

# Patrick Nicholas

*If you ever meet Patrick Nicholas you wouldn't think he would have two cents to rub together.*

**Y**ou could spend hours with him and for your life not know why anyone would take the time to interview him. For he is a man of mystery, strongly introverted, reluctant to speak about himself or his way of thinking.

But luckily, in stepped Mary Fry, one of New Zealand's best known mediums (able to talk to the dead). While in Tauranga she approached Patrick, saying she had been in contact with his grandparents, and they wanted him to help the Maori people. What could a twenty-four year old do?

The following is an interview with Patrick Nicholas on how to solve the social and economic problems that face the Maori people.

Before comprehensive solutions can be contemplated to achieve these goals, one must have an understanding of the basic. These will be explained first.

**Q. Tell me, do you believe maori land is utilised to its full potential and if not, why?**

**A.** Many trustees of maori land throughout the country, especially retired farmers, seem to have the belief that they know everything there is to know about land utilisation. New Zealand has a proud tradition in agriculture and horticulture, in some areas we lead the rest of the world, so you can imagine the shocked faces when I say to you "I doubt if there are many trustees who have the faintest clue about land utilisation". Pick any block of land in this country, tell me how many uses you can see for it, the possible returns, and the number of jobs it can create. For every one you can pick, I will show you a thousand better.

Many people make the mistake of thinking that assets' only uses are those that they were made for, for example shipping – to carrying things; commercial buildings – renting; land – growing things. Take land utilisation for example. When people look at land all they can see are cows, sheep, or timber. One must understand that these land-based enterprises are capital intensive and therefore, like all capital intensive projects, produce few jobs for the amount of capital employed, and have a very low return on investment. Around the 1930's there was this fellow from around the East Cape by the name of Apirana Ngata, a man who tried to solve the economic problems that faced the Maori people by, of all things, milking cows. As one would have expected and as history has shown, his attempts were destined to fail. Many of the world's

greatest businessmen have made their fortune in capital intensive industries because when they look at assets what they see is collateral, something that can be borrowed against, then the funds borrowed can be employed in any venture they want. The difference being trustees can only see soil and think what they could grow on it, while the more astute businessman can see that land can be used for any commercial enterprise that the mind can perceive. A business that can create a much larger number of jobs for the amount of capital employed and that have a much higher return on investment. Also, 'off the farm' investments make it so much easier to use leverage. This principle is not new.

When someone is going into business they go to their business advisors, the advisors ask them how much money they can put in. They answer none. Then the advisor will ask whether they own their own house. They reply yes. Then the advisor would tell them how the capital in their homes can be released to start up the business of their choice. The same principle works with homes, land, ships, and buildings. The principle is difficult for some people to grasp how a paddock covered with gorse can be used for an investment into computer technology, and that's without removing the gorse. How enormous profits can be made from leased land without having to wait for the lease to expire.

**Q. So you say, if the Maori people could see that land was collateral their economic problems would be over?**

**A.** No, it takes a lot more than that to perform miracles. A couple of thousand years ago a fellow by the name of Jesus Christ taught his followers that faith was a prerequisite to performing miracles, and that if one had enough faith he could say to a mountain, move, and it would move. If one understands the saying "Make molehills into mountains", that molehills means little problems and mountains are big problems, then Jesus meant "If one had enough faith he could say to unemployment, be removed, and it would be removed." Going by the size of Jesus Christ's following there must have been some truth in his teachings. If the Maori people had the faith Christ was talking about, they could solve all their problems. He didn't mean going to church and reading the Bible all the time. I believe he meant having a positive mental attitude, having faith in one's ability and constantly visualising oneself in a positive state. Muhammed Ali once said, "If you only believe, you can get anything you want. All the pretty girls, flash Cadillacs, and huge mansions." Ali, along



with Jim Thorpe, was probably the greatest sportsman of this century. All that a man achieves and all that he fails to achieve is the direct result of his own thoughts.

But a positive mental attitude is a grey matter, meaning between the ears. To cultivate that is the greatest way to raise the Maori off the lower socio-economic level. Because it is people development and people are our greatest resource. Land utilisation is only the second greatest way, because land is our next greatest resource.

**Q. Is there more to land utilisation than you have told me?**

**A.** Sure. We could spend the rest of our lives talking and we would only have covered the tip of the iceberg. Understand this, the fact that land-based industries produce few jobs for the amount of capital employed, and have a very low return on investment compared to other industries is only of secondary importance. The biggest problem with Maori economic development is that they have continually committed the greatest sin in business, which is to wholly own your business. This is the secret of business, "to make maximum use of other people's money (O.P.M.) and resources. This is the reason why some businessmen struggle to make ends meet, while others in the same line of business are able to build immense fortunes.

If one aim in business is to make a lot of money, one must not totally own his business. He must use mortgage gearing or O.P.M. which means borrowing funds or other forms of finance. His owner's equity must only be a fraction of the total value of the enterprise. If you have social reasons for going into business, you could use other forms of leverage. You probably would not use borrowed money because there is a charge on it, interest. Instead you would use other people's capital.

Let's start with making money and mortgage gearing. Mortgage gearing has probably created more self-made mil-