

# Income inequality and environmental degradation: Two grand challenges for Aotearoa New Zealand



**Friday 13 September 2024**

Hosted by Juncture: Dialogues on Inclusive Capitalism, and  
Ngā Ara Whetū – Centre for Climate, Biodiversity and Society

# Income inequality and environmental degradation: Two grand challenges for Aotearoa New Zealand

Tēnā koe,

Welcome to a symposium on two grand challenges of our time, environmental degradation and income inequality. Join us in a critical discussion about these challenges and the groundbreaking work of Professor Thomas Piketty, French Economist and Wealth Inequality Expert.

Aotearoa New Zealand is engaged in vigorous debates on inequality, taxation, social and economic sustainability, and the environment. The rising cost of living is in the news. Job losses are increasing. Social expenditure is under scrutiny. New Zealand governments have tended towards orthodox economic settings emphasising a focus on inflation and reduced public expenditure.

The current government is arguing economic necessity, and is considering actively increased extraction of natural resources, marine and terrestrial, involving significant reform of environmental settings. On the other side, there are complex political discussion in play about major tax reform, and environmental groups are mobilising around concerns that economic drivers could lead to increased climate pollution and biodiversity loss.

These settings and debates reflect growing international concern about ever-greater wealth inequality and its impact on economic, political and environmental outcomes. Governments everywhere are under scrutiny as the orthodox policy settings of the last half century are challenged. Demands for boldness, for effective change, for real transformation in those policy settings are growing.

Juncture: Dialogues on Inclusive Capitalism, and Ngā Ara Whetū, Centre for Climate, Biodiversity and Society bring together experts for a critical discussion around the grand challenges of income inequality and environmental degradation and the groundbreaking work of French economist Thomas Piketty, Centennial Professor of Economics in the International Inequalities Institute at the London School of Economics (see for example, A Brief History of Equality, 2022).

## **SESSION A: Piketty and Aotearoa New Zealand – chaired by Professor Natasha Hamilton-Hart**

Professor Thomas Piketty has stated that the main challenges of our times are global warming and growing wealth inequality ('Agenda for Another Globalization', 2016). Both are political problems requiring political action. Ten years after Aotearoa economists and commentators penned The Piketty Phenomenon: New Zealand Perspectives (2014), have these perspectives shifted?

This session's keynote speaker is Hon David Parker, widely recognised as the leading thinker on tax and growth issues in the parliamentary Labour Caucus. Hon Parker trained as a lawyer and accountant, had wide business experience before entering Parliament, and has held multiple economic portfolios. As Minister of Revenue, he sponsored Inland Revenue's 2023 "High Wealth Individuals Research Project", which shed great light on wealth inequality in New Zealand. Hon Parker will speak to both the analysis of, and the policy settings for, measures to reduce income inequality in New Zealand.

## **SESSION B: Inequality and the Environment – chaired by Associate Professor Daniel Hikuroa**

The relationship between environmental degradation and wealth inequality is well-established. Economic growth in high income countries has come at the expense of the environment and exacerbation of inequality. Piketty calls for redistribution via taxation to ensure the wealthy pay a fair share for their higher environmental impact (see for example, Time for Socialism, 2021). Revenues from these taxes could be used to support low-income households and invest in decarbonisation and biodiversity restoration. Critics point out that this would be politically and practically challenging and could stifle development in

low-income countries leading to greater global inequality. Others argue that Piketty simplifies the systemic complexities and places too much emphasis on taxation as the solution. It is clear that the political and human consequences of global inequality must be addressed by policy settings that meet required environmental standards. If taxation alone is not the answer, what is the required policy mix, and where does wealth inequality fit therein?

Please note that the event will be recorded by our Media Productions Team as we intend to circulate videos of the event on our website and social media pages as a means of promoting the work of Juncture: Dialogues on Inclusive Capitalism and Ngā Ara Whetū – Centre for Climate, Biodiversity and Society.

## Organising committee

### **Professor Jacqueline Beggs**

Co-director of Ngā Ara Whetū – Centre for Climate, Biodiversity and Society

### **Dr Billie Lythberg**

Associate Director of Juncture: Dialogues on Inclusive Capitalism Centre

### **Dr Sasha Maher**

Management and International Business

### **Emeritus Professor Nigel Haworth**

Management and International Business

### **Dr Mark Busse**

Anthropology

### **Savage**

E tū

### **Dr Arie Rosen**

Law

# Programme – Friday 13 September 2024

Sir Owen G. Glenn Building, University of Auckland, 12 Grafton Road, Auckland

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|---------|--|-----------------------|--|
| 8:30am  | REGISTRATION/ARRIVAL TEA AND COFFEE IN FOYER 088 |                       |  |
| 9:00am  | SESSION A: Piketty and Aotearoa New Zealand      | Case room 1 (260-005) |  |
| 9:00am  | Welcome  |                       | Jacqueline Beggs<br>Natasha Hamilton-Hart<br>Billie Lythberg |
| 9:10am  | Keynote presentation                             |                       | David Parker   |
| 9.30am  | Response from panelists                          |                       | Craig Elliffe<br>Craig Renney<br>Susan Watson                |
| 9:50am  | Q&A  |                       |  |
| 10:30am | MORNING TEA IN FOYER 088                         |                       |  |
| 11:00am | SESSION B: Inequality and the Environment        | Case room 1 (260-005) |  |
| 11:00AM | Introduction to the topic                        |                       | Daniel Hikuroa   |
| 11:20AM | Panel discussion                                 |                       | David Hall<br>Lynn Riggs<br>Emilson Silva                    |
| 12:00PM | Q&A  |                       |  |
| 12:30PM | Closing remarks                                  |                       | Nigel Haworth<br>Billie Lythberg                             |
| 12:40pm | Event concludes                                  |                       |  |

## Speakers



### Professor Craig Elliffe

Craig Elliffe is a Professor specialising in taxation in the Law Faculty at the University of Auckland, Waipapa Taumata Rau. Craig was appointed to a chair in 2008 after 14 years as a tax partner at KPMG, and 9 years as a tax partner at Chapman Tripp. Craig's research areas are in the field of international tax, corporate tax and tax avoidance. He is the author of "International and Cross-Border Taxation in New Zealand" (Thomson Reuters and now in its third edition), and "Dividend Imputation: Practice and Procedure" (Lexis) and has written numerous articles and other materials on tax. Craig is the Director of the MTaxS programme (the leading postgraduate tax course in New Zealand) and a member of the Government's Tax Working Group in 2018/19. Craig's latest book is about "Taxing the Digital Economy" and is published by Cambridge University Press (2021).



### Dr David Hall

David Hall is an expert on climate action, with a focus on policy design, sustainable finance, and transitions governance. He is Policy Director for the Toha Network and co-founder of Rewiring Aotearoa, which promote transitions in regenerative economy and electrification respectively. He has a DPhil in Politics from the University of Oxford and is Adjunct Lecturer at Auckland University of Technology (AUT) where he teaches a paper on climate action and co-leads AUT's Living Laboratories Programme of nature-based solutions. Other roles include Contributing Author to the IPCC's Sixth Assessment Report (Working Group 2); Founding Director of the Climate Innovation Lab; and independent advisor to the Finance and Expenditure Committee's inquiry into climate adaptation. He works with a diverse range of public and private sector stakeholders on climate innovation and publishes widely in a range of academic and public-facing media, including the 2019 collection, A Careful Revolution: Towards a Low-Emissions Future.



### Chair:

### Professor Natasha Hamilton-Hart

Natasha Hamilton-Hart joined the Department of Management and International Business at The University of Auckland in January 2011. Prior to joining The University of Auckland, she held positions at the National University of Singapore and the Australian National University. She received her PhD from Cornell University in 1999 and BA (Hons) from the University of Otago in 1990. Special Interests: - Business and government - Business networks in Southeast Asia - Capital mobility and international finance - Financial policy and the banking industry in East Asia - Natural resource sector firms and property rights systems - Regional cooperation in East Asia - Southeast Asia and the United States Qualifications: PhD (Cornell, 1999); BA (Hons) (Otago, 1990). Areas of Expertise: Political economy; Southeast Asia; Business and government; International relations; International business Media Keywords: Business relations with government, Southeast Asia, International business, Indonesia, Malaysia, Singapore.

# Speakers



**Chair:**  
**Associate Professor Dan Hikuroa**

Dan Hikuroa (Ngāti Maniapoto, Waikato-Tainui, Ngaati Whanaunga, Pākehā) is a father, surfer, paddle-boarder, gardener, loves the taiao and is an Associate Professor in Māori Studies, Waipapa Taumata Rau-University of Auckland. Dan is an established world expert on weaving indigenous knowledge and science to realise the dreams of the communities he works with. Dan has been spearheading alternative ways of assessing sustainability, including braiding indigenous knowledge and epistemologies into policies, assessment frameworks and decision-support tools. Dan is UNESCO New Zealand Commissioner for Culture, member of Pou Herenga, Māori Advisory to the Climate Change Commission, has key roles within New Zealand's Centres of Research Excellence, National Science Challenges, advises national and regional government, communities and philanthropic trusts and is a member of several significant international research teams. He is member of Te Pūtahi o Pūtaiao and Te Ao Marama Faculty Research Centres.



**The Honourable David Parker**

David Parker has been Member of Parliament for the New Zealand Labour Party since 2002, when he won the normally blue Otago seat. He has held many Ministerial portfolios including Climate Change, Energy, Environment, Attorney General, Revenue and Associate Finance.

He has three main drivers in his politics - the rule of law and civil liberties, improving environmental outcomes, and a prosperous egalitarian economy. He was the Listener's Environmentalist of the year in 2008 for his work on the emissions trading scheme, New Zealand's cornerstone economic instrument to drive production and consumption in the NZ economy towards lower emissions. From 2020 to 2023 he led work by Inland Revenue and the Treasury analysing the distribution of income, wealth and tax across all strata of society.

Prior to election to parliament David was a litigation lawyer and a managing partner of Anderson Lloyd. As an entrepreneur he helped form many companies including as founding CEO of the A2 Milk company. He is currently Labour's shadow Attorney General and spokesperson for foreign affairs.



**Craig Renney**

Craig Renney is the Economist and Director of Policy for the New Zealand Council of Trade Unions. Before taking on this role, Craig spent five years working for Grant Robertson (Deputy Prime Minister and Minister of Finance) as his Senior Advisor and worked with Jacinda Ardern as Prime Minister. Craig helped to deliver the first three Wellbeing Budgets, costed the successful 2017 and 2020 election manifestos for Labour, and worked on the COVID-19 economic response. A regular commentator in print and other media, Craig worked across the New Zealand government's industrial relations programmes, including Fair Pay Agreements, Income Insurance, and the Tripartite Future of Work Forum. Craig has worked for the NZ Treasury, MBIE, and the NZ Reserve Bank. Craig is the Vice-Chair of the Labour Party Policy Council.



**Dr Lynn Riggs**

Lynn Riggs has more than 20 years of experience working as an economist. While working at Motu Research, she conducted economic research on a variety of topics, including the distributional impacts of climate policy. Throughout her career, Lynn has worked extensively with large, confidential data sets. Her research interests are in labour, health, education, climate policy, and financial economics. Lynn received her PhD in economics from the University of Wisconsin-Milwaukee.



**Professor Emilson Silva**

Emilson Silva was appointed Director of the Energy Centre in 2023, and is also Chair in Energy Economics, in the Economics Department at the University of Auckland Business School.

A passion for solving economic, behavioural puzzles drives Professor Silva to strive for excellence in economics' research, teaching and outreach activities. Professor Silva's successful career, spanning thirty years of academic and administrative experience, is an important enabling asset for the challenges in taking the Energy Centre to a dominant, central position in energy economic policy in New Zealand.

Previously, Professor Silva spent nearly twelve years at the University of Alberta, where he held the Campus Alberta Innovation Program Chair in the areas of Energy and Environmental Economics at the Alberta School of Business from 2012 to 2019, and Department Head from 2018 to 2021. Professor Silva has published in top journals in Economics.



**Professor Susan Watson**

Susan Watson is the Dean of the University of Auckland Business School. She holds joint chairs in the Faculty of Business and Economics and the Faculty of Law at the University of Auckland.

Susan researches corporate law and corporate governance with a particular interest in the corporate form. In her research she considers corporations and their features from multiple perspectives seeking to understand the reasons for their economic, societal and environmental impact. Her monograph *The Making of the Modern Company* traces its origins back to 1657 and in doing so identifies what might be the key features that make the modern company the omnipresent business form across the globe.

In 2016 Susan won the Legal Research Foundation Sir Ian Barker Published Article Award. She was elected president of the Society of Corporate Law Academics in 2020; the first person from outside Australia. She is the only person appointed a Research Member of the European Corporate Governance Institute to date.