided at best; self-destructive at worst.

### ***Racialisation***

Tribal and democratic systems are completely different. The former has the racial member as the political category; the latter has the individual citizen. Tribal governance cannot, by definition, be democratic. It lacks that essential element – the universal human being operating in the secular public sphere and serving democracy as an active citizen.

### **Rent-seekers**

Elite emergence within capitalism is essential – these are the entrepreneurial individuals who emerge in each generation. They are the risk-takers – risking their own money, ideas and energy. They benefit personally but so does society. Liberalism gives individuals freedom for this relentless creativity. Democracy provides the controls. Secularism creates public spaces for building trust and collaboration. Being a creative productive capitalist doesn't depend on race but on drive, effort and public trust. Many Māori are among these non-tribal creative capitalists. They have been since the early 19th century.

But neotribal capitalists are different. They are rent-seekers living off the profits of others' investment and labour. Acquiring capital as a tribal entitlement by falsely claiming to be the inheritors of history, this group rents the means of production to real innovators and producers. Their main ambition is to acquire political power. They disdain trust.

### **The impossibility of co-governance**

The co-governance of New Zealand's institutions, including parliament itself, by both a tribal entity and a democratic one is impossible. There is no 'co' in democratic governance. Have we reached the tipping point in the neotribal elite's march through the nation's institutions? Can we re-claim the pre-1970s' commitment to democracy which enabled both Māori and colonists to build New Zealand as a prosperous modern nation with a well-educated population?

I explained the theory of neotribal capitalism in my 2000 book *A Political Economy of Neotribal Capitalism* and in these articles below. If I had my time again, I would replace the theory's Marxist framing for one which recognises the value of capitalism and liberalism to society. However, my main argument concerning the emergence of the neotribal capitalist elite still stands. It is well supported by evidence of this group's aggressive march through public institutions in the 25 years since the book's publication.

### **Neotribal Capitalism Articles (for related articles see the other Research Areas)**

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Rata, E. (2001). Conflict and Contradiction in Maori-Pakeha Relations. A Critique of Neotribal ideology in Maori Education', *UTS Review*, 7 (1), 135 – 152.

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