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New Zealand Immigration and the Political Economy

Indigenous Decry Switch from Biculturalism to Multiculturalism; Claim Right to Restrict

By Ranginui J. Walker

The Treaty of Waitangi signed on February 6, 1840, between the tribal chiefs of Aotearoa and the British Crown, brought into being the nation state of New Zealand. The treaty is the charter of constitutional government in the country. The signatories were Captain Willaim Hobson on behalf of the British Crown, and 540 chiefs of the land on behalf of their respective tribes. In the first clause of the treaty, the chiefs ceded the power of governance to the Crown. They understood this to mean the establishment of a system of government to provide laws that would control British settlers, and bring peace among warring tribes.

Under the second clause of the treaty, the Crown guaranteed the absolute chieftainship of the chiefs over their lands, homes and treasured possessions. The chiefs understood this to mean the confirmation of their own sovereign rights in return for a limited concession of governance. Consequently, the chiefs continued to behave as sovereigns over their own territories, while the Governor went about asserting dominion over all of them. Contrary to this end, the Governor used state force to subdue independent chiefs, and the power of parliament to make laws to expropriate their lands by purchase, confiscation or legal artifice. These acts of colonial despoliation contravened article two of the treaty. They also contravened the democratic principles of freedom, equality and justice implicit in the third article of the treaty, whereby the chiefs and their people were granted the rights and privileges of British citizenship.

At the outset of colonization, the chiefs resisted colonial despoliation by electing a Maori King in 1858, defending their land from invasion in 1863,

and establishing a Maori Parliament in 1892. But it was to no avail. By the turn of the century, the chiefs were completely disempowered by the loss of their lands, forests and fisheries to the Crown. Thereafter the leadership passed to organic leaders and the intelligentsia. Over the next 75 years, these new leaders presided over a population recovery, a cultural renaissance, and the urbanization of 75 percent of the Maori people.

The decade of the 1970s was characterized by the rise of urban activism which crystallized into a Maori land rights movement. Political activists mounted potent demonstrations at the government-sponsored, annual celebration of nationhood — the anniversary of the signing of the Treaty of Waitangi in the Bay of Islands. The Government responded by establishing the Waitangi Tribunal in 1975 to inquire into Maori grievances after the tribunal came into being. The activists were not mollified by this token gesture. Demonstrations continued unabated in the form of a march to the capital and occupations of disputed lands in different parts of the country. The demonstrations, beamed into the living rooms of the nation by television, and outward to the international arena, were an embarrassment to the Government. Eventually it succumbed to the pressure and made the tribunal's power of inquiry into grievances retrospective to 1840.

The subsequent findings of the Tribunal in favor of Maori claims deconstructed the historic narrative of the colonizer and paved the way for successful actions in the High Court. Two key judgments signalled the advent of the post-colonial era and the contemporary treaty discourse around the notion of partnership between Maori and the Crown. The first

judgment in the Appellate Court in June 1987 ruled that the transfer of Crown land to State Owned Enterprises, when it was under claim before the Waitangi Tribunal, contravened the principles of the Treaty of Waitangi.

The second judgment in the High Court in October, 1987, ruled that the Government's Fisheries Quota Management System breached Maori fishing rights under the Treaty of Waitangi. The Court could find no evidence of Maori fishing rights being sold or transferred to the Crown. The Court ordered an interim stop to the issue of Individual Transferable Quotas to companies for designated species of fish and advised the Government to negotiate with its treaty partner for the recognition and use of those rights. In the negotiation of a settlement for the Maori fisheries claim, Maori leaders used to advantage the Court's characterization of Maori and the Crown as treaty partners. Subsequently, the concept of partnership became the central bargaining position of Maori leaders in the contemporary discourse with the Government on a wide range of issues. For Maori, parity with Pakeha (Anglo-Europeans) in health, education, employment, and indeed all fields of human endeavor, would be achieved by the implementation of treaty partnership.

The Treaty and Immigration Policy

While the concept of partnership is now routinely applied in the settlement of treaty claims pertaining to land and fisheries, it is still embryonic in the business of government. Partnership is readily overlooked in some areas where the Executive has taken for granted the unilateral exercise of power. This is the case with immigration policy, where the Government declared that decisions about who shall be permitted to enter New Zealand are for the Government alone to make and are the prerogative of the Executive. In keeping with that unilateral determination of immigration policy, the Government did not consult its Maori treaty partner over admitting up to 25,000 immigrants per annum from 97 countries around the world.

The original charter for immigration into New Zealand is in the preamble of the Treaty of Waitangi. There, it states that Her Majesty Queen Victoria of the United Kingdom:

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 from both Europe and Australia which is still in progress, to constitute and appoint a functionary properly authorized to treat with the Aborigines of New Zealand for the recognition of her Majesty's sovereign authority over the whole or any part of those islands.

The present generation of Maori leaders abide by the agreement of their ancestors to allow immigration into New Zealand from the countries nominated in the preamble of the treaty, namely Europe, Australia and the United Kingdom. But, for any variation of that agreement to be validated, they expect the Government to consult them as the descendants of the Crown's treaty partner. The Human Rights Commission endorsed that position with its recommendation to government that the Treaty of Waitangi should be considered in any decisions on immigration policy. The Commission's advice was not properly heeded.

"This glossing over of Maori opposition is consistent with the procedure of elites generating policy from above and imposing it on the people below."

In March 1991, the Government Working Party on Immigration reported to Mr. Birch, the Minister of Immigration. The report recommended the adoption of a points system for the selection of immigrants with skills and money for business investment in New Zealand. The Minister called meetings with a limited selection of thirteen Maori leaders in Auckland and fourteen in Wellington to consider the report. They were mainly leaders of voluntary organizations. Few represented tribal groups. Although many speakers spoke against the immigration proposals, they were ignored. When the Minister was questioned in Parliament during the debate on the Immigration Amendment Bill, he cited all those in attendance at the Maori meetings as being "broadly positive" towards his immigration scheme. This glossing over of Maori opposition is

consistent with the procedure of elites generating policy from above and imposing it on the people below. The report was a *fait accompli*, and the Minister's restricted discourse with Maori leaders after the fact, gave an illusion of democratic consultation. The select committee hearings on the Bill were also a charade. Of the 75 submissions made to the committee, 73 were opposed to the Bill. The two submissions in favor were made by immigration consultants, the people who earned substantial fees from processing immigration papers for clients wanting to get into New Zealand.

How Did "Business Immigration Policy" Begin?

New Zealand's contemporary immigration policy is driven by the new and different partnership between corporate business interests and government in the political economy. Desperate for a quick fix to rising unemployment and a stagnant economy, governments of both the left and right were readily persuaded that a pro-active immigration policy would create jobs and stimulate growth in the economy. Particularly influential was the Business Roundtable with its capacity to hire mediocre academics to write seemingly authoritative reports on the benefits of immigration to feed into government policy. Although the primary agenda was an economic solution to New Zealand's stagnant economy, there was also the underlying agenda of countering the Maori claim to first nation status as *tangata whenua* (people of the land).

When the Labor government came to power in 1984, it began the process of reviewing New Zealand's immigration policy as a prelude to changing immigration laws. The policy was to some extent influenced by the counter-hegemonic struggle of the Maori against the state, the Maori ideology of biculturalism, and the need to legitimate the colonizing presence of Pakeha in New Zealand. This subsidiary agenda was made explicit in the 1986 review of immigration policy by the Minister of Immigration, Kerry Burke.

The review asserted that New Zealand is a country of immigrants, including the Maori, thus denying their prior right of discovery and millennial occupation of the land. Defining the Maori as immigrants negates their first-nation status as people of the land by lumping them in with the European immigrants who took over the country, as well as later immigrants from the Pacific Rim. Furthermore,

the review disguised the monocultural and Euro-centric control over the governing institutions of the country by claiming that immigration has molded the national character as a multi-cultural Pacific country. This multi-cultural ideology is a direct negation of the Maori assertion of the primacy of biculturalism. The review states that the aim of the new immigration policy is to

enrich the multicultural fabric of New Zealand society through the selection of new settlers principally on the strength of their potential personal contribution to the future well-being of New Zealand.

In this scenario, enriching the multicultural fabric of New Zealand society entailed turning away from traditional sources of immigrants from Europe and turning towards Asia by abolishing national origin as a factor in immigrant selection. This expansion of the sources of immigrants was founded more on economic motives than the liberal rejection of the former racial preference for European migrants. The Government felt that the inflow of capital is more likely to proceed in an environment which welcomes human as well as financial investment.

"Despite that admission [that the program was not a success], the review advocated a business immigration policy whereby people with entrepreneurial skills and capital for investment would be selected for immigration."

Selection on occupational grounds is based on an occupational priority list and job skills which cannot be filled internally. The review defined a sub-category of economic migration as "entrepreneur immigration" which is expected to create employment for others. In the seven years that entrepreneur immigration was in operation, 225 business immigrants from Germany, Hong Kong, the United Kingdom and the United States brought in capital amounting to \$106,866,000. Although the review commented that this was a "useful result," it

admitted that this was not a significant element in the total immigrant inflow on the nation's economic development. Despite that admission, the review advocated a category whereby people with entrepreneurial skills and capital for investment would be selected for immigration. The only other requirement was that the principal applicant, spouse, and children over 12 years of age, would be fluent in English.

When the National Government came to power in 1990, it continued and expanded the immigration policy of its predecessor. It cited the Poot Report in support of its scheme to bring in 20,000 immigrants per annum. Poot and associates asserted that New Zealand's standard of living can be maintained only under high levels of immigration when the associated expansion of the economy generates productivity improvements through technical change and economies of scale.

"Kaspar's assertion of the success of America's 'melting pot' in generating economic wealth is grossly misleading."

Another advocate of immigration to create an economy of scale is Douglas Myer, vice-chairman of the Business Roundtable. In an address to a business seminar in Auckland, Myer asserted he wanted an Asian-type labor market in New Zealand. He maintained that freeing up the labor market would generate high profits from high growth and efficiency. To buttress this position, the Business Roundtable commissioned Wolfgang Kaspar, Professor of Economics, at the University College (Australian Defense Academy) of the University of New South Wales, to make a case for a business immigration scheme. The report, entitled "Populate or Languish" was produced in July 1990. Kaspar's report makes a number of assertions in favor of a pro-active immigration policy without adducing any evidence for the benefits claimed, or balancing them off with the costs to the host country. For instance:

Immigrants may often work as catalysts for change in static industries. Less restrictive immigration, and a policy that disbars interest groups from shaping it, would have the potential for greatly enhancing the responses

for the labor market to the new challenges and of helping launch New Zealand on to a path of sustained economic growth.

Stepped up immigration can therefore assist adjustment and promote overall growth because numerous marginal profit opportunities would appear in a new and more promising light when more settlers arrive.

Immigration could make the country culturally more exciting and economically more dynamic.

Kaspar's assertion of the success of America's "melting pot" in generating economic wealth is grossly misleading. It ignores the despoliation of American Indians, and the expropriation of their land and mineral resources — a foundation of American wealth. It also ignores the draining of wealth out of Central America by the United Fruit Company.

Kaspar's suggestion that immigrant Mexicans in California have established relationships with their employers differently because they see striking as a waste of production and a loss of income is also misleading. Kaspar makes no mention of the historic struggle of the Chicano hero Chavez to improve the working conditions of so-called "wetbacks" — the illegal immigrant workers who were shamelessly exploited in the orchards and gardens of the San Joaquin Valley. That struggle was recorded in graffiti throughout the horticultural region of California. Its most stunning memento, which can still be seen today, is a mural on the pylons of an overpass in San Diego depicting Chavez's struggle.

Paulo Freire defines oppression as "any situation in which A objectively exploits B or hinders his pursuit of self-affirmation." The oppressed, says Freire, "as objects, as 'things', have no purposes except those that their oppressors prescribe for them." In the case of migrant workers, they are defined merely as a source of cheap labor and profits for employers. It is unconscionable for an academic such as Kaspar to advocate the admission of migrant workers, who, because of their political weakness, have no choice but to organize their relationship with employers "differently" to the point of becoming victims of exploitation. The gain to the employer from an exploitive regime is only temporary, as the oppressed will inevitably organize, as did Chavez

and his followers, to improve their conditions of employment.

The uncritical acceptance by Kaspar of a statement quoted from J. L. Simon that the crucial capital nowadays is "human capital" is disturbing. It reduces humans to the level of economic work units whose *raison d'être* is to increase capital in the economic system. The reduction of humans to capital units is dehumanizing and fosters unprincipled and predatory attitudes to people around the world. This attitude is exemplified by the assertion that New Zealand is favorably placed to recruit well-educated young adults from Third World countries as a crucial production factor for economic growth. The likely debilitating effect of such a policy on the development of Third World countries received no consideration.

"Despite the flaws in the argument that a proactive immigration policy will resolve New Zealand's economic problems ... immigration is put forward as the answer."

Although New Zealand might be seen to be an attractive place for immigrants because of its political stability, moderate climate, excellent natural environment, low taxation, cheap housing, high moral standards, and good education and welfare system, Kaspar thinks these assets are not enough to attract immigrants. He cites poor economic growth, poor labor relations, unreliability of suppliers, and concern over racial harmony as disincentives. Kaspar argues that man-made interventions enhance the attractiveness of a country for capital, skills and entrepreneurs. These include tax laws encouraging business, regulations affecting labor costs and flexibility of work practices. To this end we see corporations exhorting the government to "identify winners" and back them by doing away with the "level playing field" and to implement such a measure as the Employment Contracts Act, the intent of which is to lower the wage structure of New Zealand labor in order to attract trans-national corporations to relocate in New Zealand as they have done in Taiwan, Korea and Mexico. But this policy does not take into account the fact that New Zealand

is a primary producing country, it is resource poor in terms of minerals and oil, and is the most distantly placed country from world markets. It is difficult to produce competitively priced manufactured goods with the plussage of high freight costs on top of manufacturing costs.

Despite the flaws in the argument that a proactive immigration policy will resolve New Zealand's economic problems, and the lack of evidence that it will do so, immigration is put forward as the answer. Kaspar concluded:

If immigration is to be a means of breaking with a stagnant past, sizeable migrant numbers should be admitted. ...With an annual intake of 20-40,000, and an annual population growth rate of 1.7 percent between now and the year 2021, the New Zealand population would then reach 6 million.

The long-term down stream costs of immigration-driven economic growth are not considered by its protagonists. If Kaspar's suggestion is implemented, the population would be 2 million above the projected four million from natural increase. The doubling of New Zealand's population in a mere thirty years by a "man-made" intervention has serious implications for increased pollution, traffic congestion, environmental degradation, and maintenance of the quality of life which New Zealanders have hitherto taken for granted. In metropolitan Auckland for instance, in-fill housing has already increased traffic congestion. Commuting times are more than double what they were ten years ago. Infilling will inevitably culminate in overload of the Mangere sewage treatment plant and increase the incidence of overflow into the Manukau Harbor. The down stream cost will be an expanded sewage reticulation system and an on-shore treatment plant which will have to be paid for by ratepayers.

In the near future, Auckland city will have to augment its water supply from the polluted Waikato River. The quality of the treated water, like the water taken from similar rivers to supply cities overseas, will not be as high as it is now. Although one might learn to live with hard water where soap does not lather easily, and clothes come out of the wash less than white, these minor changes when aggregated with other consequences of economic growth, amount to a reduction in the quality of life.

The most cogent contradiction of the government's immigration policy is endemic unemployment which has lingered at 10 percent. But for Maori in rural areas, such as Northland and the East Coast, it is as high as 50 and even 70 percent in some communities. The government needs to demonstrate that it is capable of educating, training, and providing employment for the present population before entertaining doubling its problems by increasing the population through immigration.

"The reduction of the Maori to a position as one of many minorities negates their status as the people of the land ... new immigrants have no commitment to the treaty."

The people of New Zealand have already opted for zero population growth by limiting family size to an average of 2.1 children. That intuitive decision of the people to balance human reproduction with the internal resources of the country is being contradicted by the government determining unilaterally to mount a pro-active immigration policy. Their consent is manufactured by silencing critics with the argument that skilled and entrepreneurial migrants will promote economic growth and create jobs. Throughout the three years that this mantra was being recited, there were continuous redundancies in forestry, mining, television, railways, freezing works and telecommunications. Despite that evidence, journalists used this well-rehearsed government mantra as a riposte against critics of immigration. If they persist, then their opposition is construed as racially motivated since over 50 percent of migrants are visibly Asian.

Kaspar's views on Maori policy are also a matter for concern. With few exceptions, most Maori would reject his sooth-saying that they should not fear becoming a smaller minority in a situation where land and resources would be "competed away." Like Job's comforters, he says: "They (Maori) could instead live in a nation of many minorities where the Maori minority fitted in much better as an equal social group." Kaspar's view is advanced with the ignorance and naivete of the outsider who knows nothing of the 150-year struggle of the Maori against an unjust colonial regime. The reduction of the

Maori to a position as one of many minorities negates their status as the people of the land with bi-cultural treaty rights and enables the government to neutralize their claims for justice more effectively than it does now. Furthermore, new migrants have no commitment to the treaty. For these reasons, the ideology of multiculturalism as a rationale for immigration must be rejected. Although its primary rationale is economic, the government's immigration policy must be seen for what it is — a covert strategy to suppress the counter-hegemonic struggle of the Maori by swamping them with outsiders who are not obliged to them by the treaty.

The Business Roundtable, which promoted immigration as an economic stimulus, also queried the use of abundant "free goods" including clean air, water resource, wilderness areas and other collectively owned assets. The Roundtable argued that the ill-defined ownership of some of these assets weakens the incentive to use them well, to strike a balance between conservation and development, to achieve socially desirable trade-offs between competing uses. To this end the Roundtable wanted resource management reforms aimed at clarifying property rights to the country's natural assets. The Labor Government obliged the Roundtable by introducing the Resource Management Act of 1990. This act enables New Zealand's "free goods," by the way of scenic assets, to be turned to profit by means of the government granting licenses to developers.

The ownership and use of the assets referred to by the Roundtable is precisely what Maori have challenged in recent years before the Waitangi Tribunal. The Kaituna and Manukau claims over the water of the Kaituna and Waikato rivers are cases in point. The Maori fisheries claim in the High Court is another. These are examples of Maori claims standing in the way of local government and corporate business plans for development based on the use of those resources. Measures to accommodate Roundtable concerns in the Resource Management Act are likely to generate further claims, particularly challenging the government's power to sell licenses to business interests for development projects along New Zealand's coastline and inland waterways.

"Working Party" on Immigration

When the National Government came to power late in 1990, the Minister of Immigration, Mr. Birch, appointed a working party on immigration. It

consisted of three members. Neither Maori nor women were represented. The role of the group was to work out how to implement a dynamic Business Immigration Policy incorporating supervision of investments, and an appraisal process for a "skilled occupational migrants" program. The brief also included a review of the role of immigrant consultants, and an advisory on a points system of accreditation for immigrants.

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The working party did not question the government's premise that there was a need to attract business and qualified immigrants in substantial numbers for the economic development of New Zealand. Nor did the working party attempt to substantiate the need itself. It was merely accepted as an article of faith, which, if repeated often enough would become a reality. Delivered to the Minister in March, 1991, the working party's report warned that since New Zealand was in competition with Canada and Australia as the preferred destination of quality migrants, appropriate policies promoting New Zealand would have to be put into place.

The Immigration Act of 1987 provided the legislative framework for the admission of immigrants under the economic, social and humanitarian streams for permanent entry. In the economic stream are occupational and Business Immigration Policy sub-groups. The occupational sub-group aims to facilitate entry of skilled immigrants to fill gaps in New Zealand's labor market. Those gaps are not defined. Employers are simply required to demonstrate that a position cannot be filled from the local labor market, whereupon they are allowed to recruit outside the country.

The BIP (Business Immigration Policy) sub-group was introduced by the Labor Government with the aim of attracting self-employed business migrants with capital to invest in New Zealand. The naivete of this first scheme was reflected in the low level of capital required, set at \$100,000, the average price of a house. This amount was hardly enough to set up

manufacturing businesses likely to provide employment. There was also no monitoring to ensure that businesses were established or that the money was not remitted back to the home country to allow another migrant to use it as a ticket of entry. Indeed, anecdotal evidence suggests that this was the case.

The report noted there were four significant changes in immigration policy in recent years. There was a doubling of immigration applicants from 10,000 to 20,500 between 1986 and 1990. There were increases in the social category to 153 percent, the economic category to 89 percent, and the humanitarian category to 31 percent. There was also an increase in overstayers from 13,000 in 1986 to 20,000 in 1990. A radical change in the source of immigrants was also noted. Immigrants from the United Kingdom fell from 36 percent in 1986 to 16 percent in 1990. On the other hand, Hong Kong, Taiwan and Malaysia became major countries of origin. The report did not question why immigration from Asia increased. The imminent hand-over of Hong Kong to Mainland China is one obvious explanation; overcrowding, pollution and repressive governments are other reasons for immigrants to abandon their own countries. In other words, the motives of immigrants are more likely to be egocentric rather than a sense of altruism towards the host country.

The Points System

The working party recommended the introduction of a points system in an attempt to control the number and quality of immigrants into New Zealand. A scale of 1-10 points was allocated to two out of four sub-sections for the category of employability, namely education/qualifications, business/work experience, special skills (including entrepreneurial), and offers of skilled employment. A candidate could score a maximum of 20 points for employability. The age factor of immigrants was also assessed on 10 points with the maximum going to immigrants 25 and 29 years of age. In the financial independence category, \$100,000 dollars for settlement and purchase of a house gained 5 points, and one point could be gained for each additional \$100,000 to be remitted. This category had a maximum of 10 points. Other settlement factors include language skills (1-4 points), and one point for a New Zealand sponsor, relative in the country, and a local authority or group sponsor.

The points system implies quality control in the selection of immigrants for permanent residence. But it is no more than cosmetic camouflage to manufacture consent from the people. The screening for facility in English on the part of the chief applicant and dependents over twelve is not rigorous. Some secondary schools have had to put resources into teaching English as a second language for students who have been granted permanent residency. Concern at Auckland University over student failure because of inadequate English is such that tutorials are offered in Mandarin. Another immigration cost comes from the inability to screen out criminals. New Zealanders now have the dubious honor of sharing their country with Asian Triads. In fact, enough criminals have slipped through the screening process for the police department to set up an Asian unit in Auckland, the preferred destination of Asian migrants.

The Asian Invasion

To implement the government's proactive immigration policy, the working party recommended the establishment of a marketing section of the Immigration Service to promote New Zealand as a destination for migrants.

Statistics supplied by the Immigration Service list 97 countries as the source of immigrants coming into New Zealand. But the numbers are not evenly distributed. A total of 21,927 immigrants entered the country in 1990. Of that number, 11,219 came from Asian countries such as Malaysia, Taiwan, Singapore, Korea, Hong Kong, et al. On the other hand, immigrants from our own region in the South Pacific were down by 50 percent from 10,227 in 1989, to 4,320 in 1990. This alteration in our immigration pattern is dollar-driven by the government's BIP and "skilled immigrants" policy. Asian capital is now wanted ahead of Pacific Island labor.

Under the BIP scheme, on which hope is pinned for an economic miracle, the price of citizenship is measured in dollars. With the previous government the price of entry was \$100,000. In all the time that scheme was in operation, unemployment continued to rise. Anecdotal evidence suggests that business immigrants used their money to relocate families while continuing to operate businesses in their home countries. Those that do establish themselves in New Zealand tend to buy into small businesses such as

small supermarkets, retailing, restaurants and fast-food outlets. They usually employ their own people in these enterprises.

The BIP scheme under the Labor Government was not doing what the government hoped it would do, simply because it was brought in as an ad hoc act of faith with no controls or system of monitoring. Now, in an attempt to make the system work, the present government has raised the ante to \$500,000 and belatedly put into place a system of vetting business immigrants and controlling their investment funds. But, even then, there is no assurance that the scheme will provide employment for New Zealanders because that criterion has not been built into the BIP scheme. Moreover, the controlling oversight of a panel of New Zealand businessmen over the type of business to be established, might prove to be a disincentive to entrepreneurs used to a free reign in exploiting whatever niche appears in the marketplace.

Businesses established by Asians on the amount of capital designated by the BIP scheme will have certain characteristics. First, they are likely to be small enterprises with few employees. Second, they will probably be launched on family labor or personnel from the same ethnic stock as the entrepreneur to minimize start-up costs. Third, such businesses will have a low wage structure, particularly in cases where employees are illegal overstayers. Some are likely to pay wages in cash so there will be no record of taxable income on immigrant workers. Yet immigrants, on gaining residency, become immediately eligible for the host country's education, health and social benefits.

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At the outset, the government should have kept records of who came in under the BIP scheme and run spot checks to see what businesses they started and how many New Zealanders they employed. Only when accurate data can be provided by the government through stringent research can the worth of the scheme be proved and its continuation

countenanced. Without that data the validity of the BIP scheme has yet to be proved. As it is, the Business Immigration Policy is being promoted by the Minister of Immigration like a monk uttering a mantra — if it is repeated often enough it supposedly will bring about the desired economic miracle.

"...[if] we continue the policy being followed now ... then it would be only a matter of time before the conditions from which the immigrants have escaped will be replicated in New Zealand."

The nearest thing we have as a justification for the BIP scheme comes from Dr. Manying Ip of Auckland University who said the "Asian Invasion" should be welcomed so as to capitalize on the wealth and success of the Asian migrants. Dr. Ip cited data from the Commerce Ministry indicating that Chinese migrants moved \$800 million into New Zealand during 1988-89. Over 200 businesses were established, 770 jobs created and \$13.4 million was paid in wages. Impressive as these data are they are qualitatively deficient. They do not tell us whether these were manufacturing or service businesses, nor how many New Zealanders were among those employed. Assuming that Asian immigrants with an annual inflow of 11,000-plus will take up some of those jobs, the number of jobs created is insufficient for their own needs let alone those of the rising number of unemployed New Zealanders.

The Beneficiaries

If there is as yet no evidence of unemployed New Zealanders benefitting from the government's immigration policy, who are the beneficiaries of the scheme? The most obvious, of course, are the immigrants themselves. They have escaped from overcrowded, traffic-congested, pollution-plagued homelands — often with repressive governments — to a land which is idyllic by comparison. The good fortune is theirs to be allowed into New Zealand, the last "lifeboat" on earth. But, should we continue the policy being followed now of doubling our population every thirty years, then it would be only a matter of time before the conditions from which the

immigrants have escaped will be replicated in New Zealand.

The growing inflow of Asian immigrants creates some employment for immigrants who arrived in the first wave. They act as mediators in the settlement of later immigrants into the host society. Trevor Mok, a Chinese from Malaysia for instance, did well selling real estate to business immigrants settling in Wellington. In the Queen city, the Auckland Savings Bank appointed Anthony Wang manager of the bank's new Immigration and Financial Advisory Division. His job is to meet the financial and banking needs of Asian immigrants. New employment was also created for Asians in 12 suburban branches of the ASB. Migrants from the Pacific were never given this kind of consideration by the bank.

There are other beneficiaries of the BIP scheme, but they are less obvious. They are the immigrant consultants who, through private practice, have increasingly taken over from the Immigration Service the function of processing immigrant papers and facilitating entry into New Zealand for a fee. The fees are lucrative. They range from \$2,000 up to \$100,000. Typically, a business migrant employing a consultant would agree to a fee of \$10,000. There is a group of varied organizations involved in immigration consultancy. Accounting and legal firms process immigration papers as an adjunct to their main activities. But since the inception of the BIP scheme in 1987, private individuals have set themselves up as immigration consultants. Some of the high-profile consultants are ex-politicians with inside knowledge of the operation of government bureaucracies and immigration laws. One of the better known is Malcolm Consultants Limited whose principal is the Hon. A. G. Malcolm, former Minister of Immigration. He has offices in London, West Germany, Taiwan and Hong Kong. Malcolm's advertisement in the New Zealand/Taiwan Trade and Investment Year Book states:

For any individual wishing to gain permanent residence in New Zealand, the most difficult part of all is to be accepted as a Malcolm Consultants client. On becoming a client, however, success is guaranteed. ...a great strength of the Company is a close working knowledge of New Zealand government procedures and New Zealand government personnel.

The business of immigration consultancy grew so rapidly in a space of two years that Malcolm Consultants was able to form the New Zealand Association of Immigrant Consultants in July, 1991. It was timely, because the lure of easy profits attracted some people into the industry who were deficient in business skills or professional integrity. One such consultancy firm, Dunlop Kidd Limited, targeted the lucrative niche of business immigrants. It tried to emulate Malcolm Consultants by persuading former politicians to join its ranks. For a time it had among its personnel Sir Roger Douglas, a former Minister of Immigration during 1989-90, and Dr. Michael Bassett, former Minister of Internal Affairs. But, despite having high profile former politicians on its books as employees, Dunlop Kidd went into receivership.

But the primary beneficiaries of immigration are employers for whom the occupational category of the government's immigration policy was specifically designed. This provision enables employers to recruit off-shore personnel if they can demonstrate there are no suitable candidates for a particular job in New Zealand. Although it is difficult to gauge the extent of the practice, employers and immigration consultants have been known to collude in tailoring job descriptions to eliminate local candidates and recruit overseas personnel. Some of the job descriptions are so prescriptive — citing foreign language skills that do not appear to be necessary for the job — that it is impossible for New Zealanders to even apply. This escape clause in the law enables employers to shop around the world for the cheapest production units and thereby depress internal wages and salaries.

Overseas Experience

Immigrants from non-European countries require housing, education, hospitals, health care, English Second Language schools, and capital investment to create jobs. In Australia, the cost is put at \$80,000 per immigrant to the host society. The total cost to Australia for settling immigrants is almost \$8 billion. This cost was added to the deficit in the balance of payments. A study by the Australian Department of Immigration and Ethnic Affairs concluded that immigration as a tool for short-term management was not suitable. Added to the economic cost was the social cost of lack of public accountability in immigration procedures, maladministration, and

inadequate screening of immigrants with criminal backgrounds. The macro-economic consequences were negligible.

Dr. Baker, chairman of the Australian Academy of Science, and Dr. Flannery cite environmental degradation as a negative feature of population growth due to immigration. In overcrowded countries, people resort to destroying the environment in order to survive. The competition for food is so intense that there is no ethic of conservation. In the host country, immigrants with their own cultural values take limpets, sea urchins, undersize fish — indeed anything with flesh to eat — from hundreds of inter-tidal areas and rock pools.

The Australian experience of wholesale harvesting of marine life by immigrants is also being replicated in New Zealand. A newspaper headline, "Shellfish being stripped by immigrants unaware of law," sounded an early warning of the impact on the environment of bringing people into New Zealand who do not embrace a conservation ethic. The Royal Forest and Bird Protection Society is concerned over people "strip-mining" rock pools at Muriwai of marine creatures. Sea-eggs, starfish and Chitons are taken by the sackful as are mussels and other species. An even more serious threat to marine resources is posed by entrepreneurs exporting undersize and illegally-taken paua (*haliotic australis*) to Asia. Two Asian company directors, along with four others, appeared in the Auckland District Court in July, 1990 charged with 225 offenses against the Fisheries Act. We need to remind ourselves and the government that the people we are inviting to share our country are the very people who introduced destructive drift-net fishing to the world.

In view of the mounting evidence against immigration as a method for stimulating economic growth, Australia has rejected it as a solution. The head of the Australian Economic Planning Advisory Council concluded that the capital demand on a host country exceeds the gains, so he recommended scrapping the BIP scheme.

Immigration, particularly the illegal immigration of refugees, is of vital concern in overcrowded European countries. They are tightening up entry procedures. France, for instance, rejected 100,000 foreigners and Italy 30,000. Switzerland is concerned over thousands of illegal refugees who have entered the country from Yugoslavia and the Middle East.

In East Germany there were 85,000 *gastarbeiters* (guest-workers) from Vietnam, Angola, and Mozambique. They did the community dirty work as unskilled laborers and construction workers. But with the unification of Germany, unemployment has risen in the Eastern sector. Associated with rising unemployment is an outbreak of xenophobia and racism. The guest workers are being thrown out and told to "go home" before things get nasty.

The Losers in Proactive Immigration

There is no question that a large-scale proactive immigration policy will transform the host society. The Maori are the prime example of the consequences of such a policy. In the nineteenth century, Maori leaders welcomed immigrants from Europe for trade and for the economic benefits they brought to New Zealand. In the first two decades after the Treaty of Waitangi (1840), the hoped-for prosperity was realized as tribes planted wheat, processed it with their own flour mills, and transported the flour and other products from the land to the markets by way of their own coastal vessels. But after 1858, when the immigrants achieved numerical superiority and political dominance, the hegemony of the nation-state over the indigenous population was asserted by violence. Maori land and resources were expropriated through the judicial apparatus of the state and the Maori were consigned to the underclass status of a "brown proletariat."

Although the consequences of the present immigration policy might not be as disastrous for the nation as it was for the Maori, nevertheless, some of the negative outcomes of immigration are already being replicated here. They impinge on both Maori and Pakeha.

While advocating business immigration on one hand, Mr. Birch, the Minister of Immigration, is aiming to expel from New Zealand our own guest-workers from the South Pacific. Now that their labor is no longer needed by the economy, 7467 Samoans, 4920 Tongans, and 1035 Fijians are classed as overstayers who are wanted out. In the meantime, illegal immigrants and foreign workers from China, India, and elsewhere are being exploited by the kiwi fruit farmers in the Bay of Plenty, the orchardists of Nelson, and on the industrial sites of our cities.

Kiwi fruit contractors in the Bay of Plenty claim there are 200 illegal immigrants, mainly Indians, working in the Katikati-Omokoroa area for as little

as \$2 per hour. The contractors resent their livelihood being undermined and they want the immigrants out. Similarly, the New Zealand Workers Union has declared opposition to illegal foreign workers who are picking fruit in Nelson without work permits. Some Chinese cooks brought out from Hong Kong in 1989 to work in the Orient Towers Restaurant arrived to find the building incomplete. They were employed illegally on the site as electrical laborers and in their employer's house as cooks in the evening. They were left destitute when dismissed by the employer.

"Although the consequences of the present immigration policy might not be as disastrous for the nation as it was for the Maori, nevertheless some of the negative outcomes of immigration in other countries are already being replicated here."

In 1987, the government allowed citizens from Malaysia, Singapore, Indonesia and Thailand to enter New Zealand without visas. This policy of easy access has opened New Zealand to criminals from overseas and to unethical practices by visitors wanting to gain permanent residency. Headlines proclaiming New Zealand a "target of big racket in passports," "marriage scams and welfare fraud linked," "Thai woman tells of prostitution trap," and "police bust immigrant crime ring" indicate the government's naivete in opening up the country to the rest of the world at a time when nations of Europe are trying to insulate their borders against outsiders. It is futile on the part of Minister Birch to warn immigration consultants to insure that business migrants bring in "clean money" when neither they nor the Government have the capacity to investigate the *bona fides* of a business immigrant. The consultant's sole interest is in the fee for getting their client into the country. As far as they are concerned they have discharged their responsibility for character screening if the client signs the statutory declaration that they have not been convicted of criminal activity nor are they wanted for a crime in their own country. Harvey Misbin, the most celebrated business

immigrant in this category, established the freight carrier Southern World Airline New Zealand. A *Frontline* television documentary reported that Misbin, who was granted New Zealand residency and later citizenship, was wanted in the U. S. for alleged smuggling of cocaine from South America to the United States. The other high-flying entrepreneur, Ralf Simon, who planned to buy the Pakatoa Island resort, is wanted in Germany on criminal charges. Before that disclosure, the media adulated Simon with a caption under his picture: "This man can buy anything he wants." Official investigations of business immigrants such as Simon and Misbin who make false declarations about their criminal past are a charge on the New Zealand taxpayer.

Conclusion

The government's "skilled" and Business Immigration Policy emanates from the Business Roundtable. It was initiated by the Labour Government in 1987 in the belief that it would stimulate the economy and create jobs. When the hoped-for economic miracle did not materialize, the incoming National Government in 1990 did not question the theory behind the policy. Instead, the government affirmed its faith in immigration as a cure for the economy by introducing more selective screening through a points system, and increasing the capital sum for admission from \$100,000 to \$500,00. Government and media promotion of BIP misleads many New Zealanders into believing that immigration is in their best interest when there is mounting evidence that this is not the case. The strictures raised against immigration in this paper have not been addressed by the government.

- The government has defaulted on its obligation under the Treaty of Waitangi to consult widely with Maori people on its immigration scheme. In the eyes

of Maori leaders, the government is vulnerable once again to an embarrassing claim before the Waitangi Tribunal.

- Unemployment of Maori people stands at 27 percent. These people will be marginalized even further by bringing in skilled and business immigrants. Working class Pakeha will share the same fate.

- The general New Zealand populace is also put at risk (as Maori were in the previous century) to the neo-colonialism of international capital, as evidenced by the sale of state assets, land, and even citizenship to foreigners.

Finally, the last word on BIP comes from immigrants themselves. Some say it is too difficult to make money in New Zealand's depressed economy, let alone create jobs. Business income was so low that some businessmen were looking to return to Taiwan and Hong Kong. The Executive Director of the Hwa Hsia Society for Taiwan migrants, Karl Chen, said it was very hard to set up industrial plants or other businesses here — the local market is small, labor costs are high, unions are too strong, New Zealand is too far away from material suppliers, and sea freight costs are too high. In view of these admissions, together with mounting evidence of the negative impact of immigration on the quality of life in New Zealand, the "skilled" and Business Immigration Policy of the government should be suspended pending a full public inquiry. ■

[Editor's note: This paper also contains extensive footnotes citing newspaper and government reports which are not being reprinted here but which are available by contacting the editorial offices of **THE SOCIAL CONTRACT**.]

Enlight or Invite?

Scholars of the Statue of Liberty are clear that it was intended by those who created it, sponsored it and accepted it as a symbol for other nations to emulate America's republican form of government and the concept of individual liberties. It was called *Liberty Enlightening the World* not *Liberty Inviting the World*. If Lady Liberty could talk, she probably would advise migrants to stay home and help to fight for their own people to be able to breathe free.

— Roy Beck, Washington Editor of **THE SOCIAL CONTRACT**
in a letter to the *Boston Globe*, December 3, 1993

This essay is reprinted from The Public Historian, Vol. 15, No. 4 (Fall 1993). Not only is the subject of interest, but also the work is an excellent example of what historians call "gray literature:" that is, historical studies that are commissioned by a client — a corporation, a foundation, or a committee — rather than being written for the general reading public. Though not published for general distribution, such reports can be significant literature.

Americanizing the Immigrant, Past and Future: History and Implications of a Social Movement

By Otis L. Graham, Jr. and Elizabeth Koed

[Authors' introduction: *It is commendable that a U.S. philanthropic institution interested in immigration-related issues should seek guidance from the historical record. In an effort to assist your institution in making decisions in this area, we have, at your request, surveyed the secondary historical literature on the Americanization movement of the early years of the 20th century, as well as some published accounts of the Americanizers themselves, and offer here an assessment and analysis of that historical experience and its implications for contemporary policymaking on immigrants and their assimilation.*]

An Overview of the Project

America in the 1990s is being reshaped by a surge of large-scale immigration now in its third decade. Such massive immigration has not been experienced in the United States since the three decades prior to World War I, a situation almost no one alive today can remember. In those years the perceived benefits of immigration were countered by complaints of a wide range of social costs — job displacement and downward wage pressures, urban congestion, crime, unsanitary conditions, boss politics, and much else. Such complaints led to two major policy responses to large-scale immigration — a movement aiming at immigration restriction, which was ultimately successful, and an effort to "Americanize" the immigrant.

The Progressive-era efforts to reinforce and accelerate the assimilation process do indeed deserve renewed attention in our own circumstances. Massive immigration to the U.S. has resumed, with the annual volume now exceeding the totals experienced prior to

World War I, and concerns about the assimilative process are again being voiced. Commentators cite contemporary evidence that the incoming millions of immigrants are increasingly tending to cluster in linguistic and geographic isolation and note that the expanding Latino population, especially in a border belt of states from Texas to California, receives constant cultural reinforcement by communication and transportation across the 2,000-mile U.S.-Mexico border, which can only become more active and porous if the proposed North American Free Trade Agreement (NAFTA) becomes a reality. Assimilation may also be impeded by a central theme in our contemporary intellectual life: praise and encouragement for any group that maintains its culture intact, as a sort of anthropological resource for today and tomorrow.

Concerns over assimilation and national cohesion are intensified by evidence from outside the U.S. — the breakup of the U.S.S.R., Yugoslavia and Czechoslovakia in the early 1990s, along with separatist movements in Canada, India, and tribal civil wars across Africa. Inside the U.S., evidence may be found that the attractions of adaptation to American norms remain strong among immigrants. Yet this evidence must contend with a stream of reports of social tensions between ethnic, religious and racial communities, reaching a crescendo in what could be called the nation's first immigration riot in Los Angeles in June, 1992. In this climate, the general public, some of our intellectual elites and many civic and political leaders, including voices from racial and ethnic minorities, express concern about the faltering process of assimilation. For several reasons, this concern is likely to strengthen.