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Biotechnology

Green Party Loses Bargaining Power Over GMOs 2002

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Report Highlights: New Zealand's July 27 general election saw the Green Party's potential to be the major coalition partner to a new Labour-led government significantly reduced. The Green Party made its anti-GMO (Genetically Modified Organism) stance clear prior to the election, promising to bring down any government that lifted the moratorium on the release of GMOs into the environment. The moratorium expires in October 2003. The Greens appear now to have lost their previous position of strength due to the rise of other parties. Of these, the center-right United Future Party, which has not taken a clear position on the moratorium, is the one most likely to form a Government with Labour. Consequently, it now seems more likely that the moratorium will be lifted in October 2003.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Wellington [NZ1], NZ

New Zealand's early general elections on July 27 have resulted in some significant changes to the constellation of the NZ parliament. The National Party has achieved one of their worst results ever, while NZ First and United Future profited from a shift in voter attitudes towards alternative parties. The 120 seats in parliament are distributed as follows: Labour 52, National 27, NZ First 13, Act 9, United Future 9, Greens 8, Progressive Coalition 2.

Labour will likely establish a formal minority coalition government with the Progressive Coalition and rely on informal working relationships with other parties to get needed Parliamentary majorities. Labour leader Helen Clark is now talking to the Greens and United Future about possible working relationships. She will include the Progressive Coalition in her government as she promised to do so before the elections (Progressive's leader is Jim Anderton who was Deputy Prime Minister in the previous government). NZ First and Act are not potential partners due to Act's center-right position, and Labour's personal distrust of NZ First leader Winston Peter as a reliable coalition partner.

However, in relation to the moratorium on the release of Genetically Modified Organisms (GMOs), which will run out in October 2003, the election results have produced an interesting situation, as the Greens will now not be in a position to bring a new government down over the issue. The Greens previously promised to bring any government down if that government intended to lift the moratorium (given the Greens were in a position to do so). Now it appears the Greens have lost their position of relative power and United Future seems to be a party without any clear opposition to GMOs. The leader of United Future, Peter Dunne, also indicated before the election that his party could form a coalition with both Labour or National. If United Future gives its support to Labour and Labour chooses to form a coalition government they would have 63 out of the 120 seats in parliament. United Future has not developed an anti-GMO position, and it is unlikely that it will do so. Consequently, Labour would be in a position to lift the moratorium, which it would like to do, without requiring the Green Party's vote.

Present talks between Labour and United Future, and the Greens, are likely to be around specific policy issues that Labour wants to address during the next term. Either way, National's steep decline in this election has put Labour in a comfortable position. Whether Labour forms a coalition with United Future or a minority government with Progressive alone is unlikely to change a Labour-led government's intention to lift the moratorium next year, unless Labour itself changes its stance on the moratorium for philosophical reasons or due to public pressure.