



Public policy and Māori economic development

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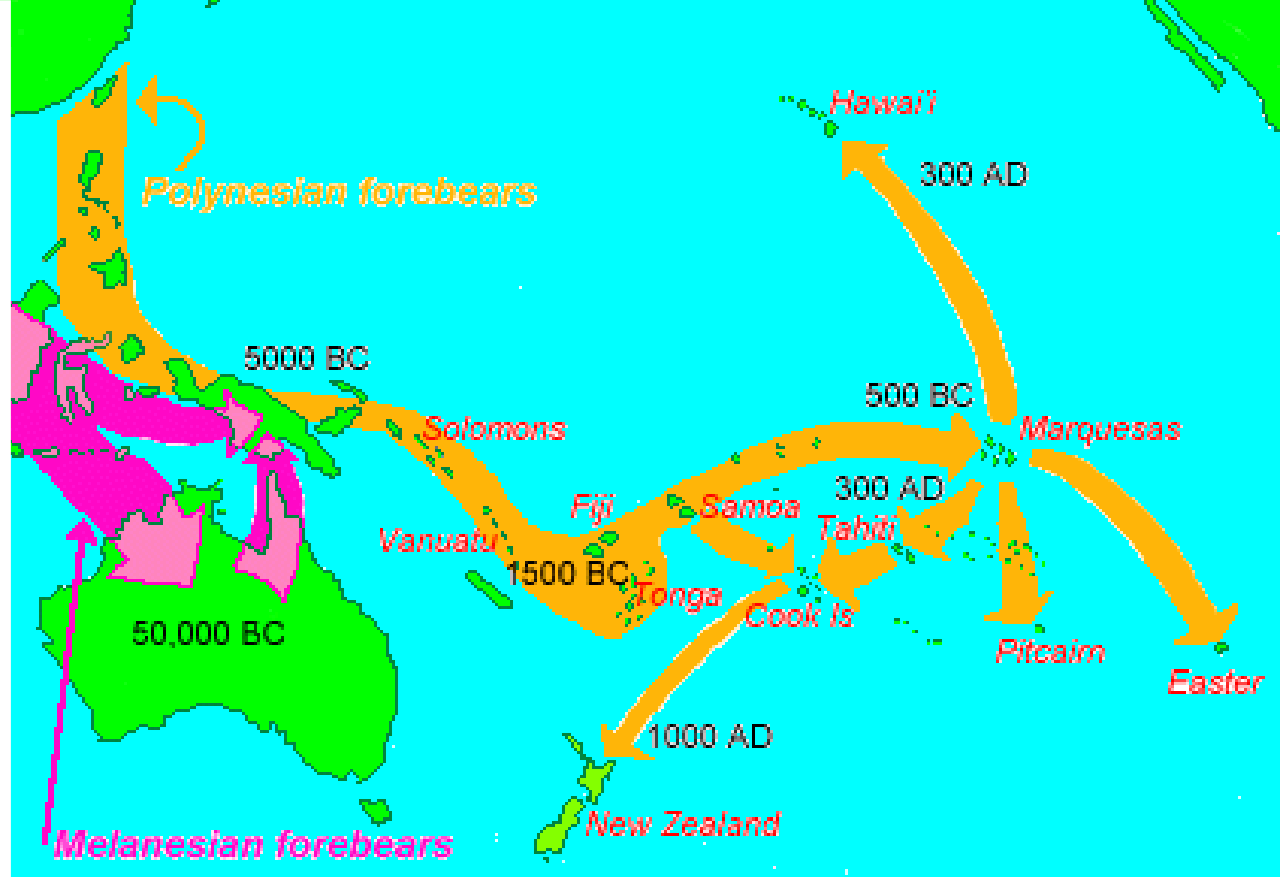
Fulbright Visiting Scholar Native Nations Institute

Guest talk at the Politics of Public Policy in the United States course.

Wednesday, Sep 18, 2019 11:00-11:50am, Education Building, Room 349

Overview

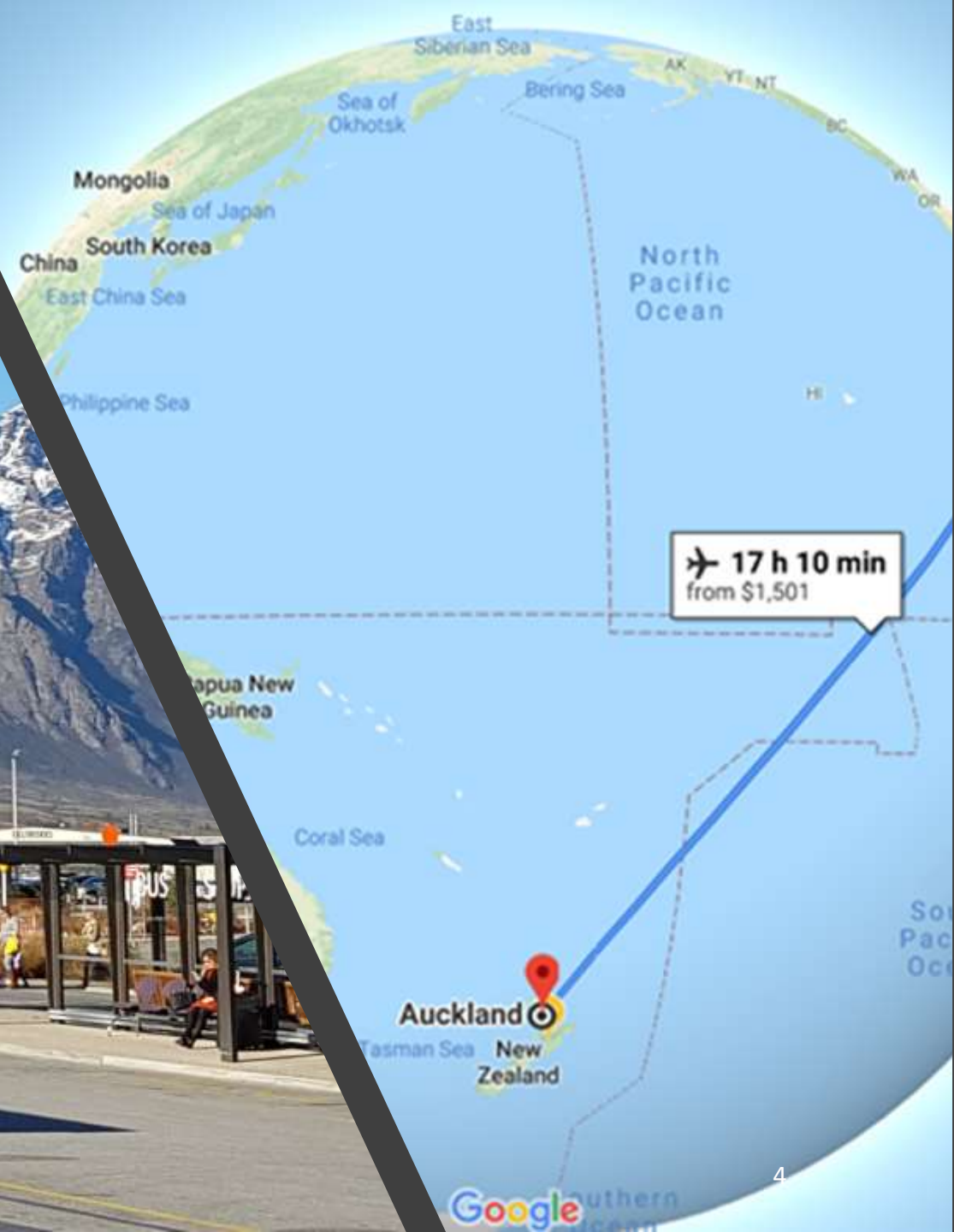
- Aotearoa New Zealand, its history, people and system of government
- What is public policy?
- What are policy priorities in New Zealand?
- What is Māori economic development?
- Is there a role for government in Māori economic development?
- Rationale for intervention: Enterprise assistance policy and programmes

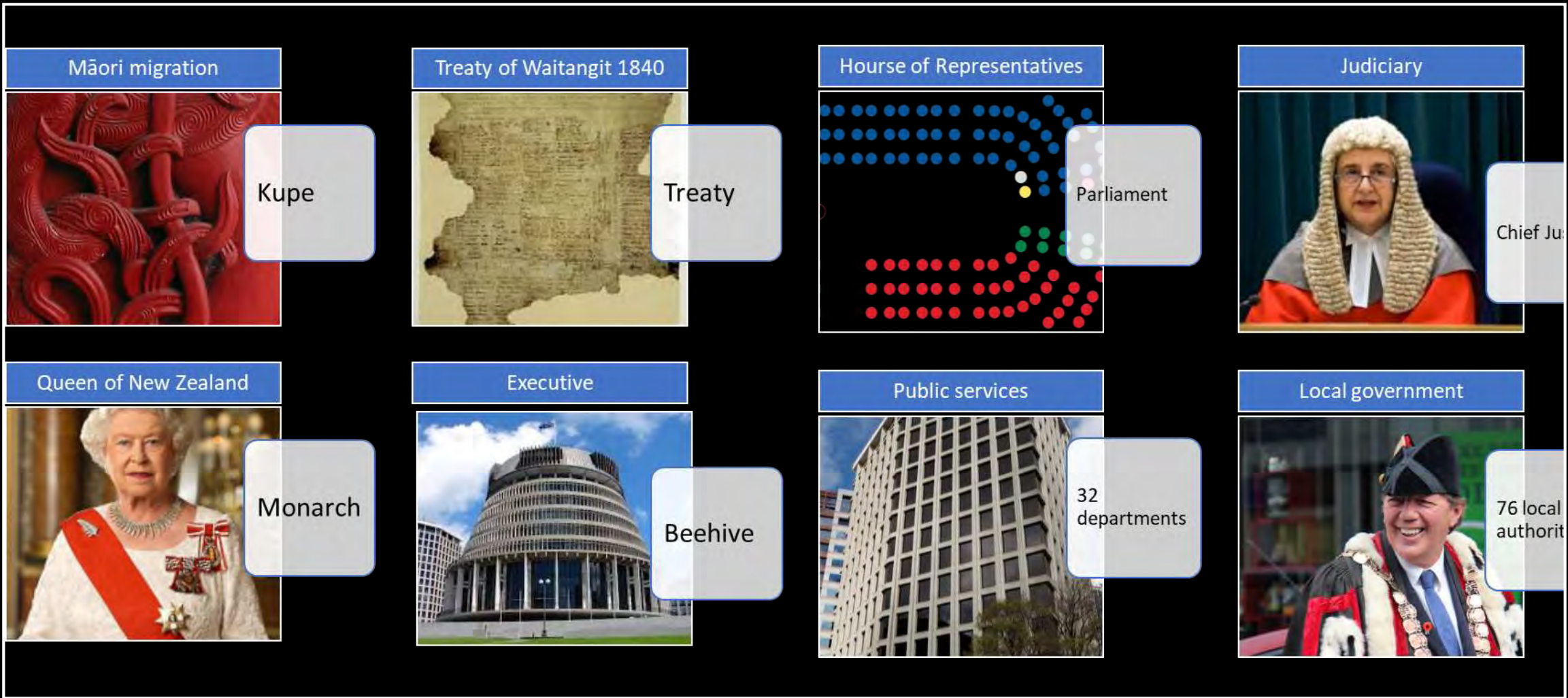


Aotearoa New Zealand

Aotearoa New Zealand

- 1250-1350 settled by Māori
- 1642 Dutch explorer Able Tasman visited
- 1769 James Cook maps coastline
- 1840 British and Māori sign Treaty of Waitangi
- 4.79m people, GDP US\$205b, HDI 0.917 (ranked 16)
- 6,755 miles from Tucson - \$1,500, 17 hour flight





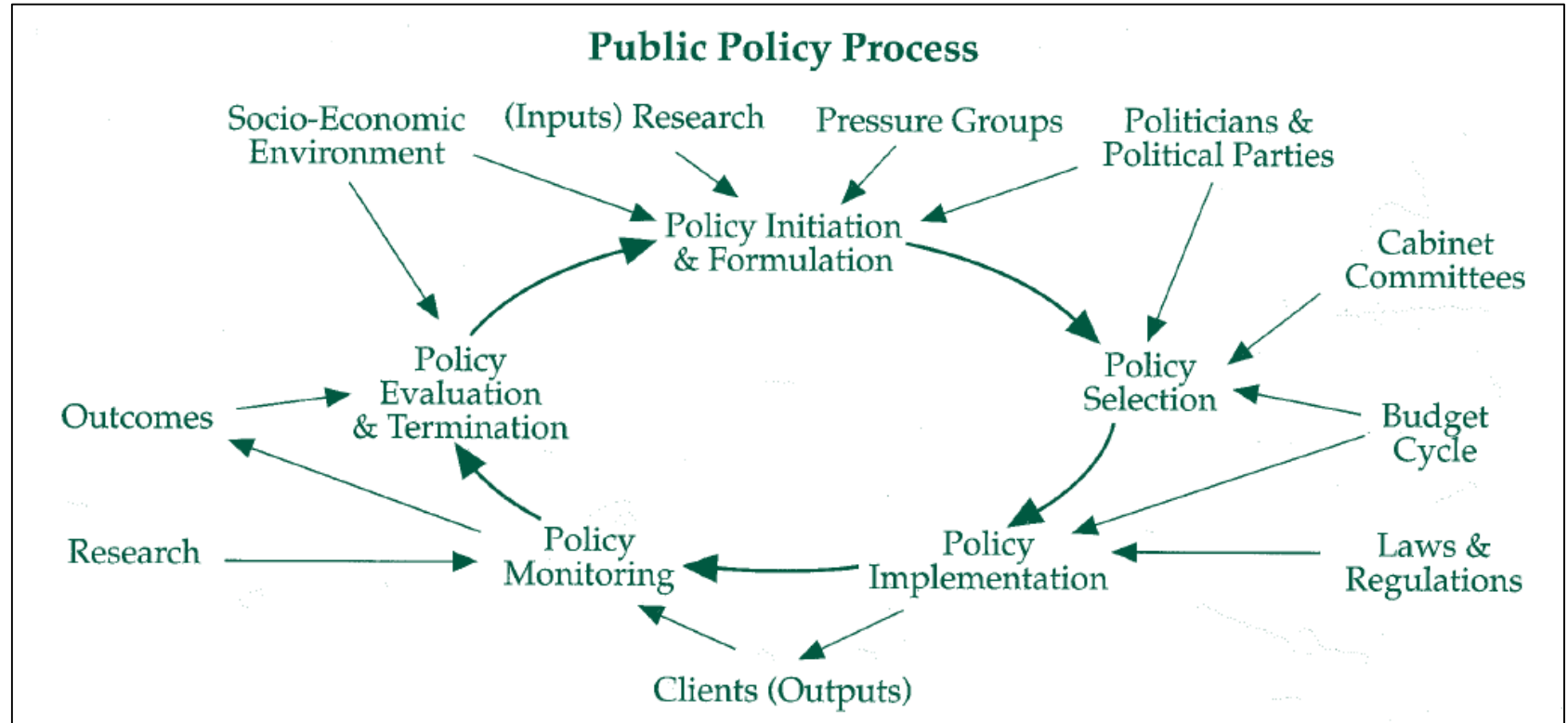
New Zealand's system of Government

House of Representatives

- Mixed member proportional representation (MMP) system of electing members of parliament (MPs) from 1996
- 120 MPs in the House (71 electorate MPs, 49 ranked by party lists, with 3-year parliamentary term)
- Four Māori electoral seats established in 1867, increasing to five in 1996 under MMP
- 29 of 120 (24%) MPs are Māori



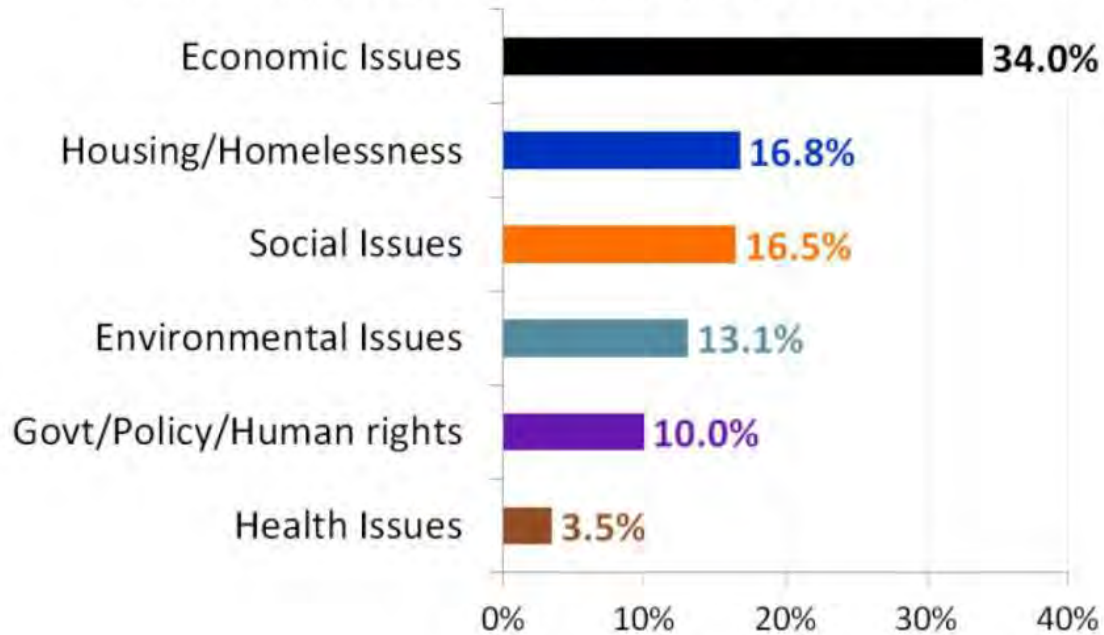
Public policy



Source: Victoria University of Wellington (2003)

Public policy refers to the decisions and courses of action sanctioned by governments, but involve diverse stakeholders through cycle of power, politics and process (Hill, 2014).

Most Important Problem Facing New Zealand



(Roy Morgan, 2018)

Government's priorities

1. An economy that is growing and working for all of us
2. Improving the wellbeing of New Zealanders and their families
3. Making New Zealand proud

(Ardern, 2018)

Māori economic development



Māori entrepreneur

Identity, indigenous
entrepreneurial
capabilities



Māori enterprise

Identity, definition and
enterprise development



Māori economy

Identity, nature,
measurement,
development and
growth



Māori development

Identity, self-
determination, wellbeing,
potential, freedom

Māori people



- In 2017, 734,200 Māori population
- 86% of Māori live in the North Island
- Median age of 24 years
- 223,926 Māori in work
- School completion 45% Māori (64% non-Māori)
- Unemployed 10.4% Māori (4% non-Māori)
- Income < \$10,000, 24% Māori (18% non-Māori)
- Renting: 50% Māori (28% non-Māori)
- Internet access: 69% Māori (84% non-Māori)

Treaty of Waitangi 6 February 1840

English text	Māori text
Article 1 Sovereignty ceded	Article 1 Kawanatanga (governance) ceded
Article 2 Māori property rights guaranteed	Article 2 Māori to retain 'tino rangatiratanga'
Article 3 Māori to enjoy full citizenship rights	Article 3 Equal rights with British subjects





Māori interests diminished

- Suppression of Rebellion Act 1863
- Oyster Fisheries Act 1866
- Maori Land Settlement Act 1905
- Native Land Act 1865
- Tohunga Suppression Act 1907
- Protest movements and court action lead to increasing provision of the Treaty in law, policy and practice



Treaty settlements

- Settling claims
 - Historical claims before 21 September 1992
 - Contemporary claims after 1992
- Forms of redress
 - Historical account
 - Cultural redress
 - Commercial redress
- 73 settlements enacted, valued at NZ\$2.2b (Fyers, 2018)



United Nations
DECLARATION
on the **RIGHTS**
of **INDIGENOUS**
PEOPLES

Role of UN Declaration on the
Rights of Indigenous Peoples

- Adopted 13 September 2007
- Affirms Indigenous human rights
- Enabling self-determined economic development
- Indigenous management of indigenous resources
- Indigenous ways of doing business
- Basis for more and better enterprise assistance
- Facilitates inter-indigenous business and trade networks



What is the Māori economy?

“the assets owned and income earned by Māori – including collectively-owned trusts and incorporations, Māori-owned businesses (e.g., tourism, broadcasting, and the self-employed), service providers (especially in health and education), and the housing owned by Māori [and the] wages and salaries earned by Māori workers.”

(NZIER, 2003, p. 7)



Callaghan Inovation



Te Pūnaha Hīhiko



20-Aug-20

Māori economic development policy



He kai kei aku ringa: Erere



Living Standards: 4 Capitals

National
SCIENCE
Challenges

National strategy: He kai kei aku ringa



E RERE – EMPLOYMENT, RANGATAHI, ENTERPRISE, REGIONS, EDUCATION

TE PAETAWHITI

Manawatū-Whanganui Māori
Economic Development Strategy
2016 – 2040

An intergenerational strategy for
Māori economic development

*“the vision of iwi, hapū
and whānau for a future
where economic growth
can be realised as a
conduit to the
sustainability and
wellbeing of whānau,
lands, waterways, marae,
language and future
generations”*

Sir Mason Durie

Māori enterprises

Māori enterprises	Entities	NZD billions	Percent
Māori self-employed	12,920	\$5.40	15%
Māori employers	2,690	\$20.80	57%
Māori collectives	5,906	\$10.60	29%
Total	21,516	\$36.80	100%

Nana et al. (2011a)

- A Māori enterprise is one which:
 - self-identifies as a Māori business,
 - has 50 per cent or more Māori ownership,
 - applies Māori values implicitly or explicitly and
 - contributes to collective Māori wellbeing.

Mika, Fahey and Bensemann (2018)



Māori entrepreneurship

A Māori entrepreneur is a person who identifies as Māori and engages in entrepreneurial activity according to a Māori world view, but integrates within this, elements of a Western world view.

Is there a role for government in Māori economic development?

- Political ideology
 - Non-neutral (hands-on) policy
 - Neutral (hands-off) policy
 - Private-public good elements
- Policy intervention
 - Evidence of market failure
 - Benefits outweigh costs
 - Evidence intervention will work

- Māori perspective

- Rights-based (treaty)
- Equity-based (disparities)
- Efficiency-based (efficacy)
- Growth-based (outputs)

- Private sector perspective

- Indigenous consumer market
- Indigenous enterprise as partners
- Indigenous people as investors
- Indigenous people as employees

- Government perspective

- Treaty obligations to Māori
- International obligations
- Social inclusion and cohesion
- Inclusive growth and development

Why Indigenous policy matters?



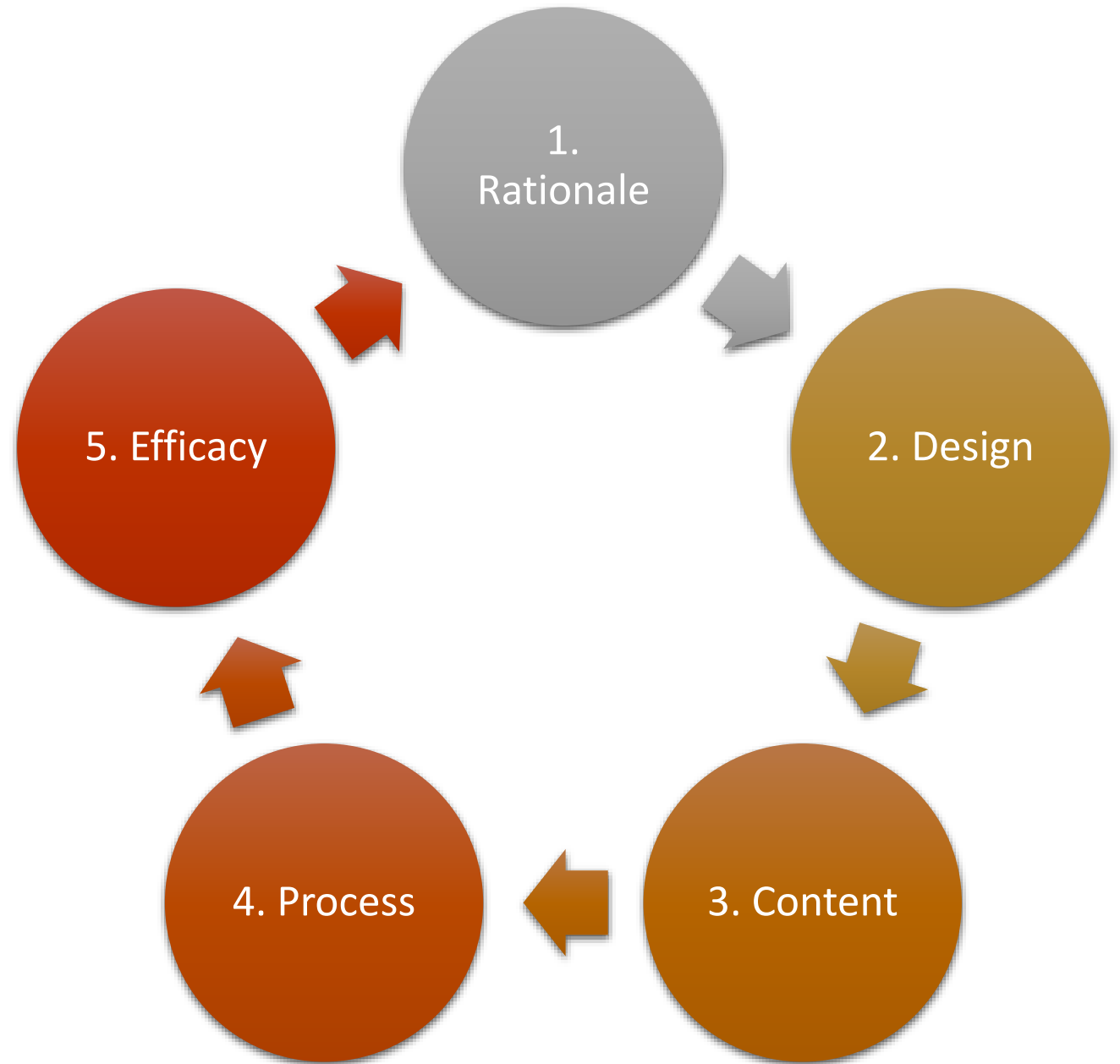
Enterprise assistance

Three roles of enterprise assistance in Māori entrepreneurship:

- Satisfy firm-level business needs
- Build Māori entrepreneurial capabilities
- Enable Māori enterprises to develop

Design principles

1. Independence
2. Adaptability
3. Multiplicity
4. Customisation
5. Authenticity
6. Public-private
7. Validation
8. Subsidisation
9. Longtermism
10. Social economy
11. Specialisation
12. Learning



Discussion