

# The Spirit of Mordor



*My Personal Experience of  
the Corruption of New Zealand by Mammon*

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# Introduction

I do not support any political party and generally consider myself to be a supporter of capitalism and of good business practices. However, in the last 25 years I have observed and experienced many aspects of our national and worldwide economic system that have left me deeply questioning.

This is my personal story of how selfish capitalist ideology came to capture my working environments in both commercial forestry and the Department of Conservation in New Zealand.

What is selfish capitalist ideology? Basically I understand it as an extreme form of capitalism which was engineered by the ultra-rich in the United States in the 1970's. They developed massive materialism and consumerism as a mechanism for increasing their wealth.

Also known as neoliberalism, this selfish capitalism was introduced to the UK in the late 1970s as Thatcherism and to the US in the early 1980s as Regonomics. In the mid-1980s it was also introduced to other English speaking countries, including to Australia as Economic Rationalism, and to New Zealand as Rogernomics.

In spiritual terms I see selfish capitalist ideology as driven by a Mammon spirit which is slowly turning our beautiful nation into Mordor (Mordor is the evil land of Sauron in Tolkein's book *The Lord of the Rings* – fitting in my view because New Zealand was the setting for the trilogy of movies based on the book.)

*Mammon – A term derived from the Christian Bible used to describe material wealth or greed, most often personified as a deity, and sometimes included in the seven princes of Hell. (Source - Wikipedia)*

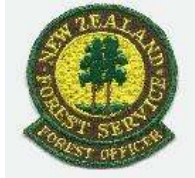
Jesus said:

*“No Servant can serve two masters. Either he will hate the one and love the other, or he will be devoted to one and despise the other. You cannot serve both God and Money.” (Luke 16:13)*

As a follower of Christ (a poor one I admit) I refuse to serve Mammon

# My Story

## Monetarist Ideology First Captures Forestry



When I joined the New Zealand Forest Service 35 years ago in 1978 along with a whole lot of other forestry trainees, I signed a green slip of paper agreeing to be a career public servant for 40 years. That is what I fully expected to happen.

At the same time the vision was instilled in me that I was joining a service – that I would be there to serve our nation. We trainees learned that we planted forests for our nation's future; to provide timber to save our native forests from being felled; to build houses for people to live in; to provide a raw material to build industry which would employ people and build our nation's economy; to protect the soil and water; and to provide places for people to recreate in.

We who did this- the workers, the woodsmen, the rangers and the foresters - we were a brotherhood and community with this purpose: to serve our nation New Zealand through forestry. Perhaps it sounds idealistic but that is what I believed (and still do believe in).

Then in 1987, freemarket ideology in the form of Rogernomics became the ideology of our government, and destroyed us. We exchanged the long term benefit of the nation for the short term benefit of dollar interests. The freemarket was proclaimed to be the most efficient and cost-effective way to do everything.

Thus, the exotic wood-producing plantation forests (mainly pines) were separated from our native forests. The native forests were classified as a cost, so the freemarket ideologues at the time were happy to group them together and give them to the conservationists. On the other hand, our plantation forests, paid for by generations of taxpayers, were sold at bargain prices to private enterprise (along with a whole lot of other national assets like power companies, airlines, railways and banks).

The plantation forests were sold to large corporates listed on the sharemarket; run by CEOs whose bonuses were paid on the value of today's share price, not on the value of our forests to our children tomorrow. These CEOs, who were usually only in the job for a few years before moving on (so weren't around to be accountable for the long term consequences of their decisions), proceeded to rape our plantation forests and cut investment costs in their future value. They did this to pay the debts incurred in buying the assets and to make the CEOs look good to their shareholders, who were mainly overseas investors and cared not a whit for our nation.



**Department of Conservation**  
*Te Papa Atawhai*

At a personal level this caused me a great deal of pain. The destruction of the Forest Service destroyed my meaning for existence and the community I belonged to. I didn't agree with the new monetarist values and it felt as if I had lost my identity and purpose. Even though I was offered well paid

positions in a new forestry corporation, I chose to take a much lower paying role in the Department of Conservation (DOC) because that seemed closest to what I had lost.

However, despite some major achievements in DOC, I struggled with the Department's new preservationist view of conservation, which I felt was unbalanced at opposite extreme to commercial forestry. I believed that the Department had been allowed to be set up by the freemarket politicians as a superficial sop, in order to gain the allegiance of the conservation movement in fostering the program of privatisation (an "unholy alliance").

I also thought that the grouping of "non-productive" native forests under the label of conservation meant they would ultimately be seen as a large cost, which would be targeted in future. I further believed that the conservation estate contained a lot of valuable resources and that simply locking them up in a preservationist way meant they would be open to exploitation in the future, when the pendulum of politics and public sentiment swung the other way.



#### **FLETCHER CHALLENGE FORESTS**

After six years I left conservation to do a theology degree. Then, in need of a job to support my young family and because there were no suitable DOC jobs available, I went back to plantation forestry. In 1996 I started work as a technical forester with the NZ Forestry Corporation, which was responsible for the massive 150,000 ha Kaingaroa Forest. About six months later we were taken over by Fletcher Challenge Forests (FCF). FCF owned pulp mills in NZ and Canada and was part of the Fletcher's group of companies (energy, building & paper) that constituted the largest multinational corporation in New Zealand at that time.

For over three years I did major economic analysis and modelling work for the company. At one stage I led a six person project team to determine the "regimes" that would give the best dollar returns from growing the forest across various sites and for different market options. In the same period I also saw the resource of Kaingaroa Forest, which had been paid for by the New Zealand taxpayer and nurtured by generations of foresters, pillaged to pay off the debts incurred by FCF in buying the forest. It also became clear that the company had no choice but to overcut Kaingaroa because they had mills to feed and had already overcut their other forests.

In FCF I experienced cost cutting that I believe amounted to massive underinvestment in the future resource, practices that I considered outright dishonest, and numerous restructurings. I recall one meeting where all the managers were told by the CEO of Fletcher Challenge Forests (who had come from the Texas oil industry), "Either get aligned or get out". Shortly after that, in late 1999, I left FCF; predicting to those I worked with that the company "would be gone in five years". Two years later FCF was declared bankrupt. In my view, its financial condition was a symptom of its moral condition. (I later worked for several years as a forestry technical manager for the company that was set up by the receivers to manage Kaingaroa Forest.)

During my time in commercial forestry I observed the decline of the New Zealand commercial forest industry around me. My predominant observation was that our forest industry- which once led the world- rapidly became mediocre and was overtaken by many other countries. The state resource was broken up piecemeal and sold off to diverse overseas interests who had little common vision. Investment in research and

training by these diverse interests declined. Multinational companies exported our intellectual property to other countries and they reaped the benefits. I further observed that in the former state forests, the private companies which managed them no longer maintained most of the picnic grounds created by the old Forest Service. They also systematically found excuses (such as fire risk) to restrict access and close gates to hunters and fishermen.

However, the thing that most upset me was seeing the lie that had been used to justify selling the plantation forests. The free market argument was that if overseas private companies owned the forests (or cutting rights) they would have the “security of the resource” to invest in more processing plants; thus providing employment and downstream benefits to the New Zealand economy. This has proved to be rubbish.

Certainly, 25 years on, the Ministry of Agricultural Fisheries reports on the internet show that the volume of timber produced has dramatically increased (from plantings before privatisation). But the percentage of raw logs exported in comparison to those processed, has even more significantly increased! And what else do we see? The number of people working in forestry and timber industries has actually declined. Yes, workers still have jobs but only where machines cannot do the work more cheaply, and many of those workers (such as pruners) are exploited.

Thus, the dominant ideology is no longer that the forests are there to provide jobs for citizens, but that forestry is all about how to minimise labour costs to benefit overseas forest owners and shareholders.

I could cite other examples but the essential point is that the language and vision of providing a **service** to benefit our nation's citizens was replaced by providing dollar **returns** to benefit shareholders, who often live in other countries and are not citizens. It also seems to me that the rights of shareholders over the country's resources now often exceed the rights of its citizens.

Ultimately, from this and other experiences, I found that I simply could not stomach working any longer in commercial forestry. When the opportunity came in 2005 I opted to go back to the DOC and work as a fire specialist. I reasoned that even though the pay was a lot less and that my degree in forestry may be largely wasted, at least I would be able to get out of bed in the morning and feel that my work had some worth other than worshipping the almighty dollar.

## **Then Monetarist Ideology Captures Conservation**



The reason I returned to work for DOC was because I believed it was more suited to my values. In doing so, I took a 40% salary reduction from a commercial forestry role. I now earned \$60 000, while my counterparts in other Rural Fire Authorities had substantially higher salaries (approximately \$100 000 in some). In this regard I was like a lot of other people who chose to work in conservation. The motivation was not so much for the money but for other reasons (for love).

However, there seemed to be no escape from Mammon. In late 2010, meetings were called throughout DOC, and a DVD was shown to all staff explaining a new strategic direction in which the Department would seek to align itself with business partners for the benefit of “NZ Inc.”, in order to make NZ the “the greatest living space on Earth”.

This DVD featured many notable business people along with our DOC Director General. While I didn't entirely disagree with the thrust of some of the message, what I did strongly object to (and stated at the meeting) was our Director General's statement below:

*“The time for arguing over the direction we are going in is over. This is the direction we are going in and that is what we are going to do and people are going to have to be on board. The great thing about New Zealand is that DOC doesn't have a monopoly on conservation work any more. There are all sorts of organisations working in conservation. Some of them do the things that people who don't like the direction we are heading in are more comfortable with. **Well, there's lots of opportunities for people to work somewhere else in conservation.** But this is the direction we are heading in. This is where the Department. is going and people are going to have to get it and get on board. We don't have time now to muck around and just debating and debating and putting off with those differences. So! This is where we are going. Get on board!”*

I have a copy of this DVD. Many staff, including myself, were not even aware that there had been a debate over DOC's direction, so it was something of a surprise to hear it stated as a fact (presumably there had been a big debate in head office). However, what really disturbed me personally was the same old corporate message of “get aligned or get out”. It may have been worded more diplomatically than the way the CEO of Fletcher Challenge Forests said it, but the message was the same. It gave me deep misgivings that we were in the process of being captured by a similar economic management philosophy to that which I had encountered in forestry.

In my view, this was further demonstrated by various statements made by our Director General and in documents that outlined DOC's direction. These showed that a radical change process was underway within DOC to align the organisation with business interests.

For example, in July 2012 DOC completed its year long restructure of its back-end staff in regional and head offices with the stated aim of getting community and business interests to take over 60% of DOC operational front-end work on the ground. To many, it seemed that DOC had increased the size of its head office from 300 to 1000 in order to become some form of management company that would aim at getting business and community groups to manage conservation lands and other assets in partnership. The year long restructure of “operations” (front end staff) then began.

There was then the statement below:

*“There's a natural reluctance to encompass the radical or transformational change we're going through. But when you are not even halting the decline of biodiversity you've got to do something radical. When you're managing the assets for [one of the] biggest exchange - earning industries in New Zealand*

*[tourism] and you want to grow that in a recessionary environment, you have to be radical.*” (Quote of DOC Director General Al Morrison’s words, from p. 60 of the North & South Magazine article, “Does the Department of Conservation Need Saving?”, March 2012)

I am not sure where it says in the Conservation Act that it is DOC’s function to manage “the assets for one of the biggest exchange earning industries in NZ (tourism)”. According to the North and South article, Al Morrison admits he is testing the limits and interpretation of the Conservation Act (p 60). The Conservation Act Section 6 (e), actually states that DOC’s function in regard to tourism is:

*“To the extent that the use of any natural or historic resource for recreation or tourism is not inconsistent with its conservation, to foster the use of natural and historic resources for recreation, and to allow their use for tourism.”*

Having spent six months writing a DOC recreation and tourism plan for the old Wanganui Conservancy (which contains two national parks), I have some knowledge of this subject. It seems to me that there is a big difference between our Director General’s approach of **active management** of the conservation estate **for tourism** and the directive of the Conservation Act to **allow tourism** on the conservation estate where it is **not inconsistent with conservation**.

To me, this begged the question, “What is the vision driving our Director General’s radical and massive change process?” Well, in 2009 DOC was required to make a \$13.5 million budget reduction and in January 2011 the Prime Minister announced the government’s new spending in the public sector would be reduced further by about \$300 million. There is no doubt that government driven cost saving have been the catalyst for initiating these change processes. However, cost cutting does not appear to be the primary driver, as we can see from the words below:

*“We are three weeks in on what will be about a nine-ten week process. You could hardly fail to notice that there is a tremendous amount of activity going on across the whole Department with the Organisational Review. Over 120 people are directly involved in the six design groups. They have been drawn from many corners and roles, and almost all are from level one and two roles. Another 600 plus people are actively engaging in the online review process..... So why am I putting the organisation through this massive disruption? Fundamentally, it is because we are **building a new future for DOC..... It is a vision with a long shelf life – that New Zealand is the greatest living space on Earth.....**”* DOC Director General Al Morrison in his D-G’s outlook June 2011 – DOC intranet

Thus, the changes are driven by a vision. But what exactly is this vision? When I did some research I found the vision explained in p. 7-8 of an address by Al Morrison entitled “The Environment and the Economy”, given to the Resource Management Law Association in Wellington, October 2009. We can see from the following quotes taken from that address that **DOC’s vision** is actually a **marketing brand/slogan for tourism**.



“... Clean green and 100 percent pure are **specific brands**. I do not think we have nailed the **NZ Inc brand** yet. It is more generic. It is about the environment, but it is also about friendly people, a bicultural country, a multicultural society, a safe and secure place, a caring and tolerant society. It’s about fresh food and quality wine, the sort of place everyone wants to live in. At DOC, it is incorporated in to our **vision statement**; that New Zealand is the **greatest living space on earth**.”



..... we need to be confident that branding is a solid basis to hang our fortunes on; that it is for real; that it really adds significant value and provides market advantage. Let’s take a look at that. The value of the Coca-Cola brand in 2008 was calculated by Milward Brown Optimar at \$58.2b.... The brand value of its closest rival Pepsi was calculated at \$15.4b. So if you poured Coca Cola into Pepsi bottles you would lose \$42.8b!

.... Back in the New Zealand context and commenting on NZ’s position as leading destination brand, Tourism NZ Chief Executive George Hickton had this to say; “A successful brand like 100% Pure is more than just a logo and advertising....”



Thus, the NZ Department of Conservation’s primary function, as defined by its **vision statement**, appeared to be radically changing from **protecting our indigenous environment** to **managing it for economic interests** – namely tourism. Again referring to the recent article in North & South Magazine March 2012, which asks the question, “Does the Department of Conservation Need Saving?” The following statements were taken from p 56:

“In 2001, DOC’s vision was: “New Zealand’s natural and historic heritage is protected; people enjoy it and are involved with the department and in its conservation.” A decade later the vision is a snappier but utterly unquantifiable; “New Zealand is the greatest living space on Earth”.

In 2001, the department’s mission was: “to conserve New Zealand’s natural and historic heritage for all to enjoy, now and in the future.” By 2011, DOC had replaced this with; ”Purpose; Conservation leadership for a prosperous New Zealand. Outcome Statement: New Zealanders gain environmental, social and economic benefits from healthy functioning ecosystems, from recreation opportunities and from living our history.”

While 2001’s Statement of Intent has several key aims about protecting biodiversity, promoting appropriate recreation and encouraging community participation, the most recent version begins with a foreword .... whose very first sentence refers to providing “business opportunities that are consistent with conservation”.



*(The)... second paragraph talks of the environment being, “the natural capital that funnels our primary production-based economy and determines our prosperity”. And by page 37 this has been fleshed out into such tasks as; Working with the Ministry of Economic development to identify mineral prospects to ensure that conservation values and mineral values on public conservation lands and waters are balanced to give maximum possible benefits to New Zealanders.”*

## **“New Zealand – The Greatest Living Space on Earth” – 100% Pure Hypocrisy**



When I worked for Fletcher Challenge Forests they made a big deal of bringing in a new “customer service” philosophy right across their supply chain. This also involved getting rid of numerous smaller contractors and replacing them with a few large “key suppliers”. The whole idea was that each component of the supply chain from nursery to forest to mill to port to market involved serving “customers”.

The accompanying theory was that “customer service” would be improved at each step by the company forming “mutually trusting relationships” with fewer, and larger suppliers. The resultant economies of scale, transparency and goodwill would then drive down costs and improve efficiencies across the supply chain. All staff had to attend training sessions, which was a good idea. The fundamental flaw was that the management culture created from the board down endeared anything but trust - so it all became a big joke.



There appears to me to be a similar sort of intrinsic flaw in DOC’s radical new vision. There is a statement in religious circles that *“one man’s vision of uttopia becomes another man’s hell”*. For me personally, the fact was that I experienced more restructurings (six) in my last four years in DOC than I did in a similar period in Fletcher Challenge, and each had a major impact on my role.

Eventually, the constant DOC restructures were the main factor that led to me taking two months stress of leave at the end of 2011. In all my time at work before that my track record was of top performance. However, because I objected on professional and personal grounds to an erosion of standards and reporting structures that I thought would sooner or later get someone killed (the “Pike River Mine disaster syndrome” and the sort of management attitude that led to the DOC Cave Creek disaster) I found myself in conflict and stressed out (note my job is in emergency management). Then, a couple of days before I was due to come back to work, I was confronted by two DOC managers and asked whether I would consider resigning.

I was dumbfounded! Here we have an organisation with its leader promoting the vision of making our nation “the greatest living space on earth” but all I saw around me in both that organisation and in our nation were constant restructurings that were arguably

not only counter-productive but actually making life hell for me and many others. When I objected to this situation, a couple of regime enforcers (no doubt guided by our leader's directive telling staff to "get on board" with his vision) asked for my resignation, even though I had been a top performer. Worse, although work-related stress is counted as harm under Health and Safety legislation they did not seem to take account of that in confronting me. It was the sort of thing I had formerly expected only from the corporate world, not while working as a lowly public servant in the field of conservation.

From these experiences and my research I came to the conclusion that DOC's vision portraying "NZ as the greatest living space on earth" was not something that was actually intended to apply as a quality of life principle for the people who live in New Zealand, let alone those who are employed by DOC. Instead I believe it is purely a **hypocritical marketing ploy to attract tourists and appease economic ideology.**

That such a vision statement existed in the lead national agency for the conservation of our environment (along with the restructuring that goes with it) should be pause for thought. Even the intrinsically important enterprise of conservation now appeared to have been completely captured by the same selfish-capitalist monetarist ideology that has devastated New Zealand society since its introduction in the guise of Rogernomics 25 years earlier.



## DOC Moves to a “Full Commercial Model”

This outcome was confirmed when, out of the blue, on 20th December 2012 (timed just before the Christmas break) the DOC Deputy Director General of Operations (Sue Cosford) announced that DOC's new operating model was to be, quote:

*“A full on commercial business approach (to be) used to fund conservation, run on the basis of supply and demand”.*

For DOC staff like me, this was like working for the Church and then being told by the Pope that he has made the decision that we will now no longer be working for God but for the devil (with the additional understanding, that even if we are not “on board” with the new model, because our duties will pretty much remain the same, we shouldn't expect to exit with a redundancy payment unless we are actually declared “surplus”.)

Back in 1987, the non-commercial parts of the NZ Forest Service, Department of Lands and Survey, Wildlife service and other agencies were split away from the commercial forests and farms and placed in the then new Department of Conservation **to protect** them from **commercialisation!** My concern then was that all the nation's national and forest parks, and other conservation assets were all grouped together in one agency and would be treated as a cost to be continually cut and then ultimately exploited. Now costs had been cut as far as they could be and the next stage going forward was to commercialise our conservation assets so that they could be exploited.

Yes, there was the argument that with a full commercial model there would be more revenue from the conservation estate which could be used to fund more conservation, and that the whole commercialisation process would place a better dollar valuation on

conservation assets. However, it seemed to me that the more likely outcome of conservation earning more revenues would be that Treasury would cut more funding, and that any actual funding would be targeted at the conservation which had the greatest earning potential (i.e. the most beautiful and iconic assets that would bring in tourist dollars). It seemed to me that the door would be open to pour in funds for developments in the iconic areas.

On May 7<sup>th</sup> 2013 DOC finished its yearlong restructure of “operations” and announced its final structure around its new business model where a large proportion of DOC staff were now to manage external “conservation partnerships”; leaving the rest (perhaps 40%) to manage “conservation services” (operations). On the very next day, May 8<sup>th</sup>, I saw on newspaper websites (Rotorua Daily Post and NZ Herald) that our Prime Minister John Key (who was also our Minister of Tourism) had announced that Chinese companies Shanghai Pengxin and Hong Kong based Sailing Capital were considering establishing a fund to invest US\$10 billion (NZ\$12.15 billion) to US\$20 billion in developing New Zealand tourism infrastructure. Mr Key said that the number of Chinese tourists could be increased five-fold.

Is that what New Zealanders want? Do we want the primary purpose of our conservation assets to be earning foreign exchange from tourists? Do we want unrestrained tourist developments? Do we also want the door opened wide for mining, power schemes, selective native logging and all manner of other “exchange earning” approaches on conservation land? Because that is where I believe we are headed. Perhaps we do want these things. And perhaps there is some middle ground. But where is the public debate and discussion? Where is the transparency? The whole new commercial direction appears to me to have been implemented by stealth from a hidden agenda. And I was employed within DOC.

Ultimately, one needs to ask, “Where will the trajectory of this commercial model lead?” It seems to me that DOC is now on track to becoming something like “CONTAMNZ” (Corporation of National Tourist Assets Management New Zealand). If we then look at what happened to the New Zealand Forest Service commercial forests we may get some idea of what the future holds for our conservation assets in 20 to 30 years time.

When the NZ Forest Service was disestablished, all the pine forests went to the newly formed NZ Forestry Corporation. From there the majority of the forests were parcelled out and sold off to various foreign owned companies. Some, like our massive Kaingaroa Forest, were retained for a while before the cutting rights were sold to corporates such as Fletcher Challenge, and then on-sold to other companies. Where the cutting rights were sold, the underlying lands were retained by government to be used as bargaining chips for Treaty of Waitangi settlements with various Maori tribes. The land under Kaingaroa Forest is now broken up into ownership by various tribes

What has been the end result for New Zealand production forestry? The evidence I have seen shows that many of the forests were exploited to make a fast buck, and that New Zealand’s world leading forest industry declined because the numerous foreign stakeholders were devoid of any common vision for forestry in New Zealand. It appears to me that profits ultimately have mostly gone to overseas shareholders; the national resource has become fragmented and many forest areas have become much less accessible to the New Zealand public.

In my opinion, this is the sort of future that lies ahead for our national conservation assets. If it follows the pattern of forestry, CONTAMNZ (or whatever DOC will be called in the future) will come to behave as a management company, parcelling up and selling off, or leasing, the rights for marketable conservation assets to the highest bidders, producing revenue and cost savings as the primary goals. Some of the successful bidders for the various rights will, in time, set up their own operational managers and will be expected to take over costs such as current conservation staffing. The underlying land will also be referenced back to various Treaty claimants, who will presumably get their cut to keep them happy.

Ultimately, the people who will reap the profits and control the assets will be the commercial stakeholders and their shareholders (mostly from overseas if it follows the pattern of forestry). And because the conservation assets have commercial value and the allocation of “rights” to stakeholders has been agreed by our government, the access and usage rights for New Zealand citizens to conservation assets will become secondary.

Perhaps we should look at Mt Tarawera near Rotorua as an example of what could happen. While the mountain is owned by a local tribe, they sold rights to a commercial tourist operator who took the view that it was his exclusive domain, and charged local New Zealanders \$133 each (the same as foreign tourists) to take a guided tour to get to the top of their local mountain. Those locals who tried to climb the mountain and didn't want to pay or take a guided tour were harassed and assaulted by security guards.

Perhaps the Tarawera scenario is deemed unthinkable on a wider scale but also deemed unthinkable 25 years ago was the wealth gap we now have in New Zealand (where the richest 10% of New Zealanders now own over 50% of the country's net wealth). In the future, will poor New Zealanders still be able to access our iconic assets that have been developed for tourism? Who will really own and be able to use our national parks and other conservation assets in the future?

I don't pretend that I can predict that this is how it will all turn out. All I can say is that conservation in New Zealand now also appears to have fallen to selfish capitalist neoliberal ideology. When one then takes a hard look at the track record of what appears to be unmitigated disaster for people, our nation and the world environment, as a result of this ideology; surely there needs to be some serious debate about what is happening?

## **A Comment about Public Service Values & Integrity**

There are many really good people in DOC – honest, passionate, dedicated, motivated, knowledgeable and down to earth. Unfortunately, I believe they are being taken for granted and undermined by a professional and corporate management culture, who have eyes mainly for the political landscape.

I have been a high performing New Zealand public servant for 25 of the last 35 years, and I used to believe we had an honest public service. When I worked in Fletcher Challenge Forests Ltd., I saw what I considered to be moral bankruptcy precede financial bankruptcy. I believe I know what a corporate culture is like when money

ideology dominates. I have also lived in countries where corruption is rife, so I think I have an understanding of what corruption is.

We still have a long way to go before we reach the depths of corruption seen in many other countries. However, from what I have seen with forestry and DOC there is no doubt in my mind that our country is well on the pathway to corruption. In my view there is something very rotten going on and the alarm bells need to start ringing.

In DOC I observed what I consider to be “constructed exits” of staff (exits constructed by groups of managers in collusion). In DOC I experienced more restructurings, and of a much more prolonged nature than I experienced in Fletcher Challenge in a similar period of time. When I then look at the way the whole of DOC has been shifted over the last few years towards a commercial model, without what I see as transparent public debate, there is something very definitely wrong.

The integrity of the New Zealand Public Service is protected by a document called the State Services “*Standards of Integrity and Conduct*” (which can easily be found on the internet). These standards say (in the explanation for their implementation on page 3):

*“State servants are guardians of what ultimately belongs to the public; and the public expects State servants to serve and safeguard its interests. The New Zealand State Services is regarded as one of the most honest and transparent in the world. Every State servant has a part to play in acting with integrity to maintain New Zealander’s confidence in their State services.”*

Great words! However, the *Standards* only protect when you are dealing with corrupt individuals. When an individual steps out of line, the others hold him accountable according to the *Standards*. However, when the whole management culture becomes corrupt, that culture becomes a law unto itself. The *Standards* not only become a mockery but can actually become a weapon used by hypocrites to control staff!

My view is that behind the niceties of political correctness, the beautiful conservation images and pictures of bright-eyed, young, idealistic, DOC staff holding fluffy birds (as seen in the media), the management culture of DOC has become morally bankrupt in a similar way I saw that Fletcher Challenge became morally bankrupt before its financial collapse. Even worse, I think that moral bankruptcy is a product of the political ideology above it. I really question who they are all working for.

## **Professional Managers – Tools of the Marketplace**

My observation is that these monetarist restructurings appear to be driven primarily by professional managers, who have come to dominate the executive management of numerous organisations, including conservation. I have nothing against some lawyers, accountants, medical professionals, planners, journalists, public relations experts and so on becoming professional managers and moving around from organisation to organisation. However, I think any executive dominated by these kinds of people only has allegiance to the political landscape rather than the real one.



This is because these managers have not come up from ground level. They have not formed the background relationships and common basic operational understanding of the business they are dealing with. As an example, the golden rule of land management (which I had impressed into me when I did my training both as a ranger and forester) was “Make sure you have workable boundaries on the ground.” However, in successive recent DOC restructurings we ended up with nonsensical land management boundaries. This is because senior decision makers had no real idea of what it actually meant to travel and work on the ground day after day. Instead, their world was politics, dollars, fancy ideas and endless meetings to “manage relationships”.

At one time I believe there that was a degree of separation between public servants and politicians, which brought a measure of balance. There was a balance between allegiance to the top-down ideologies of the political landscape and a ground-up commitment to the real one. These days, that separation and balance seems to me to have been corrupted by filling executive ranks with professional managers who, in my view, are too often operationally incompetent.

Now, public servants, under the leadership of these executives, behave as corporate employees of “NZ Inc. As I have said earlier, the primary focus is no longer on service to the citizens of the country but on making dollars for shareholders. In my view, this has occurred by the deliberate design of those who have come to impose freemarket ideology on our society. In this regard, I believe professional managers are tools to make all of us slaves to those forces, and in the process they are exploiting our society and environment.

Oh, and what happened to DOC Director General Al Morrison (who was actually a former journalist)? Well, on 24 April 2013 he got appointed to (quoting the press statement) “...*a top job at the State Services Commission...the newly created role of Deputy Commissioner Corporate Centre where he will be charged with increasing the pace of the change towards better public services. It involves working closely with State Services Commissioner Iain Rennie, Treasury Secretary Gabriel Makhoulf and Department of Prime Minister and Cabinet boss Andrew Kibblewhite. ... Mr Morrison brings outstanding experience at leading and implementing major change and is an excellent communicator which will be of great benefit in his work across the State sector.*”

## **My Exit from DOC**

I am not able to talk here about the exact nature of my exit from DOC (although I would like to be able to). However I have written an account which I may be able to provide at some stage.