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Special Report

Maori Socio-Economic Disparity: The Chapple Analysis

A recently produced paper by Simon Chapple, a senior research analyst in the
Labour Market Policy Group of the Labour Department, has thrown interesting
light on just what gaps do exist between Maori and non-Maori and raises
important questions about whether government policy is focusing on the right
problem. What follows is a fairly full (and we hope fair) summary of the
report. For those interested in reading the original, it can be located at
http://www.mosp.govt.nz/comms/files/seminars/simonchapple.doc
<http://www.mosp.govt.nz/comms/files/seminars/simonchapple.doc>).

Upton-on-line considers that this is one of the most interesting outputs
from a social policy agency in recent times. It deserves careful attention.

The historical background

Mr Chapple commences by describing some of the key historical milestones of
the Maori population. They include:

*   The turnaround in Maori population from decline to growth between
the 1870s and the First World War - in parallel with the negative impact of
the large scale loss of land - and improvement in the relative well-being of
Maori women as reflected in improving gender ratios
*   The improvement in Maori life expectancy, health, education, housing
and employment outcomes that parallel the dramatic urbanisation of Maori in
the post-World War II period

Mr Chapple concludes that "the post-1970s Maori population is in absolute
terms larger, per capita materially wealthier, and has a higher life
expectancy than at any other time in New Zealand's history". Chapple admits
that this conclusion depends on the "value judgement" that material goods
and life expectancy are key elements of well being.

The Maori Ethnic Group

Chapple notes that prior to World War II Maori identity as it is currently
understood was elusive. The collective identity we refer to today was much
less apparent than powerful loyalties to and identification with iwi and
hapu. A wider ethnic identity can be seen as a phenomenon of the post-war
period and the last 30 years in particular. At an even higher level, the
Maori ethnic group can be understood as "a construct arising out of the mass
colonisation of this country over the last 160 years by settlers from
Britain".

>From a statistical point of view, Chapple details the 1996 census result
which distinguishes three groups:

*   Identifying solely as Maori
273,693
*   Identifying both with Maori & a Non-Maori ethnic group   250,338
*   Not identifying with Maori but having Maori ancestry
56,343

Chapple notes that the shift, in the 1980s, from a measurement of ethnicity
based on percentages of ancestry to a subjective measure (i.e. what ethnic
group do you feel you belong to) is evidence of the recent consolidation of
Maori (collectively) as an ethnic identity.

Also detailed is the remarkable fluidity of the Maori/non-Maori categories

revealed in census data, in particular the in-flow into the Maori category from the non-Maori category:

* 1 in 4 'Maori' in 1996 were not Maori in 1991
* 1 in 10 persons of Maori descent in 1996 had discovered his/her Maori ancestry over the preceding five years

This leads Chapple to the conclusion that it is not accurate to describe the Maori ethnic group as a "rigid binary primordial dichotomy" (heady stuff even for upton-on-line: translated, we think that means a relatively self-contained and self sustaining group since time immemorial). Rather it is fluid and still being formed. Chapple concludes:

"Stereotypical views of a common boundary between ethnicity and success are unintentionally promoted by many popular and policy discussions of Maori disparity. These stereotypes contribute to a social climate where socio-economic performance may determine ethnicity for some people. The stereotype is unsupported by the empirical record..."

The Empirical Record

(1)   Inter-marriage

Chapple throws interesting light on the extent of inter-marriage and what that has meant for Maori socio-economic outcomes. He points out that the majority of Maori ethnic group children growing up today (56%) have a non-Maori parent suggesting a pretty permeable ethnic boundary which accounts for the high number of people who identify both as Maori and non-Maori - facts he says that are typically ignored.

Following Gould , Chapple asserts that intermarriage has been, historically, one of the most powerful forces for promoting reductions in Maori socio-economic disparity on the basis that "marriage transfers Western cultural norms to Maori and thus ensures less disparity on the basis of the usual objective measures" (like incomes, jobs etc). His conclusion in a nutshell?

That:
"[I]nfluenced by a bi-culturalism that views Maori and non-Maori populations as if they ran on separate parallel train tracks, the current conventional wisdom ignores the implications of intermarriage."

(Upton-on-line notes that there is something of a conundrum here. Inevitably, the notion of a 'gap' assumes the desirability of a common status which, inevitably, becomes the 'Western' standard. This must surely be inimical to some Maori. After all, if there were no gaps, would there be Maori because that could imply a convergence on Western outcomes that reflects cultural assimilation? Or is it argued that cultural norms have no effect on socio-economic outcomes and that identical outcomes on the "usual objective measures" can be achieved without any cultural assimilation? The mixed marriage argument makes this later case difficult to maintain - at least in any strong sense.)

(2)   The statistical artefact of the 'Browning of New Zealand'

Chapple notes that the "browning" of New Zealand confidently predicted (often in support of the separate train tracks, bi-cultural train tracks agenda) is partially a statistical artefact that relies on Statistics New Zealand treating all children of Maori women and non-Maori men as `Maori' (as are a proportion of the children of Maori men and non-Maori women).

(3)   Being Maori is a bad predictor of disadvantage

Chapple contends that the prevailing focus on Maori versus non-Maori outcomes creates a misleading picture of a divergence of outcomes between the groups and much more homogeneous outcomes within each group. Much more important, he demonstrates, is the variability of outcomes within each group. Here is his conclusion:

"Popular rhetoric to the contrary, Maori do not share a common experience of socio-economic disadvantage. The Maori ethnic group is not a group whose boundaries are well defined by socio-economic failure. Socio-economic differences amongst Maori as a group overwhelm socio-economic differences between Maori and other groups."

As he points out, there are very large overlaps between Maori and non-Maori earnings distributions. One conclusion that flows from this, is that the argument for "closing the gaps" on the basis that social cohesion will be rent asunder if one ethnic group diverges radically from the other is undercut. It is not, at the aggregate level, accurate to paint a picture of Maori as a group destined for socio-economic failure.

(4)   The gaps are not growing

To the dismay, no doubt, of those who have damned the record of the last decade, Chapple calmly presents data on employment rates, median income and education levels that show that "[b]y all of these indicators, gaps closed over the 1990s". For the first two of these indicators, the bad period was 1986 - 1991 when, one assumes, in the first round of economic re-structuring, Maori in the then relatively more abundant low-skilled jobs were particularly hard hit by widespread lay-offs.

But since the early 1990s, the Maori/non-Maori employment disparity has shrunk from 14% to 6%. A similar trend is detected for median income. Education, unlike these indicators, shows a steady closing of the qualifications gap. Hospitalisation data (which shows the opposite trend) is discussed but found to be insufficiently reliable to base conclusions on.

So Why do Gaps Exist?

A significant section of the paper is devoted to this question. In summary, the possible reasons span different tastes and preferences, racial discrimination, cultural barriers and (the reason Chapple seems to pay most attention to) Maori-representation in socio-economic groupings (i.e. classes) in which networks, expectations and information are limited and self-reinforcing.

Interestingly, he finds little to support the thesis advanced by Ogbu that Maori are hindered by social pressures arising from the fact that, as a colonised people, they are an 'involuntary minority'. Upton-on-line was surprised to learn that in Australia, where Maori are a voluntary minority, they have performed relatively worse compared to non-Maori New Zealanders.

Given the inconclusive nature of the type of sociological enquiry raised by the question, Chapple does not come down definitively behind any particular causality for the gaps that do exist but he notes that the only significant gap that remains after other variables (like education, income and so on) have been controlled for, is that applying to sole Maori women. In other words, for all other sub-groups within the Maori ethnic group, Maori perform worse on average because being Maori is correlated with other indicators that apply equally to non-Maori in influencing outcomes.

It is all discussed with painstaking equanimity and prudence. The nearest we get to a verdict comes out like this:

"Overall, much of the gap between Maori and non-Maori reflects their over-representation amongst poorer socio-economic classes. This over-representation is itself a function of relatively recent Maori

urbanisation at a time when relative prices created strong incentives to remain in low skilled occupations and not acquire education. In addition, there is strong evidence that Maori with higher levels of skills and education perform little differently from their non-Maori counterparts, while low-skilled and educated Maori perform much worse than low skilled and educated non-Maori. These finding directly suggest the problem of disparity may be sub-cultural, not ethno-cultural."

Upton-on-line is amused to see the plucky little standard of homo economicus raised for a brief minute above the parapets of cultural identity. It is a fleeting appearance as befits a debate that frequently seeks more arcane and mysterious explanations.

Conventional Wisdom Refuted

Chapple's analysis isn't kind to conventional wisdom. His summary of its policy conclusions compared with his own looks something like this:

Conventional Wisdom

*   The Maori/non-Maori disparity along a range of outcomes is growing
*   Maori ethnicity is a fixed, clearly defined, long-standing social grouping
*   Maori ethnicity is a good predictor of labour market failure
*   Maori ethnicity is often seen as the cause of disparity
*   Maori failure is caused by a lack of culturally appropriate programmes
*   "By Maori for Maori" is the preferred solution for a wide range of social policy interventions

Chapple's Wisdom

*   There is on average disparity between Maori and non-Maori and the disparity is stable or falling
*   Maori ethnicity is a poor predictor of labour market success or failure
*   There is considerable overlap between Maori and non-Maori outcomes
*   "It is sole Maori with low literacy, poor education, and living in geographical concentrations that have labour market problems, not the Maori ethnic groups as a whole".
*   Solutions to this problem don't lie at the level of the Maori ethnic group as a whole (such as 'culturally appropriate' programmes) but at the level of specific interventions to meet the most disadvantaged sub-groups within the Maori ethnic group.

Some Broader Observations

Chapple makes three broader observations that seem wise to upton-on-line.

In the first place, we shouldn't assume that social phenomena - like gaps - are determined or influenceable in whole or even in part by government policies. This is a profound observation that is nearly always brushed over by activist politicians but is as old - and as true - as the hills. As Chapple notes (with respect to the debate over whether mainstreaming worked or didn't work) -
            "Since we do not observe what would have happened, all other things being equal, in the absence of mainstreaming, we have no adequate counter-factual and can draw no strong conclusions from disparity data regarding mainstreaming as a policy."

That will be true of the vast majority of social policy interventions proposed by governments. It should be a powerful reason for scepticism and caution.

Secondly, policy responses have to be designed on the basis of the empirical evidence. Those who argue for 'culturally appropriate' delivery (and

upton-on-line has been airily happy to wave this through if that's what people want), must be prepared to submit their interventions to thorough-going analysis. As Chapple notes, "the issue is ultimately empirical and should be treated as such, rather than axiomatically".

Finally there is the good policy maker's constant vigilance against capture. Chapple is aware that his prescription of carefully targeted interventions to help the most disadvantaged may not appeal to some. His warning is timely:

> "Broad based policies which target the Maori population, which may be thought to close the gaps (such as fisheries settlements, other treaty settlements, cheap access to the radio spectrum, etc) risk being captured by the considerable number of Maori who already have jobs, skills, high incomes and good prospects."

That will scarcely endear him to some. But it's the sort of advice to ministers one lives in hope for. Free, frank and fearless. Upton-on-line does not possess the technical skill to assess Mr Chapple's treatment of the statistical material. But he has assembled a formidable case that deserves a formidable answer - either in confirmation or refutation.

Can We Expect One?

Let's hope so. The Social Welfare Minister, Steve Maharey, has contributed a 750 word article to the newspapers in response. It is a pretty anodyne affair. Mr Maharey acknowledges the need for "sophisticated policy instruments" but states that Chapple's "comments on identity and culture detract from what is in other respects an important contribution to the discussion." What does the Minister mean? He is by reputation a distinguished social scientist. He should take the time to spell out what it is in Mr Chapple's comments that make him uncomfortable. That would help us assess whether we are engaged in an empirical debate or a debate about mysteries that defy articulation.

It would help Mr Maharey if the Parliamentary parties outside of the Government took a similar amount of trouble to form their own view. Slogans may be easy to hide behind but there's no substitute for hard analysis. Without it, we could cause ourselves as a nation much unnecessary heartbreak by trying to solving the wrong problems and creating new divisions where there are plenty of real ones that are crying out for attention.