

“Bridging the Gaps”. Entrepreneurship, Enterprise and Education: the revitalising of whanau well-being

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Introduction

New Zealand’s growing economy is in need of innovative social architects and the high tech bridge-builders that will advance this nation into the 21st century. As we experience a transformation as profound as the industrial revolution, one that is so rapidly reshaping our very social, cultural and physical existence, Maori are poised at the precipice of change. ‘Hui Taumata’, the Maori Economic Summit set out, 16 years ago, as its objectives to evaluate, formulate and consolidate a strategy to address Maori economic needs. The, then Minister of Maori Affairs announced plans to assess New Zealand’s economic performance and determine from this how it impacts on Maori. Government would then assess the strengths and weaknesses of Maori economic performance and seek endorsement from tribal and political leaders to redress the prevailing social and economic differences.

A decade on, in 1994 ‘Hui Whakapumau’ was to be a timely review of government’s commitment to its objectives. Some positive outcomes were noted particularly in Treaty settlement, land redevelopment, diversification, new investment strategy and recently, the increase in Maori political presence in parliament. This was, however, to be in a relatively short time, compounded by Te Puni Kokiri’s 1998, Closing the Gaps report which signalled a clear message to policy makers, tribal leaders and politicians alike, that pervasive and systemic policy failures continue to exacerbate the growing economic divide. The reality is TPK’s report says nothing new, but that it recapitulated the indifference shown by political ill will, lack of direction and foresight to improvements in Maori wealth and wellbeing. In a word, there lacked substantive leadership. Closing the Gaps has heralded an opportunity for frank political discussion, honest admission and a planned strategy for action. The question that we need to ask, is whether there is a will to divest decision-making to the least common denominators among Maori – to our women and our young people where decisions matter most. It was the very wise kaumatua who issued the advice to young parents today telling them to educate their daughters. That they are the future mothers and by design teachers of our future leaders who are the inheritors of the earth we leave behind for them. Educated daughters mean educated children and educated children mean a better future for Maori and New Zealand as a whole.

My particular interest in fostering community enterprise and entrepreneurship local business education is premised on a strong view I hold that any long-term capacity building for Maori can best be measured by not only what is happening now, but by what knowledge is produced and transferred into Maori communities. Investment is needed to synthesise human potential and this needs to be strengthened by the fundamental importance placed on women and young people. The fact that new technologies are indifferent to national borders and are therefore uncontrolled by government has significant implication, and by virtue of these implications, opportunities for Maori. A playing field that supports innovation and enterprise in the revitalisation of whanau, hapu and rural/urban Maori aspirations is a beginning point. New Zealand as a whole will not be poorer because of Maori adherence to its traditional ways, but rather will be enriched by the sense of unique diversity we all experience. What I’m saying, is that the gaps are not necessarily the net result of internal conditions affecting Maori but are of our inability as a nation, to problem-solve and work collaboratively. This paper suggests the present mandated structures of Maori leadership are defunct and ill-equipped to deal with modern realities. I put forward to you today a notion that Maori prosperity begins with e-knowledge education, with knowledge acquisition and a profound shift in attitude. I argue that revitalisation is about affirming three central themes – the need to learn, the need to develop sense of place and identity and the need for spiritual sustenance. Only Maori can determine the best future for Maori,

however this is not to say outside support is neither unwarranted nor unwelcome. With entrepreneurial and business skills being taught at the local “grass-roots” level, the cycle of dependence and deepening poverty gaps, in my view, can be bridged successfully (see Bellefeuille et al, 1997). Should such ideas not be considered fully as effective strategies, gaps will remain endemic and commonplace to future youth and impact significantly on this country.

The origins of ‘Closing the Gaps’

I want to briefly go back some 30 years to the 1970s. It was a time when the United States and other developed countries of the world took cognisance of the widening trade gaps and economic disparities between rich and poor nations. Closing the Gaps became centre stage to economic and 1st World academic discourse. A time when the Cold War and technological and communication advancements brought the world into stark contrast. In 1970, the International Economic Development Conference convened at Columbia University, New York followed in the wake of the Pearson’s report concerning world trade deficits and balance of repayments. The conference affirmed:

The widening gap between the rich and poor countries of the world has become a central issue of our time. In incomes, living standards, economic and political power, one-third of the world has in recent decades been pulling steadily ahead, leaving the remainder of mankind in relative poverty, in many cases to live without clean water, education, basic medical facilities or adequate housing. Yet with modern technology and existing productive capacity, none of this need continue if mankind would develop the will and organisation to use the resources at hand (Ward et al, 1971).

Brought to ahead were the general feelings of discord felt among developing nations, as for them, ‘being modernised’ was about being forced to model political and economic systems of the West with little or no real recompense or overall improvement in living conditions (Etzioni-Halevy, 1981). For rich developed nations, a sense of frustration enveloped where their Aid was felt to be ungraciously appreciated whilst their agenda of course, of 3rd World resource exploitation continued. The Closing the Gaps idea emanated from such tensions and discord and has since been popularised as the modernisation catch-phrase of homogenising the least fortunate in the most vulnerable peoples of the world.

This begs the question today as we rethink Maori aspirations. Who determines the development parameters and standards for change? Today, it is clear the chosen ones - those deemed qualified to know what is best - are the political pawn-brokers - I refer here to politicians, the bureaucrats, the economists and the free trade advocates. The use of the term development, if taken to mean in their view, ‘economic growth’ then it undoubtedly negates any focus on social policy and on institutions that serve the welfare interests of society. Economists argue that accumulating wealth is a central feature of “mans quest” and as such a key rationale for social development. But economic growth cannot be cast as a simplified shorthand for achievement and the seeking of a better way of life. There is an inherent danger here of being bewitched by such shorthand which pays more attention to the ‘means’ and little to the ‘ends’. I accept unequivocally that it makes sound business sense to maximise financial returns, however such returns cannot be justified solely as the measure of achieving a full and productive life. There is a need to redistribute wealth, and this I believe, will be created by capitalising on opportunities from within the spectra of the IT revolution.

Entrepreneurship: A strategy for sustained development

My focus here today on the role of Maori entrepreneurs and accountability models for Maori development is in a sense about reconceptualising our understanding of closing the gaps. It ought to be one of bridging the divide and honouring the rights of people to be different. While the central thrust is towards entrepreneurship and enterprise, it has to be said, that finance and venture capitalism is very much dependent upon the quality and availability of Maori social capital and on enhancing people’s sense of empowerment. In this regard, Maori have to be the central characters in their own revitalising. Too this end, Maori development and Closing the Gaps strategies must focus on inspiring the family/whanau unit towards prosperity.

In the United States, for example, private enterprise and ‘constructive capitalism’ underpin both business and

the wider ethnic community where monies are set aside for research and development. Dr Marie Wilson, from the University of Auckland suggests this has fuelled a cultural dynamic and a web of infrastructure unparalleled nowhere else in the world (Wilson, 2000). Though it might seem rather bold to posit this happening in New Zealand, I believe there are lessons that can transpire. In particular, I pose the following points as a set of considerations:

- first, our ability to integrate appropriate models of business practice, enterprise and self-discipline into our primary and secondary schools, our kohanga reo and kura kaupapa
- second, our ability to teach through wananga and hui business skills, entrepreneurship and innovation alongside tikanga learning's
- third, our ability to develop collaborative, joint partnerships and contractual business relationships with universities and other education providers
- fourth, our ability to provide advanced levels of scholarship and leadership in professional and business related education
- fifth, our ability to better integrate the research and teaching in areas of Maori investment, enterprise, technology and land-based activities
- sixth, our ability to develop higher levels of commitment to regional economic development and improvements in infrastructural systems, and
- finally, our ability to establish and reduce compliance costs and ease company laws to maintain a level playing field and competitive advantage

There is a clear mandate for Maori to develop its "critical mass" of skilled expertise in growth sectors such as the IT industry, science and technology and business. And to strengthen relationships with key stakeholders. This has to go hand in hand with Strengthening Families, Parents and First Teachers and other programmes already set in place in Maori communities. It is imperative for Maori to establish confidence in using the tools of the knowledge economy. Peter Drucker (1999) argues the IT revolution is only an enabler of social transformation, it is not the source of any competitive advantage. He sees the information age is profoundly shifting from the differentiator, to the fundamental pre-requisite where new economic drivers will emerge and in all probability be discontinuous with all that we know to currently generate wealth. In effect, he sees this creating a discontinuity with the past. For Maori this will mean virtual on-line activity reshaping the essence of what it means for us to be Maori. How will information be accessed and what is the potential for social and community cohesion to erode? Defining what constitutes community will be an important and challenging undertaking. With the advent of on-line, virtual communities there will be repercussions for what we mean when we, and our children's children, refer to such principles as kotahitanga, whanaungatanga, iwitanga and tino rangatiratanga.

Milio (1996) adds:

Communities must [also] be tied to place and the sense of social responsibility for creating healthy surroundings. A community fragmented by fear and mistrust or exposed to undue hazards from inadequate housing, uncontrolled traffic, pollution or violence cannot be healthy, cannot establish a sense of cohesion needed to work for community development.

I make two cautionary notes here for Maori. First, the knowledge-driven economy works its magic by generating and exploiting knowledge itself to create wealth. Who controls this knowledge? Though this suggests a narrow definition and perhaps use of InfoTech, the central question for us is, how will this impact on our sense of collective wellbeing. Second, where the nation-state has been the core institution of governance, with government going on-line, a new dimension of 'under-class' will emerge – an "e-tech" disadvantaged group having little or no access to information.

Closing the Gaps as a basic premise is a conceptual aberration, but more so, in my view, a political ideal. It is essentially, about communities and families having the capacity to build and sustain hope and opportunity; where parents and caregivers alike are strengthened and supported to become more positive, responsible and caring adults. This has to be nurtured in the family home, first and foremost, by teaching the benefits of domestic household budgeting and cash-flow management skills. Second chance education and training is needed and made available to young parents in supportive ways. The Gap we speak of is inferred as a negative disparity and this has to be recasted in a positive light where health and well-being programmes, for

example, can become integrated into whanau enterprise development and employment education. Where housing assistance programmes become joint ventures in whanau development projects and where welfare measures become tied to Maori models of manaakitanga and self-responsibility. Clearly government's goal in all of this is to establish a 'One-Stop Family Shop', a means by which to anticipate potential outcomes and reduce negative spending. This 'One Stop Shop' aims to cater for everything and focus on what it sees as achieving "real" life outcomes (NZ Herald, 25/07/00).

The idea of having an enterprise curriculum taught in Maori communities is based on the need to stimulate change from within. By injecting a sense of local business culture centred on entrepreneurial *awareness*, *readiness*, and *application*, the capacity and competency building model government promotes could work effectively on the basis of:

- building relationships, partnerships and alliances fundamental to sustaining economic viability
- ensuring continuous technological transfer, information and data sharing essential to maximising growth potential within communities
- facilitating flexibility and innovation in problem-solving advantageous to creating new ideas and opportunities for communities to aspire to, and
- prioritising investment in social, human and cultural capital for community economic development

I'm referring here to capital as the synergy of relationships, values, collective action and identity that enable a community to develop new insights into their own future and destiny. In this sense, social conventions, social norms and tenets of trust would enable people to act more effectively and responsibly to pursuing shared objectives (Crampton, 1997). Maori seek a viable partnership with government not concessions.

What is required, is the accessing of instruments that go towards creating new enterprise, new wealth and better whanau health. This has to be underpinned by the expressive support within Maori communities and from mainstream Maori providers to make sustainable growth happen, and, happen for everyone. Instruments for change require resourcing and compatibility to work within the framework of uniqueness where Maori values and beliefs are valid. Goals of education programmes might consist of how to:

- identify local and international market opportunities, generate local business enterprise and capitalise on opportunities
- organise and allocate resources, involving capital, personnel and infrastructural planning and strategic and entrepreneurial decision-making, and to,
- create and operate sound business enterprises which involve sound strategic leadership

Establishing the foundations of wealth

Entrepreneurship is socially and culturally embedded and consequently not strictly an economic activity. Though its foundations are clearly based around competitive advantage, innovation, alertness and a committed work ethic, Schumpeter's claim is that entrepreneurship is the centre of all human activity. It is a deliberate act linked to social values and human interaction (Schumpeter, 1994). The source of understanding lies inherently in social structures, the values we hold about these structures and how they are represented and reproduced over time.

The key imperative to sustainable Maori development lies inherent in establishing a level playing field and re-examining social, political, economic and family/tribal structures to work along the business-end of wealth creation. This requires an appreciation of how the technical and social interface might work; better use of the data that support business initiatives, and the linking of enterprise to Maori demographics. It has to be a means by which Maori can integrate traditional and modern business systems to enhance an overall framework and strategy for development. This means a knowledge and insight of community needs, of one's place within that community and how one goes about establishing a viable business within that community which invariably has limited understanding how to create and manage wealth effectively.

For policy agencies such as TPK, Ministry of Social Policy and Ministry of Economic Development it is

important to consider the development of historical profiles of economic performance that provide a context for assessing Maori economic activity. It would be useful in comprehending the kinds of inter-generational data that leads to business development within communities. To this end, there needs to be a more microscopic level of analysis which would help us better understand the trends of Maori enterprise. Here, attitude contributes significantly to the appreciation of economic activity. What is needed is a strategy that provides a means by which whanau/hapu-based business can be strengthened.

Transitioning power

As we strive to reduce rates of relative poverty, we must, as a matter of priority, strive to increase financial literacy in the home, at work, on the marae and in local schools. With changing work relations, family relations and community relations the advent of global modernisation makes this even more critical.

If Closing the Gaps is to allay doubts and uncertainty about its policy coherence, then it must acknowledge and accept some consequential realities:

- that government needs to make explicit its long-term commitment to New Zealand as a whole and regain confidence among business and Maori communities
- that closing the gaps requires structures and bureaucracy that will by their very nature exacerbate the gaps identified
- one expects not only the level of government bureaucracy to increase, but that of Maori. Closing the Gaps requires a centralised administrative system to operate with and alongside key stakeholders and this again raises my concerns about the initiative
- matters of ‘custodianship and governance’ of tribal resources held in trust by those managers, legal advisors and professionals, and the majority of tribal property owners (descendants and beneficiaries) will inherently be divisive and a major contention for asset utilisation, decision-making and leadership processes
- one has to be mindful also of those groups who have a vested interest in maintaining and managing the gaps. I don’t wish to identify any one particular group, suffice to say they continue to command substantial legal and professional fees
- That the life chances of successful Maori entrepreneurs, sporting professionals, entertainers and business executives will lead to an increase in their disposable income and become influential in the accumulation of private wealth held by outside tribal interests. Within the rank and file of Maori there is little compelling evidence that would lead one to assume a shared common interest, and that this would unite in some form of action. If, as Max Weber (1964) defines, class to be a group of individuals who share a similar position in a market economy and by virtue receive similar economic rewards, then the ‘class position’ for Maori would equate as being relative to a different ‘market locations’ within the same iwi, for example.

Summary

In summary, I conclude by saying, Maori leadership has a responsibility to not only respond to, but to restore economic confidence in New Zealand, the international community and among whanau, by issuing statements and confidence directives beyond the rhetoric of Treaty settlements. We need statements that promote a reinvestment into the economy. This requires responsive leadership to reshaping and the rebuilding the infrastructure for New Zealand towards prosperity, wealth creation and community spirit.

Maori have to take a more decisive role in decision-making on matters of economic and social importance. It is not sufficient that we should expect our current capital assets to grow at nominal ‘passive’ rates without any exertion of entrepreneurial risk and long-term accountability interest given back to the community. What is required, in my view, is a net synchronisation of government economic and educational policy, business support and Maori assertions of economic sovereignty based on adherence to mana tangata, mana whenua principles.

If Closing the Gaps is to be promoted as the flagship for change then it has to resurrect the “latent and innate potential” of Maori who matter? It is the mothers, the children and young people that have for too long been ignored. If it aims to make Maori more fiscally prudent to account for the transfer process of resources, then,

it requires accountable and competent people. The backdrop to all of this is collective commitment and responsibility. This will require not more, but better Maori administration, management, bureaucracy and professional skill. Equally, it will require efficient mechanisms of delivery to Maori communities and a vision that will make New Zealand a better place for us all.

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