

The Labour Party after 75 Years

EDITED BY MARGARET CLARK

Occasional Publication No. 4, Department of Politics
Victoria University of Wellington

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Foreword

The 75th anniversary of the founding of the New Zealand Labour Party occurred in 1991. Needless to say the party itself was not in a notably celebratory mood, having just suffered a huge electoral defeat and all that that entailed in terms of after-the-event recriminations and soul-searching. However as academics we thought the occasion should be marked and pondered. After all there are not many local organisations which have persisted for half the length of our constitutional history, let alone one that is so full of impassioned, ideals-driven, argumentative people as the Labour Party.

The following papers were presented at a day-long seminar held in the Stout Research Centre on 29 October 1991. Contributors contemplated not only the Labour Party's past triumphs and disasters, but also its future political and policy options. Party activists and officials present were as frank as more detached observers in acknowledging the Party's internal difficulties and contradictions, and the need to define a fresh vision for itself. The discussion was lively and good-natured, but alas our efforts to record it for transcription failed. It must remain only a pleasant memory for participants.

From the papers you will see that although problems were recognised few prescriptions for change were proffered. The Labour Party itself must go through the laborious process of putting its house in order and fashioning a new consensus with which to inspire enthusiasm in the voters. To function effectively our system needs coherent and confident political parties capable of evoking commitment from thoughtful citizens.

We wish to thank those who contributed such interesting and provocative papers to the seminar, and the Stout Research Centre for their hospitality.

Margaret Clark
Department of Politics
Victoria University of Wellington

Contributors

Barry Gustafson is Associate Professor in the Department of Political Studies, University of Auckland. He has written widely on the political history of New Zealand, and also on Eastern Europe. His biography of Michael Joseph Savage, *From the Cradle to the Grave*, was published by Reed Methuen in 1986, and he is currently completing a biography of Sir Robert Muldoon.

John Henderson has worked not only in universities, but in the Labour Party Research Unit, in the Commonwealth Parliamentary Association (London), and in the Prime Minister's department. His writings on leadership have included a biography of Sir Wallace Rowling.

Colin James is one of New Zealand's most distinguished political journalists. His articles have appeared in many magazines and newspapers, and in 1986 Allen and Unwin/Port Nicholson Press published his book *The Quiet Revolution* on the early period of the fourth Labour Government. A year as Robert Stout Fellow at Victoria University has enabled him to complete a sequel which will appear soon.

Stephen Levine teaches in the Department of Politics at Victoria University. He is a polymath as his prolific writings include not only books and articles on New Zealand, Middle Eastern and Pacific politics, but detective stories as well.

Tipene O'Regan left the security of being Head of the Department of Maori Studies at the Wellington Teachers' Training College to freelance as a bridge between the Maori and Pakeha communities. His writings, television programmes, service on innumerable government bodies, and Ngai Tahu advocacy have recently been recognised by the University of Canterbury with the award of an honorary doctorate.

John Roberts is Professor Emeritus of Public Administration at Victoria University. His interests and commentaries have not however been confined to the bureaucratic or the political, but have spilled over

into architecture, literature, music and the arts – in short all that makes life worth living. The Concert Programme features 'The Roberts Report' every fortnight.

Nigel Roberts is a political scientist (who doubles as Director of Victoria's Centre for Continuing Education) and a marathon runner. He and Stephen Levine have collaborated on election studies since 1975. He also has a long-term interest in Scandinavian politics.

Jack Vowles has taught at both Auckland and Waikato Universities. His current research focusses on electoral behaviour, but he has also published numerous articles on a broad range of aspects of New Zealand political life.

Margaret Wilson is an industrial lawyer who left Auckland University to serve as Labour Party President during the term of the fourth Labour Government. She reflected on the experience in *Labour in Government: 1948-87* (Allen and Unwin/Port Nicholson Press, 1989). Currently she is the foundation Dean of Law at the University of Waikato.

1

Coming Home? The Labour Party in 1916 and 1991 Compared

Barry Gustafson

In his novel *Children of the Poor*,¹ John A. Lee's main character, Albany Porcello, returns as a man to Riversdale, a wonderful, magical place as perceived through the nostalgia of his childhood memories. Albany trembled with anticipation as he remembered that home. It was a world 'of majestic sunsets...of the quivering music of insects...in the heat of midday...of feathered songster that throbbed an evening chorus... The world was wide and full of thrills in the daytime'. He was coming home.

The New Zealand Labour Party is 75 years old. It was established, after twelve years of debate and conflict, at a conference in Wellington on 7 July 1916 and since that time has enjoyed a turbulent but honourable history. After 75 years one would expect considerable changes both in the party itself and in the political, economic, social and cultural environments of which it is an inextricable part. Some have suggested that the changes have been too great and altered the essence of the party's identity. Since the devastating defeat of the fourth Labour Government in October 1990, a recurrent theme in Mike Moore's speeches has been the suggestion that, after straying far afield, Labour should 'come home'; that Labour should return to its roots, reject as did the prodigal son an alien lifestyle and fairweather friends, and embrace once again its own family and the values of its early life.

Moore's theme of 'coming home', however, raises more questions than it answers. Home to what? Was home a place, a people, a social group or whanau, a set of shared beliefs? How does one get there? Does it still exist? Should one try? What would one find when one got there? Is it still possible to make such a pilgrimage? Was it really a happy, united family home or a house of many rooms inhabited by people who disagreed with and never really liked each other? Does one

have a number of homes over a period of 75 years and which one if any should one return to? Is home in fact not a place but where one's heart is?

To try to answer such questions it is necessary to summarise briefly the history of the Labour Party from its foundation in 1916 to the present day. An Italian political scientist, Angelo Panebianco,² has argued that 'a party's organizational characteristics depend more on how the organization originated and how it consolidated than upon any other factor'. The New Zealand Labour Party's genetic model embodied the values, perceptions, goals and organizational processes of the party's major sponsor, the trade union movement. It should never be forgotten when trying to understand the Labour Party that it was created by and on an existing substratum of organised social units, the trade unions, for the explicit purpose of putting more manual workers into parliament to represent and pass legislation in the interests of the class of which they were not only representatives but also members. Members of Parliament would govern not just paternally in the interests of the working class but would speak and act with experience because they themselves were workers. The Labour Party was the political voice and arm of the trade union movement and many trade unionists gave their primary loyalty to the union and only their secondary, indirect loyalty to a Labour Party which, from the first, many saw as being dominated by opportunists, compromisers and careerists.

From its inception, however, Labour had a dual nature. It was also a social democratic party. Woven into the party's fabric during its formative years were other sections of society who felt, and indeed were, alienated from the mainstream of New Zealand society and politics; women wanting equality with men or independence from the male patriarchy; the Maori, particularly the poor and those who did not enjoy rangatira status; conscientious objectors, pacifists and anti-imperialists; monetary reformers; Christians with a social conscience; secular humanitarians; Marxists of various persuasions; people seeking jobs, homes, pensions, health services and education for themselves, their families and others; those envious of the advantages others had; and those who simply detested the Reform Governments of Massey and Coates and what those politicians personified.

Although never as united in composition or objectives as later mythology suggested, the Labour Party at first did share a common set of beliefs which gave it a collective identity and solidarity. Labour was not just concerned with its survival as an organisation or with political power for its own sake. Labourism was and is not synonymous with socialism but both stress a sense of corporate identity economically, socially and politically and both seek to protect and improve the lot of

the less affluent and less powerful in society. It is no accident that in the 1930s the Labour Party translated into Maori became Roupū Rawakore (Party of the Poor) and Ngāti Kai Mahi (Party of Food for the Workers).

Freedom from poverty, unemployment, oppression, exploitation and alienation were the common objectives most people in the Labour Party believed in for most of the party's 75 year history. While recognising the antagonism and conflict inherent between corporate class interests, most of those in the Labour Party also sought harmony in society and argued that state intervention was both essential and desirable if those divisions were to be minimised and society kept stable. If the two specific interrelated things Labour hated most – unemployment and poverty – were to be at the very least minimised and hopefully fully removed, governments would have to legislate, arbitrate and regulate to build and maintain a healthy economy and a welfare state in which, to use Michael Joseph Savage's words, people would be 'secure against poverty, secure in illness or old age'. Labour believed that capitalism could be humanised and legitimised by the creation of the welfare state and the fostering of equality of opportunity, especially through education.

Labour's intellectual heritage derived only indirectly and peripherally from Marx. Much more of Labour's social justice agenda reflected the ideals and the rhetoric of Old Testament prophets such as Isaiah and Amos and the concern Jesus Christ showed for the poor, the dispossessed, the powerless and the alienated. The Americans Henry George and Edward Bellamy contributed to the anti-speculation and cooperative elements embedded in Labour's outlook. A range of writers – John Atkinson Hobson, John Maynard Keynes, Irving Fisher, Frederick Soddy, and Clifford Hugh Douglas, for example – convinced Labour's early leaders that poverty amidst plenty was a ridiculous obscenity caused by underconsumption and a maldistribution of purchasing power. A growth in demand was necessary to generate a growth in consumption and further production, encouraging investment, creating employment, further increasing demand and providing the tax base sufficient to maintain a welfare system on which there was diminishing instead of escalating pressure. A partial redistribution of wealth through graduated income taxation and the welfare system, combined with the use of budget deficits, low cost Reserve Bank credit, and loans for productive purposes, would help see New Zealand through times of recession. The money supply should be carefully controlled by the government to prevent, on the one hand, speculation and inflation and, on the other hand, credit squeezes, high interest rates and barriers to productive investment.

The first Labour Government between 1936 and 1939 brought the Reserve Bank totally under government ownership, restored the industrial arbitration system, introduced a forty-hour working week and a minimum basic wage, made union membership compulsory, set up a guaranteed price scheme and a state marketing system for dairy produce, built state houses financed by low interest (1.25 per cent) Reserve Bank credit, greatly expanded education, established a comprehensive state broadcasting system, and removed state discrimination against Maori. The major achievement was undoubtedly the Social Security Act of 1938 which increased pensions and the family benefit and introduced a national health scheme, largely free to patients and funded by a special income tax.

By the 1940s not only the Labour Party but also the New Zealand National Party had come to accept the legitimacy, the necessity and the desirability of the government regulating to maintain a mixed economy and the welfare state. There was a broad and largely unchallenged consensus for almost forty years that New Zealand had found a successful middle road between laissez faire capitalism and state socialism; employers and employees; private sector and public sector; town and country; rich and poor; powerful and powerless; individual and collective; responsibilities and rights.

But societies, if not basic human values and rights, change over time, and so, not coincidentally, do political parties. Consensus politics in New Zealand crumbled during the 1970s and 1980s. Because the media and the public like their politics personalised, at first Sir Robert Muldoon got the blame. With the advantage of hindsight one can now see that he was a symptom rather than a cause of the huge groundswell that was disintegrating New Zealand society and politics. Indeed, it can be argued that Muldoon was a conservative Canute desperately trying to maintain New Zealand's mixed economy, welfare state, interventionist government and Keynesian-humanitarian consensus, which he had inherited not only from Sir Keith Holyoake but also from Savage. It was not to be.

The globalisation of the world economy; the energy shocks of the 1970s; the dramatic and rapid onslaught of technological change, especially the information revolution; a protracted and disastrous deterioration in New Zealand's terms of trade; a long slide into low international competitiveness; a failure to maintain growth; a rise simultaneously in inflation and unemployment; high interest rates, partly caused by demand for capital by speculators greedy for capital gains rather than production; rising overseas debt, reducing the government's independence and flexibility; persistent budget deficits; and the continual thwarting by both employers and unions of govern-

ment attempts to get agreement on an incomes policy, all undermined the Keynesian-welfare state structure of post-World War II New Zealand.

Other divisions also appeared, confusing and dislodging previous partisan certainties: Vietnam; South African rugby tours; nuclear ship visits; abortion; homosexual law reform; women's rights; the Treaty of Waitangi; the environment.

Opinions were challenged and formed and transmitted by television. Images, photo opportunities, and information-bite headlines became more important than reasoned argument in perceptions of events, personalities, policies and partisanship. Mass beliefs came from mass information through mass communications. Complex issues were oversimplified. There developed a chaotic and fickle market-place of ideas, opinions, judgements and values. Put daily under a merciless, confrontational spotlight, politicians desperately tried to satisfy numerous, varied, conflicting and often unrealistic demands and expectations. The public started to lose faith not only in the ability but also the integrity of those politicians and their parties, and indeed in the integrity and efficacy of the process of democratic government itself.

The Labour Party appears to have lost its way, and its identity, in the 1960s and 1970s, although some would argue that it happened earlier in the 1940s and 1950s. At the 1963 election Labour projected a 'New Look'; at the 1966 election it offered a 'New Leader'; at the 1969 election that 'New Leader' became a 'New Image'. Even Norman Kirk, however, who held out such hope of a 'New Direction' to the Labour Party as he tapped a widespread mood for change in the electorate in 1972 and led Labour to a deceptive twenty-three seat majority, was struggling in the months prior to his death in 1974 to identify and articulate precisely what Labour stood for.

It was much easier for Kirk's successors to identify what Labour stood against. That can be summed up in one word: Muldoon. The Labour Party, like nearly everyone else involved in or interested in New Zealand politics, became fascinated by Muldoon, especially in the 1974-84 period, and created their own identities as a response to Muldoon. Little wonder that many in the Labour Party were attracted to policies and positions that were diametrically opposed to his.

By 1984 a large majority of New Zealanders had had more than enough of Muldoon's styles of leadership and government. There was widespread public concern about continuing unemployment, massive overseas borrowing, renewed inflation, credit squeezes, housing shortages, inadequacies in education, the nuclear threat, women's issues, increasingly arbitrary intervention and regulation, and a mass of subsidies and controls.

As in the past, an incoming Labour Government was determined to reverse its predecessor's policies and looked overseas for explanations and solutions to the problems it faced. But the intellectual critique and policy approach the fourth Labour Government of David Lange and Roger Douglas adopted – a critique and approach resolutely rejected by Muldoon – was almost the opposite to that embedded in the Labour Party during its formative 25 years. Inevitably there was a crisis of identity within the ranks of Labour's traditional members and supporters as their government started to implement policies which had their origin in the 'New Right' radicalism of Fredrich Hayek, Milton Friedman, Margaret Thatcher and Ronald Reagan.

The history of the fourth Labour Government is well-known and fresh in everyone's memory. Labour quickly, decisively and comprehensively deregulated the financial sector of the economy, a sector traditionally viewed with considerable suspicion by the Labour Party. Labour ministers talked about the neutral state and an economic level playing field. But the state was clearly not neutral and New Zealanders as a whole were clearly not equipped equally to play on the so-called level playing field, even if such a field exists, either at home or abroad.

The major shared values of the traditional Labour Party were rejected as a high cost in unemployment and poverty was paid in the interests of creating a totally free market and destroying the mixed economy. The concern of the early Labour Party for collectivism, cooperation, consensus and mass consumption appeared to be sacrificed to the individualism, competition, consumerism and callous indifference fostered by the fourth Labour Government. A few quite substantial crumbs, such as the reintroduction of compulsory unionism, the anti-nuclear legislation, and more attention to the grievances of Maori and women, could not adequately compensate for the overall thrust of Labour's policies between 1984 and 1990 and the adoption of the particular philosophy, indeed dogmatic ideology, that directed those policies.

In a number of books and articles written over the past twenty years I have argued that, while any political party is the product of its history, it must also respond to inevitable changes in the composition, values, demands, technology, economic realities and sectional relationships of its society. To do otherwise is to risk becoming irrelevant and being shouldered aside by an increasingly alienated electorate. Any party which clings exclusively and timidly to its traditional base risks retaining only enough votes to become a permanent minority.

During the late 1970s and the early 1980s the New Zealand Labour Party, at first hesitantly, with misgivings and considerable internal strife, did respond to those changes both organisationally and

programmatically. But the necessary response to social change and a broadening of a party's electoral appeal invariably imposes considerable strain on the party as it tensely debates its philosophy, attitudes, policies, representative nature, desire constituency, goals, leadership, and ways it funds and organises itself. With the Labour Party during the 1984-90 period the response went too far and eventually confused, then angered and finally enraged many of Labour's traditional core support. After Arnold Nordmeyer's 'Black Budget' of 1958 I wrote that the grassroots membership of the Labour Party became sparse and parched. After Rogernomics there were no grassroots, only some hardy flaxroots in the swamp.

Arrogantly, Labour forced through changes for which it had no mandate even from its own supporters. More freedom, power and wealth were given to the already influential and affluent but for the less fortunate Labour's policies and actions devastated their lives, their aspirations, their security. An increasing percentage of New Zealanders became individuals lonely and afraid in a world they never made, over which they had no control, and which they could not understand.

The disparate and in the longer term incompatible voting alliance that returned the fourth Labour Government to office for a second term in August 1987 was not an organic, healthy or stable regeneration of the party. The first Labour Government had completely changed the economic, social and political face of New Zealand after 1935. Labour made New Zealand, even if not perfect, much closer to its supporters' ideal of how they wanted it to be. Fifty years later there was clearly need for reform: for some deregulation; greater efficiency and accountability; less waste; improvements to the health and education systems; a revamped public service; less arbitrary and capricious government; a freeing-up of the economy with less protection and subsidies. But the fourth Labour government went much further than that and for the second time this century again radically altered the socio-economic landscape, this time moving the centre of gravity sharply to the right. The fourth National Government elected in October 1991 may have continued where Labour left off, but the essential demolition of the Keynesian welfare state had already taken place. It is doubtful that any National government would ever have been allowed to do what Labour did without massive resistance from the trade union movement and the many other pressure groups in New Zealand.

Political parties are created, dramatically transformed, and sometimes destroyed in times of considerable economic crisis and social instability. Especially in times of electoral defeat, when disappointment, disillusion, frustration, and recrimination are reflected in disputes over personalities, issues, priorities, policies, tactics and even ultimate goals, there is a

strong possibility that a major disaster such as an economic depression or a war will split an existing party and transfer a substantial proportion of its traditional support either to a new or existing alternative party. In the absence of an acceptable alternative, and especially in a bipolar party system such as New Zealand, voters who do not wish because of residual prejudice to change to another long-detested existing party are forced reluctantly either to continue supporting what for them has now become the lesser of two evils or to drift into non-voting. It is perhaps worth noting that had Ken Douglas, as president of the Confederation of Trade Unions, not thrown his weight behind the Labour Party after the formation of NewLabour and before the 1990 election, even at the expense of splitting the Socialist Unity Party of which he is the leader, Labour's 1990 defeat might well have been even more devastating.

Today Mike Moore and the Labour Party appear to be trying to renounce the legacy of Roger Douglas and revert to a more traditional Labour position. That is difficult for men and women who were key figures in the fourth Labour Government. Other parties with no such legacy and more moral authority now compete with Labour for the right to speak for the unemployed, the poor, and the powerless. NewLabour, Mana Motuhake, the Democrats, the Greens, the Liberals, and even a section of the National Party personified though not led by Muldoon and Winston Peters attack the New Right, whether Rogernomics or the Ruth Richardson version, even more harshly and loudly than does the Labour Party. And therein lies Labour's dilemma. Neither New Zealand nor the Labour Party can ever be the same as they were in the past. Both have changed too much.

Is 'home' what the Labour Party stood for in 1916, or in 1935, or in 1957, or in 1972, or in 1984, 1987, or 1990? 'Home' to Ken Douglas, in both organisational and policy senses, has a totally different meaning from what it suggests to Roger Douglas. Where do Mike Moore and the rest of Labour see home as being? Somehow there has to be a recognition and a combining of past ideals and values with a recognition that the problems facing New Zealand in the 1990s and the 21st century cannot be solved by dogmatically following theories set out fifty, a hundred, or more years before. Neither the doctrines of Karl Marx nor Adam Smith nor John Stuart Mill nor the numerous variations of their disciples, despite the insights they may well provide, are a suitable comprehensive blueprint for the future. Common sense, compassion and a commitment to the common good might be a better set of guidelines as Labour looks to the future. To dwell too much on the past or to seek to return to an earlier home which, perhaps always at least partly existed in the imagination, is a recipe for disillusion if not delusion.

That doesn't mean that Labour in the 1990s cannot, however, create a contemporary home which incorporates some of the features, the inhabitants, and the outlooks of the past. Certainly, it must try to put together again the alliance of the less powerful and less fortunate in society, the unions, the Maori, Pacific Islanders, feminists, environmentalists, anti-war and anti-nuclear voters, the secular and religious humanitarians, and the advocates of social justice. It will not be easy and it will not be enough. Other voters will want to be convinced that Labour is more than a protest party, that it does have answers to contemporary problems. Labour could do worse, if it is to continue looking overseas for ideas, than examine Germany's 'social capitalism', because, while wealth has to be created before it can be partially redistributed, if the less fortunate are ignored neither the health of the economy nor the health of the society can be guaranteed; and the Germans still seem to recognise and respect that relationship. But one wonders whether New Zealand needs slavishly to copy any overseas model. Perhaps we should simply apply some common sense indigenous solutions while recognising the restraints of being locked into the global economy. Labour could weave together the strands of social concern, participatory democracy, and nationalism based on ethnic, environmental and nuclear concerns, to present a clear alternative to a National Party that has moved to a more centre-right and internationalist position.

Just as Moore has set out to return Labour to its home so, as I said at the start of this paper, Lee's Albany Porcello returned to Riversdale in great expectation:

One should never go back. The four-roomed house was a decrepit shanty. The huge section was a miserable corner of ground. The pond was a filthy puddle. The pines did not pierce the sky, did not even impede passing clouds. The neighbourhood seemed incredibly weary, void of romance. What had been heaven to the child was so fearfully dull that my mind could not recapture any thrills... No birds sang magical notes from tall steeples. I was soon back in the car... I wanted to escape with my memories intact, escape before I yawned. I wanted to get near the place I had once known, and I could do that only by running away. Do we run away when we verbally recapitulate? Make the sordid romantic?

Memory never flows in a clear stream. There are huge blanks with vivid patches here and there, as though one's mind were a camera which registered some impressions with brilliant sunlight clarity while being permanently closed to others. Sometimes it is a quality in the happening that is recorded, and ocular details are blurred in the glow of such a quality. Some memories seem to have registered the pulsation of each heartbeat, and yet that moment may be the only one remembered in long months. The milestones are remembered because of their unusual detail, the miles because of the monotonous quality of the detail. And one cannot be sure that the milestones are registered

chronologically. Confused jumbles of happenings and half memories, shadowy recollections, surround instants, sometimes hours, of brilliant mental recording.

It is dangerous to live in the past. While a party, like a person or a nation, which forgets the past may be doomed to relive it, it is also true that history can bind and blind. The Bible says that without a vision of the future a people perish; and so does a political party. If 'home' means a retreat into yesterday, to the Labour Party of 1916 or even 1935 rather than the 1990s, then perhaps Roger Douglas was right at least in leaving the security of that home and trying to understand and struggle with the challenges of the present and the future. The new home he tried to create, however, was not one the Labour Party could ever have lived in comfortably. It will be interesting to see if Mike Moore can do better.

Notes

1. John A. Lee, *Children of the Poor* (Christchurch, 1973).
2. Angelo Panebianco, *Political Parties: Organization and Power* (London, 1988).

2

The Rise and Fall of the Market Liberals in the Labour Party

Colin James¹

The mythology about the years 1984-90 in the Labour Party is that the party in government was captured by a small cabal of monetarist/free-market ideologues. These ideologues are commonly supposed to have wreaked havoc on the economy, on the prized social services established by the first Labour Government, on the security which that Government promised to all and, most heinous of all, on cherished and venerated beliefs and tenets of the Party.

Within the Labour Party this mythology was given its most dramatic expression at the conference in November 1987. A Government which had won re-election just three months earlier with an increased share of the vote and an increased parliamentary majority (though a smaller plurality of the vote) was pilloried and vilified in an atmosphere of distrust and recrimination. Eighteen months later a segment of the party split off, after failing at the 1988 conference to win the presidency in order to force a standoff between the party organisation and the cabinet. Under the leadership of Jim Anderton, who had been president from 1979-84 and was the unsuccessful challenger in 1988, the defectors formed the NewLabour Party dedicated to preservation of the principles of the Labour Party as they had been traditionalised and the economic policies through which they had been translated into practice.

The essence of the mythology was that the small cabal of usurpers, in order to redress economic ills which were exaggerated and/or wrongly defined, was using means which by their nature would, and were intended to, lead to a social order different in fundamental respects from that pursued by the Labour Party since its formation in 1916. From 1986 on, Rogernomics, as the policy line had come to be known after the Finance Minister, Sir Roger Douglas, was therefore ritually condemned at Labour Party conferences.

The cabal was indeed small, even in the mythology. From 1984-87, it consisted of Douglas, his two Associate Ministers of Finance, Richard Prebble and David Caygill, who held the economically important portfolios of transport and trade and industry, the Minister of Internal Affairs and Local Government, Michael Bassett and Douglas's parliamentary undersecretary, Trevor de Cleene, cheer-led on the back benches by Peter Neilson who had chaired the caucus economics committee in opposition. They were wilfully aided and abetted by the Deputy Prime Minister, Sir Geoffrey Palmer, and, for a time, the Prime Minister, David Lange, and fellow-travelled with varying degrees of enthusiasm by the likes of Phil Goff and Colin Moyle in the cabinet and David Butcher, Jim and Bill Sutton, Annette King, Bill Jeffries, Peter Dunne and Clive Matthewson outside the cabinet, almost all of whom came into the cabinet at some time from 1987 on. Fellow-travelling was insidious: by early 1989 even Helen Clark, a pillar of the left then on her way to the deputy prime ministership, was regarded as a fellow-traveller for capping health spending; so were a number of other senior MPs and eventual ministers, such as, for example, Margaret Austin, who would have been dismayed in 1987 to have been numbered among those in the cabal.

But for such a small cabal to have been able radically to depart from Labour principles and, the mythology would have it, to have caused havoc in the economy at terrible cost to Labour supporters and to both stay in power within the Government and to get that Government re-elected with a larger share of the vote, it must have possessed astonishing, indeed mythical, powers.

This was at a time when the party organisation outside Parliament was unmistakably in the hands of the liberal-left.² The president from 1984-87, Margaret Wilson, was an avowed socialist and the great bulk of senior elected and appointed officials were also. The majority of the Labour Party caucus would have been horrified at the 1984 election to have been described as 'new right' or even 'more-market', then the more common phrase. Furthermore, the 1987 re-election was at a time when opinion polls were expressing widespread public disapproval of elements of the economic policy line.

The usual explanations for this paradox are institutional. They have gone something like this:

- a combination of cabinet discipline and the distraction of unsympathetic ministers from economic issues by the heavy workloads in their own portfolios locked in the cabinet; the traditionally tight New Zealand parliamentary party discipline locked out the back bench from a realistic possibility of challenging or overturning cabinet

decisions, short of bringing the Government down which long traditions of Labour loyalty rejected;

- in a small polity with no formal checks and balances, government has traditionally been conducted by a small number of bureaucrats and ministers, usually testing their moves with a small number of outside grandees in business, the unions and other interest groups, all on first-name terms and thus able to act swiftly, informally and with little constraint;
- the Treasury and the Reserve Bank dominated channels of economic advice to the Government and had been converted to a deregulatory economic prescription during the years in which Sir Robert Muldoon was Prime Minister and Minister of Finance, from 1975-84; a Treasury officer was seconded to the office of the leader of the Opposition;
- the Treasury was supported by a powerful clique of like-minded big business operators through the Business Roundtable;
- there had been a pre-election agreement by the cabal inside the Labour Party, partly drawing on analysis by the seconded Treasury officer, to move in a deregulatory direction and this had not been clearly spelt out to the bulk of the Labour Party and the electorate, partly because it met vigorous, though unsuccessful opposition, in the upper echelons of the party at the time the manifesto was being written;
- a foreign exchange crisis at the time of the 1984 election enabled Douglas and the Treasury to take a series of quick deregulatory decisions immediately on election which put the new cabinet on a path which it became progressively more difficult to get off; and the initial steps along that path were the more readily and broadly accepted because of the extremes of regulation to which the Muldoon regime had subjected important components of the economy, including wages, from 1982.

To these are sometimes added a wistful recognition that the Labour Party in general had taken little interest in economic policy. For example, even at the 1985 conference at which approval was given to the Government to broaden the tax base to include the universal value added tax, GST, and thus, symbolically, the deregulatory direction was endorsed, remits on education outnumbered those on economics on the order paper. Economic management policy had hitherto been taken

almost as a given of near tablets-of-stone variety, with little attention to re-examining or updating it in the face of changing circumstances. As a result, organised intellectual resistance to the deregulatory economic policy line, either from outside the cabinet or within it, was difficult, if not impossible.

All of this is true. But it does not explain the upheaval of 1984-90; or, even if it does, it does not explain why the upheaval kept going once a 'corrective' deregulation had been applied to the Muldoon excesses and after the Labour Party (almost all of whose new MPs elected in 1987 were of the liberal-left), the Prime Minister (at the end of 1987) and the public woke up to the cabal's supposed intentions. It does not explain the conversion of many initial opponents – for example, Rob Campbell, a supposedly 'left' trade unionist – to strong or qualified support of the policies or, within the Labour caucus, the acquiescence of the majority, most of whom were not, never have been and never will be 'new right'.

I want to suggest there were two important additional ingredients in the mix which largely account for this mystery. One was the changing conditions in which policy had to be formed. I have written about this elsewhere³ and will bring the material together in a book to be published early next year. I will simply list those conditions here.

- 1 Our place in the world changed enormously, from the bosom of the dominant empire in which we had a symbiotic economic, political, military and sentimental relationship with the centre, to the outer courtyard of the emerging Asian empires of Japan and China. In a number of ways, insulation or isolation from or even smorgasbord interaction with the outside world became progressively less practicable: finance was internationalising, business was globalising, satellites had made communications progressively cheaper and more instantaneous and environmental 'interconnectedness' was increasingly apparent to increasing numbers. Self-protective (colonial-mindset) options had not been realistically available since at least the early 1980s.
- 2 There was a serious economic problem: there were major macroeconomic distortions; international competitiveness (and therefore earning power) was lacking in both product mix and management practices; there was a consequential prospect of a continuing long-term decline in the terms of trade and attendant economic, social and therefore political pressures. Incremental tinkering was no longer a realistic option; root and branch change was necessary.

- 3 A strong and increasingly successful intellectual challenge had been mounted internationally to the former prevailing social democratic consensus. In its place had developed what is called in some quarters the Washington consensus, which is now driving economic policy on all continents to a greater or lesser – and increasingly to a greater – degree. The intellectual shift profoundly affected younger bureaucrats and other economic analysts in New Zealand in the early 1980s.
- 4 The trend was bucked by Muldoon who went backwards into liberalisation, resisted substantial change in state management and when confronted with serious macroeconomic problems in 1982 reverted to direct regulation. Muldoon progressively lost credibility with a wide cross-section of the intelligentsia and interest groups and within his own party. The New Zealand Party split was a symptom of that.

The second major reason was the nature of the people who became converted to the policy shift within the Labour Party and the way in which they came to be converted. They were mostly people who came to maturity in the 1960s. That was a time of challenge to authority and authorised ideas. The Labour market-liberals were therefore not afraid to question established orthodoxies. They were by nature iconoclasts. They were almost all university-educated professionals, which had given them a middle-class lifestyle enormously different from that of the people who had written the Labour economic tablets of stone. They were not 'working class', except in parentage. They were not driven by the same concerns for individual security that had been at the heart of Labour economic and social orthodoxy. If they understood the need for security, it was from the head rather than the heart.

Education had led them mostly into occupations in which they used their heads. They were rationalists rather than sentimentalists. Problems could be solved by rational analysis and rational proposition. They were not constrained by a need for ideological security. Three of them had economics degrees and a number of others had studied some economics. There is some basis to David Caygill's claim to me⁴ that 'we were the most economically literate caucus' New Zealand had seen. Caygill adds that this did not just equip them to read Treasury papers with a degree of comprehension that exceeded that of previous cabinets, but added a dimension to their approach to problem-solving: economists are trained to examine the impact one change in one area has on conditions in another area. So, for example, education (spend more to get better education) could not be considered in isolation from the impact of taxation on wealth-generation – as both parties and governments had tended to do in the past. It should be added that even in the

1960s economists at university argued the merit of markets over administered economic solutions.

They were also an elite. In an educational meritocracy they were the meritocrats. Their selection by a liberal-left Labour Party was not anachronistic – they were selected because they were to a large extent the brightest and best available. They accepted a leadership role and accepted the divorce from ordinary New Zealanders that brought with it. They saw this as a temporal divorce, not one of fundamental incompatibility. In time, once the results started to flow and the practicality of what they were doing became apparent, ordinary New Zealanders would rejoin them.

As a variant on that, they were comfortable with change – and, in keeping with their iconoclasm, that change could be radical. In this they showed something of the characteristics Alain Touraine has divined among leaders of political social movements.⁵ The Labour market-liberals were not looking for a new permanent solution. If anything, they would get bored in such a paradise.

It is also important to say what they were not. They were not believers in the minimal state or rampant individualism or economic libertarianism. They all subscribed and, with one, possibly two, exceptions, still subscribe to broad social democratic objectives. As they saw it, they were at odds with their opponents in the Labour Party and among the public, not over ends, but over means, not over their belief about the just society, but about the technique of achieving it.

They valued freedom in themselves and in others (hence their social democratic choice of party). And they were technocratic in their approach to issues, problems and solutions. That might, and frequently did, lead them to radical solutions, but not because they believed in a system of thought of which those solutions were an integral and inescapable part, but because they were deemed relevant and necessary to address the problem.

When they applied these qualities to economic policy these technoliberals found market solutions were the vogue techniques on offer from their fellows in the bureaucracy. They applied them. That made them market-liberals.

Note, market-liberals, not market-libertarians. They were not believers in a new Nozickian or even Hayekian or Friedmanite or Murray-ish society. They were practical technocrats with a strong dash of operational or temperamental radicalism, not believers in a radical philosophy.

A crude chart of the difference between market-liberals and market-libertarians might go something like this:

Market liberals generally *agree* that:

- markets generate wealth, that is, economic welfare, better than any other form of economic organisation
- clear price signals are important to the efficient wealth-creating functioning of markets
- price signals are clouded by almost every government intervention in markets; this especially applies to border protection and protective internal regulation of business; such interventions should therefore be kept to a minimum consistent with social objectives and sound functioning of markets
- however, some market activities themselves occlude price signals and in some economic activity markets disappear, in which case government intervention is necessary to secure economic welfare
- price signals are an important indicator of the efficiency and therefore effectiveness of government administration
- governments are inappropriate owners of commercial enterprises because governments often or usually set conflicting objectives for commercial enterprises they own and because governments should not put taxpayers' money at commercial risk, both on grounds of competence as commercial operators and on grounds of trusteeship
- economic welfare is one element of general welfare, which also includes self-fulfilment, good health, adequate housing, leisure and emotional and spiritual fulfilment
- markets are inappropriate or ineffective mechanisms for creating some other elements of general welfare objectives or their economic welfare outcomes may compromise social welfare; in the case of social welfare objectives, the government has an active role to intervene, as agent of the people, to achieve those objectives, either by regulating, managing or supplanting markets; however, even in those cases, there may be some role for price signals to guide consumer responses
- in pursuit of social welfare objectives the government denies economic resources to economic welfare-creating activity and can have other effects on economic welfare creation; the government has a responsibility to set a balance between economic welfare creation and government-created social welfare such that each is optimised

Market-libertarians generally *believe*:

- individuals are the basic unit of economic organisation
- individuals know what is good and right for them; governments do not; individuals make rational economic choices in their own best interests
- governments have a very limited and maybe no role in intervening in markets for economic welfare objectives
- markets are an appropriate organisation for delivery of much social welfare; governments need intervene only to the extent that markets do not deliver social welfare to some people
- delivery of social welfare is akin organisationally to delivery of economic welfare; social welfare delivery agencies are 'businesses' with 'clients' and 'consumers'

The important difference for my purposes in this chart is not the individual items, though they show a gulf in belief systems between the two categories of people. It is the difference between rational *agreement*, the quality I have ascribed to market-liberals, and *belief*, which I have ascribed to libertarians. One is a matrix for finding solutions, albeit sometimes radical solutions; the other is a charter for a new society.

Confusion of these two elements is at the heart of much of the muddle in analysis of or debate or argument about the economic reforms of the fourth Labour Government. Supporters mostly argue that what the Government set about was rational problem-solving (which may or may not have been technically correct); opponents lump all supporters of the reforms in with the market-libertarians who did want to change society. Hence many critics of the fourth Labour Government constantly saw or thought they saw a 'new right' Jerusalem in the making – and their people making it – when the objects of their criticism thought they were fixing up a broke social democratic machine. The dumb were talking to the deaf.

It is instructive to ask how the Labour market-liberals came to that position. One by one they say they found an incongruence between intention and outcomes in elements of the economic construct that had been put in place by the Labour Party in the 1930s and 1940s and largely continued and converted to its own ends by the National Party in the 1950s-70s.

For example, David Caygill recalls⁶ innocently asking the head of the Mines Department at a parliamentary select committee in the early 1980s which mines were contributing most to that year's loss by the department. He was struck by the bureaucrat's reply: that the department did not keep figures on individual mines and did not know what it cost to extract coal from each one or what its surplus or deficit was.

Peter Dunne⁷ recalls taking up a job in the mid-1970s in the import licensing section of the Department of Trade and Industry. Dunne believed in the intent of import licensing (to protect jobs and develop industry) and in its efficacy in achieving that objective. But he found that licensing was administered in a way that bore tenuous relation to the rules and gradually came to the conclusion that it did not achieve the objective.

Peter Neilson came from a strong Labour background and even took up employment in a 'soft' department, the Labour Department. There he watched unemployment become 'a growth industry' and gradually came to conclude that existing policies, which aimed to guarantee no one would lose, in fact were locking out large numbers of New Zealanders who could not take advantage of the internationalisation of the economy that was seeping through the protective barriers. He concluded that going to a more centrally planned economy was not an option and so was led towards market prescriptions.⁸

This was a progressive process. For example, Caygill's coal mines experience and subsequent experiences of a similar kind had led him by 1984 to favour some degree of commercialisation of state trading departments, the exact form of which was determined by Palmer in late 1986. At that time he did not expect or favour privatisation and until late in the Government's period of office he approved privatisation only as a means of reducing debt and avoiding capital outlays on state enterprises that could only be afforded by raising debt. Ownership, he considered, was not important as a determinant of the efficiency or profitability of an enterprise. But he changed his view on that when in 1989 one after another of the state-owned enterprises chairs informed him how well their enterprises were doing but that dividends would not be possible for some time because considerable capital investment was needed. Only because they were owned by the state, Caygill concluded, could they afford to contemplate such empire-building.

The same story can be told of one after another of the ministers and MPs who became market-liberals, or in the common parlance, 'Roger-gnomes'. They came up against the practical limits to existing policies achieving the objectives set for them or their ineffectuality or counterproductiveness. This is the early motivation of the arch-Rogergnome himself, Douglas. Douglas, like the others after him, concluded, not that the Labour objectives were wrong or unachievable,

but that existing policies were at least failing to achieve them and probably denying their achievement. Like many modern Christians, the more they questioned, the more previously unquestioned, even unquestionable, assumptions came into question against the criterion of end-achievability: were they blocking the achievement of a desired end; if not, were they necessary to achieve the desired end and, if not, were they the most effective and most efficient means to that end?

It is noteworthy that, despite its reputation, Douglas's 1980 book, *There's Got to be a Better Way*, was not the 'new right's' equivalent of *Mein Kampf*. Douglas did not set out in that book an ideology which he then proceeded to put into effect in office. There were many elements of what became his policy line once in office; but there were also many elements that were not. Most notable was his enthusiastic proposition for a national development bank which would pick winners and inject state capital into them; in the 1981 election campaign he fleshed that out into an illustrative proposal for 16 carpet factories.

In fact, Douglas remained until late in his parliamentary career convinced he was actually helping to build the sort of society Labour had always wanted. In the introduction to the 1987 Budget he even invoked Sir Walter Nash in support of his goals.

The goals of that first Labour Government are in essence the same as those we aspire to today. The means of achieving them has inevitably changed in response to the times; but the goals themselves, the principles our predecessors stood for, have not changed. Labour's manifesto of 1935, drafted by Walter Nash, embodied a clear acceptance of the Government's responsibility for the welfare of all citizens – in particular the workers, the frail, the aged and the very young. It sought to restore for all, in Nash's words, 'a decent living standard.'⁹

In a speech in March 1988, he said:

Certainly, part of our job is to create an environment in which New Zealanders can increase the wealth of the nation. The other equally important bit of it is to even up the odds a bit for any sector, group or person who starts from a disadvantaged position... Sometimes you have to provide disadvantaged groups with extra assistance in order to get the playing fields level to start with... [The objectives of the Government are] a better quality of life, jobs, pay, health, housing, education, security, fair access for everyone to those benefits, a fair opportunity for people to achieve their own human potential... Good government should liberate people, not enslave them, either to the state or the private sector. People need a genuine guarantee of dignity, security, the ability to enjoy life even if things go wrong for them. Otherwise you end up with beggars in the street and the rich living behind barbed wire. But security alone is not enough. Nobody wants to live forever dependent on the government. Our job is to open out the future for people at every level. Those who start behind

the line need more opportunity, not less, than people who start with an advantage.¹⁰

The 1984-90 Labour Government did not set out to give effect to a 'new right' ideology. Its members were not at the outset market-libertarians champing at the bit to set New Zealanders free of a state that was their enemy, as Ruth Richardson is. They became market-liberals because practicality led them to conclude traditional social democratic mechanisms did not achieve social democratic ends and if those ends were to be achieved, other means had to be adopted which, given their iconoclastic temperament, might be bold, unconventional and radical. At hand were the collection of neo-liberal and neo-classical economic and management theories, in which their advisers had become well-versed and which appealed to their rational, problem-solving dispositions. One-time long-haired student radical Phil Goff, for example, did not accede to the economic programme because he had a damascene conversion; he saw it as a rational (albeit radical) solution to a problem of resources and needs.

But, whatever the protestations by the chief actors in the 1984-90 policy shift and by their fellow-travellers that they were not market-libertarians, that they were not 'new right' – and they all still make those protestations – there are six senses in which that label is not inapt.

First, in making the shift, a 'pure' line was often followed that caused unnecessary economic and social damage and frequently that damage was in the face of well-founded practical warnings that the damage would occur. To some extent, the defence can credibly be mounted that stopping to heed such warnings might well have (probably would have) bogged the policy changes down and denied the longer-term benefits. Some excess, in other words, was deemed better than failure. This line has often been used by Douglas to defend the sequencing of his policy changes against the valid charge that they pushed interest rates and the currency to levels that caused serious and excessive damage to production. Others put it in a slightly different, but essentially similar, way: the decks had to be cleared in order to rebuild.

Second, much of that rigidity and excessiveness is traceable to the fact that many of the market-based prescriptions adopted by the Labour cabinet derived indirectly from 'new right' analyses. Jonathan Boston, for example, has distilled four such principal influences in the reform of state services organisation and management.¹¹ The influence of people such as James Buchanan and Charles Murray can be seen in much of the Treasury's analysis and prescriptions and filtered through into both Douglas's policy line, particularly on social policy, from 1987 and some of the Government's decisions.

Third, this could the more readily occur because many of the policy reformers had been, or at least lived, through a libertarian phase – not in economic thinking, but in attitudes to moral and civil rigidities. Many had grown up through the sixties in which moral and civil libertarianism was extolled and widely practised – if not directly by them, at least by others whom they could comfortably tolerate. There was therefore an experience of past coexistence with a libertarian approach, even if not specific current endorsement of libertarian ideas on economic and social policy.

So, while they were not market-libertarians themselves, the Labour market-liberals presided over a policy shift which included some policies that were readily describable as being, and in many cases were, market-libertarian. The overall approach to deregulation, whether of banks, financial markets and securities markets, airlines and ports, telecommunications and electricity generation, industry assistance (apart from tariffs which still remain high where they are in force) or taxation, often had a libertarian ring. Even if privatisation was primarily intended to cut debt, it was conducted in a freewheeling manner with some decidedly shady characters. Much of the state sector reform was concerned with issues of efficiency and individual choice, which, while it did not rule out concepts of service and collective welfare, often overshadowed it in rhetoric and jargon and sometimes in fact. Unemployed were mostly left to lie where they fell, individuals on their own except for income maintenance and some largely cosmetic training schemes, rather than citizens of an integrated community. Industrial disputes were mostly left to the participants, no matter how tough the employers' stance, and on the relatively rare occasions behind-scenes nudges and winks were given, they usually went employers' way. Overall, the Labour Government reduced the degree to which the state was involved in economic activity – central planning and 'picking winners' became anathema – and the degree to which the state actively guaranteed individual security and actively encouraged individual choice and initiative. That direction was consistent with a move towards market-libertarianism.

Fourth, some tipped over the edge into market-libertarianism. Douglas wanted user-charges in health, commercialisation of the Housing Corporation, social services vouchers and labour market deregulation similar to what the present Government is now doing. Late in the privatisation orgy Prebble was candidly arguing that it was necessary because private ownership and management were more efficient than state ownership even if the management followed private sector principles. Several ministers would have been prepared to go much further than Clark's limited acceptance of the concept of contracting out some wards to non-state, even private, management;

state ownership of hospitals ceased to be seen by some as necessary to efficient, effective provision of universal access to secondary health services. De Cleene was closer to Ruth Richardson in many respects than to 90 per cent of his Labour colleagues.

Fifth, even if most stopped short of going over that edge, they did develop a bunker-like obduracy against challenges or questioning, which critics describe as a refusal to debate issues. This developed out of the general siege mentality of a cabinet under increasing and hostile pressure rather than as a result of adoption of the ideology that went with the positions; the lifting of the siege with the election defeat has brought with it a more relaxed attitude (Goff is a good example). But at the time that distinction was not readily discernible.

Sixth, this rigidity in the face of opposition in turn fuelled and gave some credence to critics' arguments that means were beginning to determine ends. This remains a moot point, but if means were determining ends, some of the means could lead only to market-libertarian ends.

There is therefore some truth to descriptions that Labour from 1984-90 was a Government of the 'new right'.

There is also a great deal of inaccuracy about the accusation. Most of the moves that many see as examples of market-libertarianism were no more than the introduction of some market discipline to improve state efficiency (for example, permitting social service agencies and departments to contract out to private enterprise ancillary work previously done by public employees) or to reduce moral hazard (for example, in introducing a small charge for pharmaceutical prescriptions to cut over-use of drugs – not to make people pay for what they used). It was not what was in the December 17 1987 package that was evidence of market-libertarianism, but what did not get into it. In fact, the bulk of the cabinet, once Douglas could not get his way in that package, made it clear in the course of the first six months or so of 1988 they would hold back from full-blown market-libertarianism.

They explicitly rejected selling off the hospital system and schools and they kept the Housing Corporation as a provider of houses at subsidised rents. Far from cutting social spending, they massively increased spending in real (above-inflation) terms on health, education and welfare and shifted the incidence of spending from subsidising and protecting industry to social spending. While they introduced concepts of efficiency and decentralised management (which led to some odd results as administrators attempted, with varying success, to learn to become managers) and they radically reformed state sector financial management along private sector lines, that was not to cut the size of the state but to strengthen its performance; overall state service staff

numbers went up, not down. Flexibility was encouraged in industrial relations, but unions retained their state backing.

The Labour Government was also powerfully interventionist in markets in some respects. Policy on the Treaty of Waitangi, pay equity for women, union education and nuclear warship visits cut across private commercial interests. All those policies had strong support from most market-liberals.

Nevertheless, as noted above, the distinction between market-liberalism and market-libertarianism was lost on the public. In taking a strong direction away from state intervention in the economy, in demanding efficiency as an element in state administration and social services delivery, in introducing an element of client choice into those services (for example, Tomorrow's Schools), and so on, the Labour Government appeared to large numbers of New Zealanders to be market-libertarians.

Jack Vowles may have more to say about this in his paper, but market-libertarianism – or whatever tag, such as 'free market', ordinary New Zealanders put on it – was not generally desired in 1984, nor in 1987, nor in 1990, nor now. The hidden story – though one clearly delineated in polling analyses – of the 1987 election was the developing switch-off in middle New Zealand and in Labour's core vote. The survey findings of the Royal Commission on Social Policy in 1988, the Massey study of values in 1989 and, I understand, Vowles' and Aimer's findings after the 1990 election portray an electorate more in favour of state intervention than the Labour Government delivered and more in favour of state assurance of social services than Labour was perceived to deliver. Hence the electoral fall of Labour's market-liberals.

In addition, both within the Labour Party and outside it there were determined defenders of the (compared with 1990) 'less-market' position. These were sometimes ideological, as in the NewLabour breakaway party and the liberal-left within the party. They were sometimes motivated by strong altruistic beliefs and/or objectives, such as in ensuring the best possible health care as an unchallengeable good in itself or in arguing for a 'public service ethic' in the face of what seemed like arid managerialism. And they were sometimes motivated by personal security, as in the teachers unions who soaked up much of the above-inflation spending in the Labour Government's early years or industrial unions who watched their memberships devastated under the impact of deregulation – labour market flexibility developed to a fairly high degree under that impact, well before the National Government's deregulation. These people kept up a running barrage of assaults on the 'new right' Government, lumping all but a few of the ministers and MPs in that category. Hence a need for the fall of the market-liberals.

If the Labour Party is to rebuild its links with the people described above – and it must if it is to reassemble a durable winning electoral coalition – its market-liberals have to fall. A renegade cabal must be extirpated; ghosts must be exorcised. The Labour Party conference in September presented a curious seance with such ghosts. Few market-liberals were present in fleshly form. The chief market-libertarian demon was absent entirely and a couple of his chief assistants present only briefly. So catharsis was denied and the exorcism confined to a wan assurance by the leader, Mike Moore, that ‘Rogernomics has had its day’. As a consolation activity, extirpaters and exorcisers are left with their shadow war against the spectre of a return to Parliament of any of the defeated market-liberals – even, in at least one case, one who has explicitly denied plans to return.

The ‘had its day’ phrase has been aphorised as ‘Rogernomics is dead’. But that is not what it says. It says that Rogernomics has had its day, but, as Moore explicitly said, it was right for its day. Both Moore and president Ruth Dyson, who is in some ways a paler version of ‘socialist’ Margaret Wilson, said the future would build on Rogernomics, not undo it.

Half a moment’s thought about the Labour Party’s strategic and tactical options makes it clear it has no alternative to that course – just as the Bolger Government now has no credible option but to stick with the general Richardson economic line. To take the parallel a bit further, the Bolger Government can – and, to meet electoral and caucus management imperatives, must – clean up some of the economic and political excesses and sillinesses of the Richardson line. It can do that without abandoning the line. If it did U-turn (that is, go in the opposite direction, towards more regulation, substantial direct subsidies, printing money and so on) or veer heavily in any of those directions, its credibility, which is now confined to a wafer-thin argument that massive breach of promise was necessary to deal with crisis, would lose its last tenuous hold.

Similarly, a mea culpa by a repentant and born-again regulatory Labour Party would be cause for much mirthless laughter in the electorate. Like National, Labour can now disown the excesses and sillinesses that accompanied rapid and often ideas-driven change. And, like National, it can do that credibly. But if it attempts to disown the market-liberal years, it will be irrelevant. Why toy with impostors when you can have the real thing in Jim Anderton?

Which brings me to the import of this paper: the market liberals may be in eclipse in the rhetoric and the iconography; but in one sense they live on. Market-liberalism has survived the fourth Labour Government just as its anti-nuclear stance and its Treaty of Waitangi changes have.

That is not to say it will necessarily survive the stresses of the next half-decade or so. If major banks collapse in Japan; if the fragile American economy recidivises into deep twin deficits; if Western Europe is swamped by a catastrophe to its east: then the New Zealand economy will be denied the recovery market-liberalism was aimed at. Given the deep anger at both main parties for a combination of deteriorating outcomes, 'extreme' policies that don't exhibit care about people and breaches of promise, prolongation of recession could easily push us into a period of populism of the Winston Peters (or Mike Moore) sense.

But in the meantime and in the longer term if the international economy holds and New Zealand's economy responds to that, the market-liberals have set the parameters to economic debate. A number of assumptions are now embedded: the economy must be relatively open; internal regulation must be limited; budget deficits must be within limits determined by economic growth and debt must not grow; consequently resources for social services are limited; in any case, money does not equal solutions in social policy; the state should be managed efficiently and it should by and large not try to run businesses. In the mainstream of economic debate reimposition of heavy border protection or the pre-1984 tight web of internal controls, repurchase of former state assets or massive state economic investment, recourse to large-scale deficit-financing of social services and a return to heavily progressive income taxation are off the agenda.

An important indicator of that was the paper released by the Gamma Foundation, a centre-left think tank, on October 16. The Foundation's alternative to current Government economic policy would have read like dangerous market radicalism in 1984.

The shift effected by the market-liberals will therefore form part of the background against which policy is henceforth developed. That does not mean an inexorable march to a market-libertarian economy. If anything, we will now see some judicious reinsertion of the state here and there in the economy. For one, the current cabinet is swinging round to a more pragmatic position that will be more responsive to public preference and interest group influence. More important for the long term, however, is the development of an intellectual counter-attack both abroad and, very recently – for example, the Gamma paper – here.

If the Labour market-liberals are now in a sort of political purgatory, they will linger in spirit in one important sense: we are in for more change yet. Subject to the caveat about populism above, that will be up to another technocratic elite to manage.

But the market-liberals have left another legacy for the Labour Party. Their technocratic approach has devalued ideology and necessarily therefore devalued Labour ideology. I look forward to John Roberts'

inquiry later today as to whether there is an ideology now available to the party. I suspect not.

Notes

1. This paper represents first thoughts and is empirical rather than theoretical in basis.
2. In passing I might debunk another bit of mythology misconceived by Bruce Jesson that I was an active member, or at least supporter, of the cabal. Jesson in various places has stated that I 'publicised' those arguing for 'new right' economic nostrums from the late 1970s. I did pay a lot of attention to the emergence of those ideas in political debate and expression, such that in 1982 or 1983 Professor Robert Chapman remarked about me that I was 'looking for the revolution of the right'. As a journalist, I am bound to examine currents and to inquire where they might lead. At the same time as Jesson has supposed me to have been 'publicising' (that is, pushing as distinct from tracking or recording) the more-market ideas, I was also tracking and writing extensively about the rise of the liberal-left in the Labour Party organisation and about the rise of the Social Credit Political League and what it might represent (to such an extent that one senior Labour official inquired seriously whether I was a Social Crediter). By contrast, I did not in 1983-84 write much about the New Zealand Party, which I regarded as a movement, not a party, and therefore likely to have limited impact and a limited future; yet, if I was pushing, as distinct from tracking, the 'new right', I would surely have devoted more effort and space to 'publicising' that party. For the past couple of years I have been looking out for a credible political riposte to the dominance of market-obsessed policy approaches and now that it is beginning to emerge in a politically credible form in New Zealand I am tracking it. This does not, however, make me a 'publicist' of the 'new left'.
3. See 'Coming Home', in *Summer Book 2* (Wellington, 1983); Colin James, *The Quiet Revolution* (Wellington, 1986); Colin James et al., eds., *The Election Book* (Wellington, 1987); and Colin James & Alan McRobie, eds., *Changes? The 1990 Election* (Wellington, 1990). See also 'Did the 1980s have to happen – and what about the 1990s? Public policy in the past decade', unpublished paper delivered at the Stout Centre, Victoria University of Wellington.
4. Interview, October 4, 1991.
5. See Christine Jennett and Randal G. Stewart, eds., 'Introduction', *Politics of the Future. The Role of Social Movements* (Melbourne, 1989).
6. Interview, October 24, 1991.
7. Interview, October 23, 1991.
8. Interview, October 25, 1991.
9. Hon R. O. Douglas, Financial Statement, 18 June 1987, p. 1.
10. Hon R. O. Douglas, Speech to Canterbury Chamber of Commerce, March 30 1988.
11. Jonathan Boston, 'The Theoretical Underpinnings of Public Sector Restructuring in New Zealand', in Boston et al., eds., *Reshaping the State. New Zealand's Bureaucratic Revolution* (Auckland, 1991), pp. 1-26.

3

The Labour Party and the Treaty

Tipene O'Regan

Tena koutou,

I intend to suggest a few ideas to you which are unlikely to cause umbrage but which may cause a little surprise.

Before I do so I need to mark out my ground a little with a few perceptions which are now ordinary enough not to disturb you.

Firstly, I largely concur with Mancur Olson and the view that nations and their structures age and become systemically dysfunctional, that they develop a variety of political Alzheimer's. I believe the New Zealand political system has a sickness of this kind and the character of our village politics makes it highly unlikely that the physician can effect a self-cure in what remains of my lifetime.

Our political system has been overtaken – indeed completely outstripped – by its own demography (I refer to the twin demographic tides of aging and Maori), by world technological change, and the downstream effects of these two forces on political philosophy and economic perspective.

The current turmoil in the world is not a victory for any system or political/economic model. The democracies harbour similar disintegrative tendencies to poor old Gorbachev's world, and it is my view that they will be manifesting it with a vengeance by the first quarter of the new century. I say this only to make the point that there is not very much exceptional about the state of village politics here. Generally only the timing is different.

Secondly, I believe that the fundamental reason why we will fail to cure our system is that we suffer, almost joyfully, from any real sense of constitution – from any deep seated belief in the fundamentals that formed us as a nation – from any belief that we need a code or tablet of principles with which to govern ourselves and to govern our politics.

Our resistance to electoral reform, to a Bill of Rights, indeed to any fundamental break in the absurd notion of the absolute supremacy of Parliament, is evidence enough of this nation's ongoing stumble into the future night.

Thirdly, I believe that there is a fundamental conflict between the Western egalitarian tradition and the manner in which that tradition has been given political expression and the rights of indigenous peoples and their cultures.

The historic location of the indigenous peoples in the ranks of the disadvantaged has made for a marriage of convenience between them and the egalitarians of the Western liberal tradition. Because egalitarians tend to be somewhat casual about rights, they have tended to deal with disadvantaged minorities on a basis of needs, or at least on their own, generally majoritarian view of those needs. From this perspective, the notion that Maori Iwi might seek to own and manage their own economic base, is viewed with caution, if not hostility. From this viewpoint, the rightist philosophers of the 'level playing field' are merely a counterpoint to the 'flat earth' egalitarians. This observation could equally be made of the Coast Salish of British Columbia, by the Ainu in Japan or Maori in New Zealand.

Since I was asked to speak to you I have encountered a paper written by one of my Honours students at Canterbury, Vincent O'Malley, on the Treaty record of the first Labour Government. I hope that his paper will not be long in being published and I acknowledge here a considerable stimulation from his provocative analysis. He draws heavily on what are now the conventional sources, such as Orange, Love, Kelly and Butterworth. However, what he has offered me that is different, is a view which suggests that the Labour Party has been, historically, not so much neglectful of the Treaty as such, but essentially hostile to it and that this hostility towards the notion of Maori Treaty Rights is in full accord with both Labour's egalitarian tradition and its adoption of the egalitarian colonialism which passes as Kiwi culture. He emphasises that Labour has always seen Maori issues in monocultural and narrowly economic terms.

In 1935 Savage reaffirmed the Labour Party's long-standing promise to Maori people of 'economic equality with racial individuality'. But the first Labour Government, like its successors, had little real understanding of the depth of Maori desire to control their own destiny. 'Racial individuality' has been reserved for political and ceremonial rhetoric.

O'Malley shows that the underlying assumptions of Labour policy, some would say wishful thinking, included the belief that the Maori was 'dying out' and that the 'problem' would soon solve itself. But ever since 1896 and especially after World War II, Maori health has

recovered dramatically despite a death rate several times that of non-Maori. He argues that the early thrust of Labour Party policy, upon achieving office in the 1930s, was essentially segregationist and based on assumptions of a second class basically confined to rural areas – developed from the foundation of Ngata's land development schemes.

Interestingly, he shows that under Labour the emphasis shifted from the development of the Maori to that of the land – more and more marginal land. This undermined the long-term viability of rural-based enterprise and avoided the real issue of purchasing Pakeha Land (i.e. good land) for Maori farmers. This reflects the merging of Labour egalitarianism with colonial egalitarianism. Maori were only marginally relevant to this process – an excuse for the general culture development model.

The Social Security Act of 1938 provided the first statutory justification for paying Maori lower rates of benefit on the grounds that since they had a lower standard of living to begin with, they did not need the same level of support as the Pakeha. That Act was passed into law by a Labour Government.

As Orange has shown in her excellent paper on the Maori War Effort Organisation,¹ the Labour establishment's resistance to Maori autonomy was firm. When the Maori War Effort Organisation under Paikea began to assume notions of Maori autonomy and self-management in the post-World War II phase, the great egalitarians moved hard and fast. H. G. R. Mason and Fraser particularly, sabotaged the efforts to continue the Organisation with its emphasis on tribal structure as the basis for Maori organisation. The result was that the control of Maori affairs fell firmly into the hands of the bureaucratic social engineers and effective 'flax roots' and Iwi control of their own business was thereby prevented.

In the 1930s the Party was quite happy to accept the Ratana thrust towards social equality at the same time as it neglected and deliberately avoided Ratana's focus on the Treaty.

Right until the time when Koro Wetere became Minister of Maori Affairs, that situation persisted, despite ongoing and continual Maori resistance and protest.

I put the proposition to you that Wetere and Palmer are the two primary revolutionaries of our recent political history and I believe that historians of the future will identify their twin contributions as probably the most important constitutional developments, in terms of Maori relationships with the power culture, that this country has seen since the mid-30s when the historic cleavage between the Ngata conservatives and Ratana proved so advantageous for the Labour cause. First I refer to Geoffrey Palmer.

With all the gangling naivete of the academic pondering first principles, Palmer turned Labour's formal attention towards the Treaty. I say 'formal' because it is a superb example of 'capture' of a position that few in the Party really cared much about. Labour concern in this area has been consistently held at the level of Waitangi Day, not being able to make up its mind whether it's New Zealand Day or actually marks the foundation of our constitution.

My attention was first really engaged by the Palmer script when he built into Labour's Manifesto the decision to go beyond Matiu Rata's 1975 Treaty of Waitangi Act and make it possible for the Tribunal to hear Treaty claims back to 1840. The fact that the Labour Party endorsed that kaupapa gave me much hope as it was a position Ngai Tahu had argued vigorously before select committees both in 1975 and subsequently.

The formal adoption of 1840 as a claims base was greeted in Parliament with enormous criticism, particularly from Muldoon and his peers. However, it is worth noting that since the passage of the amending legislation in 1984, there has not been one single major political disturbance in New Zealand centred on the Treaty. When one considers the 'Februaries of our discontent' that preceded 1984, that in itself is an extraordinary achievement and says something about the significance of that legislative action. However, New Zealand still has to deliver on the promise of the Tribunal and the great test will be the extent to which our political system can cope with the achievement of durable settlements based on the findings of the Tribunal.

Palmer however, with his concern with basic constitutional issues, focussed us in a way which we have not previously been in my lifetime, on the primary posts of our constitutional house. That he eventually failed with the Bill of Rights – a cause which I believe is yet to come – and a host of other fundamental reforms that he was bent on, is not important here. What is important is that the Labour Party formally moved itself in terms of Maori relationships to a position based on Treaty rights and away from a position based on its previous egalitarian codes. Not that those codes were very well thought out anyhow, and they were certainly not effective. The total failure of the egalitarian codes to cope with the change in Maori demography is all about us. In education, crime, housing, on every index of social disadvantage, the policies which we have followed have demonstrated their inadequacy. We have actively created a wasteland, consistently ignoring the best international advice on the basis that we're doing better than the Australians. That was not so much what moved Palmer. It was intellectual rigour and a love of principle – a foreign element in the New Zealand political mix.

I refrain from dealing at length with the effects of that formalised policy position on legislative reference to the Treaty and the further consequential effect on the mind of the judiciary. The relationship between the High Court and Parliament balances on something of a tightrope. It is at the core of our constitutional conventions. Since 1985 that tightrope has several times been acutely tensioned. Maori trust in the judiciary and legal system has been greatly strengthened by the manner in which the High Court and the Court of Appeal have conducted themselves. Given the gross lack of historical justification for Maori faith in the Courts that, in itself, is a remarkable transformation. There is reason to suspect that Palmer more than once perceived that transformation somewhat ruefully.

It is for his role in formalising Labour's position (and I do not believe it is a very strongly held formal position) that Geoffrey Palmer will come to be seen as one of the most revolutionary figures to have entered, and left, New Zealand Labour politics in our period.

I turn now to Koro Wetere. He has been a person much chuckled over by politicians and press alike. To me though, Wetere has always been 'tuturu Maori' – not just linguistically and culturally competent in Maori, but reflecting an uncluttered understanding of the basis of the Maori position in political and cultural terms. On a number of counts, he has proven to be, possibly, one of the most successful Ministers of Maori Affairs that this country has ever seen. Indeed, if the capacity to extract money from Cabinet is a sign of the success or otherwise of a Cabinet Minister, then Koro Wetere must rank as one of the most successful Cabinet Ministers in New Zealand history.

More importantly, however, in my view, is the way Wetere fitted his policies on Maori economic development to the constitutional shift which had been engineered by Palmer. Wetere brought to Maori Labour politics strong Ratana credentials, matched with a pragmatic experience in lands and forestry and a canny political sense of where the basic Maori polity was moving. He focussed on Iwi development, a kaupapa with a clear whakapapa back to Paikea's Maori War Effort Organisation to which I have already referred. Indeed it has roots back through the 19th century to the Treaty itself.

In that model, the tribal communities themselves were to determine their own directions and their own affairs and they were themselves to be the driving force of Maori policy: that is, things were not to be controlled from the centre. In the Wetere version, the only function of the centre was to provide resources through the so-called 'Devolution' policy enunciated in Te Urupare Rangapu. It should not be forgotten that the devolution principle was itself a very nice fit with the general policies being pursued by the New Right in Health, Local Government and other areas. From the Maori point of view, however, the important

thing about devolution was that it gave the Maori regional communities some considerable measure of authority over what 'mainstream' government agencies did in their particular worlds.

The policy was, of course, severely constrained by the general unwillingness of the power culture to release control, particularly of the purse, and it would have to be said that devolution to Maori either largely failed or was prevented from being fulfilled. However, what did happen was that Maori tribal communities began to prepare themselves for the processes of devolution, and in particular for the Runanga Iwi Act which was to provide a mechanism by which they could properly identify themselves and thus relate more appropriately to the Crown.

What was important about the Runanga Iwi Act however, was not its capacity to facilitate devolution, but the fact that it provided for the recognition of Iwi, as such, as the Treaty Partners of the Crown and its agencies. This was, in itself, historic and earth-shattering stuff. One of the principal problems of the Treaty relationship is that in 1862 the Crown, by a series of Acts, effectively vaporised the legal personality of tribes. The kaupapa, recorded in Hansard as being stated by Henry Sewell, was 'to stamp out the beastly communism of the Maori'. The re-recognition of the legal personality of tribes, which was provided for in the Runanga Iwi Act, provided, however briefly (remember that Winston Peters abolished it as his first Ministerial action) for the first time since 1862, a basis on which Maori Iwi could formally relate to their constitutional Treaty partner.

All this posed difficulties for the egalitarians and there were considerable limitations imposed by the Labour Cabinet on Wetere's ambitions in this regard. The total focus on issues of accountability for public funds – in marked contrast to the same consideration in respect of Pakeha institutions and organisations – provided pretty heavy constraints on the degree to which devolution could in fact occur.

However, the concept of formal recognition and its method of achievement was a turning point and it may be that the Bill currently being negotiated between Ngai Tahu and the Crown, to achieve essentially the same thing and overcome Winston's somewhat careless abolition (focussed almost entirely on devolution) may be the beginning of a new turning point in the formal relationship rooted in the Treaty. The Waitangi Tribunal's 1991 supplementary Report on Ngai Tahu 'legal personality' gives clear and unequivocal support to this view.

Measured by today's standards, Labour's achievements seem modest but, seen in the context of previous state attitudes to Maori, they look distinctively more progressive and enlightened – especially in constitutional and Treaty terms.

You might find my view of Palmer and Wetere as the real radical innovators of Labour hard to take. Douglas came and Douglas went.

Most of what he did was by way of purge – there was little beyond it. The architects of growth are yet to be found, their tools are yet to be discovered.

Palmer and Wetere, however, actually altered the mainframe not merely of Labour, but of the most fundamental relationship in Aotearoa. When historians strip back the blanket of trivia which enshrouds our politics I believe my judgement will be confirmed.

Note

1. Claudia Orange, 'An Exercise in Maori Autonomy: The Rise and Demise of the Maori War Effort Organisation', *New Zealand Journal of History*, 21(1987), pp. 156-72.

4

Women and the Labour Party

Margaret Wilson

Introduction

Writing about women and the Labour Party is one of those topics that appears easy at first sight but proves extremely difficult once you begin the task of writing. The task is difficult because so little is written or recorded about the political contribution of women in New Zealand. There are interviews with individual women, and efforts have been made to record the experiences and memory of events of women who have been involved within the Party throughout its history.¹ Women rarely feature in any substantial way in the general histories of the Party because women have not held leadership roles until recently. And histories tend to concentrate on the 'great events' and 'leaders'. Also there has been no analysis of why so many women gave so much of their lives to work for the Labour Party, or what such political dedication has produced for them personally, and the achievement of the goals that first lead them into the Labour Party.

New Zealand has no equivalent of Beatrix Campbell's *The Iron Ladies*, which addressed the question – why do women vote Tory?² It looks at why a political tradition that has done so little for women has attracted not only women voters, but women who are active within the Party organisation. A similar question needs to be asked in New Zealand at the moment. Why do so many women support the National Party that is pursuing a policy to return women to their traditional role of the unpaid carer of the community? Do women really want to return to this role? I would argue that work needs to be done on both the National and Labour Parties in order to gain a greater understanding of why women become involved in politics and why they associate themselves with the political agendas of men from both the right and left. Today however I have been asked to concentrate on women in the Labour Party.

Traditional Roles

In the past women in the Labour Party have suffered from the somewhat trite analysis that women's major political contribution was to keep their menfolk well prepared. Occasionally it is also mentioned that women were good fund raisers, but preferred the kitchen to the platform. It is true that some women were content with both these important roles, but I am yet to meet one of those so-called stereotypical Labour women who did not have a decided view on policy matters, the quality of the current leadership, and the efficiency and effectiveness of the Party organisation. I also know from experience how both those traditional roles of women are vastly under-rated by those who do not understand what keeps a political organisation together.

I also found it ironic that the fundraising role was not more valued. I concluded that the importance of the 'raffle ticket and cake stall sellers' was underestimated because it maintained the organisational structure which was expected to be maintained by the faithful until the time for the big event which came every three years, namely the general election. At this time, the men took over because of course they know all about the running of major events. In my experience, some men are excellent organisers, but more women actually got the tasks done. This is a phenomenon I have observed in other institutions. Still the funding and organisation of the Labour Party are not the topics on which I have been asked to talk today. The general points I want to make are that while many women performed these traditional roles, they also aspired to the making of policy, the devising of political strategy, and the power to make decisions within the Party and within Parliament. The other point is that those traditional roles have always been underestimated by analysts when examining political parties, and therefore the role of women has remained hidden.

The Questions – Past and Future

When preparing for this conference, two questions kept recurring and demanding an answer. They were exactly why it took over 60 years for women to achieve leadership roles within the Labour Party, and secondly, whether women can still continue to rely on the Labour Party to achieve their political agendas. I shall not pretend that I have found the answer to the questions, but many of the thoughts expressed in this paper are related to them. The first question is important because I believe we can learn from our history. Personally I would have benefitted greatly from knowing of the struggles of the women who

went before me in the Party. It would have saved me a lot of time and energy and enabled me to more quickly work out my priorities. Since success in politics relies as much on being opportunistic as being well prepared, a knowledge of past struggles enables you to seize the moment with more confidence. The second question is also important for me and other women because in these uncertain times we need to be very clear who is working in our best interests, and just as importantly, which organisation will enable us to work in our own best interests. Of the options available to us, that is, the two main parties, I would argue that on the record Labour has supported women who wish to fully participate in all aspects of life in the community. Questions are obviously being raised about both main parties however as to what will be their futures.

We are living in a time of political cynicism when it is easy to reject the familiar in search of that something new and different that will solve all our problems. This period of political instability is partially the fault of some powerful politicians (and it is far too easy to be powerful under the New Zealand electoral system), who have presumed to know what is good for the people. It is also due to the political immaturity of much of the population. A lack of knowledge or interest in the political process beyond self-interest, and an unrealistic expectation that democracy is the normal system of governance, have all contributed to the current crisis of confidence not only in government but particularly the two party system.

The Party System Requestioned

It is not surprising that the two party system is feeling the stress of the current political crisis. Both parties have their origins in coalitions of different but similar political interests. This has provided an internal tension within both parties. The successful mediation of internal differences is often a measure of the success of the party. This success depends both on the skills and willingness of the party members to compromise, and the economic, social and cultural climate of the time which determines the parameters within which compromise can be reached. The ability to compromise and adapt to change also depends on the internal organisational structure, and what may be termed the 'culture' of the party. For example, is it tolerant of diversity and is it seen as a strength or weakness? Also how conflict is resolved internally is an indication of how it will be resolved within the community.

It seems appropriate to me, during this time of questioning of the future effectiveness of the two main parties, to ask the more basic question of whether the whole concept of the party is the best method

of political representation for us. At the moment I cannot see an alternative to a party system in some form if we wish to maintain a system of representative democracy. I can see however how the current democratic system as we know it is under threat. The principal threat coming from the current economic policy that is based on a premise that the state should be collapsed, and decisions made by the market, or more accurately, those few men who control the market. This efficiency approach to government soon leads to government by 'wise men' who are 'properly' qualified and equipped to run New Zealand Incorporated, which will be the holding company that provides the playing level and rules for the market players. I think that for all the criticisms of the party system, it is often useful to have a relook at it, if only to remind ourselves of the merits as well as the weaknesses of a particular system.

The alternative to a no party system is of course a multiplicity of parties. I am not one who sees the answer to our present problems as lying only in the proliferation of political parties. I suspect the new parties once they emerge from the establishment phase, and after they acquired power, will show many of the same weaknesses of the current main parties. Leaders will be criticised for not consulting, and small cliques will take over often in the interests of just getting things done, as much as to impose a position on others. They will also break promises if they are brave enough to declare a policy that is more than a general ideological statement. The test of an effective political organisation for me is its ability to mediate between the various interests represented within it, to achieve sufficient consensus to enable decisions to be made and accepted. Although I do not see many political parties ultimately providing better representation for the people, I do believe that this multi-party phase is one through which our political system must go before a new consensus is achieved around two or maybe three major parties.

Why Women Joined the Party

The future of the party system and the form it takes are important issues for women. They form part of the assessment that women must make as to which political option will be the best for them. In the past women have been attracted to all political parties for a variety of reasons. Those women who originally joined and have continued to join the Labour Party have not been attracted just by its specific women's policy – this is a relatively recent development. They were attracted by its socialist, equalitarian vision, and its concern for the individual who had not benefited under a capitalist economic system. This comes

through clearly when you read their writings and, where available, interviews with the women themselves. They shared a concern for individuals, especially women and children, and a commitment to peace. They also believed that the strength of New Zealand society lay in people working together and not against each other, which was characteristic of the system of capitalism or what is now called a market economy.

The choice of the Labour Party as a vehicle to work for change was a deliberate one for many women, who had belonged to other parties. This was especially true during the formation of the Party, when the women, like the men, had to choose whether they would support this new political initiative. Women had also had experience working through other community and women's organisations. Many had also been involved with local body politics. They therefore had considerable organisational and administrative experience which was seen at branch, LEC, and executive levels in the Party. It was also seen in women's determination to create a space within the Party for their own branches, conferences and policy decision making.

While working within the general Party organisation, women from the beginning of the Party demanded the right to their own organisational structure. This demand was not always met and was and remains under challenge. In many ways the organisational history of the relationship between women and the Party is one of constant struggle for the right to devise and direct their own political policy and strategy within an organisation that was hierarchical and designed for the comfort of men not women. I would argue that in the times women did achieve this right, the Party was more successful politically. This is certainly true of its recent history.

I do not want today to give a narrative of women's political activity within the Party over the last 75 years. Such a narrative would be incomplete, and I do not have time to even attempt such a task. I have endeavoured instead to try and identify those matters that characterised the nature of women's involvement in the Party. Just as importantly I have tried to answer those questions I originally posed earlier in the paper, namely, why it took women so long to achieve leadership positions, both personally and in policy matters, and whether the Labour Party remains a viable political organisation for women.

Women Were There at the Beginning and Have Remained

Women have been actively involved in the Labour Party since its foundation, which meant they were active within the various

organisations that combined to form the Labour Party in 1916. The first executive of the Party included two women, Elizabeth McCombs and Sarah Snow, who were re-elected to those positions at the first Annual Conference of the Party in 1917. The history of the involvement of women within the Party shows a series of peaks and troughs of activity and prominence of women. Not surprisingly in the early years, there was a great deal of interest which was followed by a falling off of involvement in the 1920s through to just before the election of the first Labour Government. The re-emergence of women in high profile positions was highlighted by the election of Elizabeth McCombs as the first Labour Member of Parliament in 1933. She was followed by Catherine Stewart in 1938, Mary Dreaver in 1941, Mabel Howard in 1943, and Iriaka Ratana in 1949. After this period women had to wait until 1967 before another Labour woman was elected to Parliament, when Whetu Tirikatene-Sullivan was elected to the seat of Southern Maori.

It is sometimes forgotten why it took women such a long time from receiving the right to vote to achieve the election of the first woman to Parliament. This was partially explained by the fact that women had to wait until 1919 before they obtained the right to stand for Parliament, and then only because New Zealand was in danger of falling behind other Commonwealth countries. It was therefore difficult for women to follow through and capitalise on their electoral breakthrough when they got the vote in 1893. Although women won the right to be elected in 1919, the prejudice remained strong against women standing for Parliament. It was only by the determined efforts of women like Ellen Melville and Elizabeth McCombs that the breakthrough was made in 1933. I can testify that the prejudice remained strong until an increasing number of women started to stand and be elected to Parliament from the 1970s onwards. I would predict however that if women decrease in influence within the Party organisation at decision making levels, then the number of women in Parliament will decline again.

The peaks and troughs of women's activity within the Party appear to have roughly coincided with women holding or not holding leadership positions. After that spurt at the time of the establishment of the Party, the presence of women started to gradually decline until there was another surge in the early 1930s. This heralded another active period with several women being elected to Parliament and women being active at both organisational and policy making levels. The post-war period saw a rapid decline of women's activity which lasted until the late 1960s. The 20 year period of decline was partially explained by the strong social pressure on women to give priority to the reproduction of the species. An account of this period is seen in Sonja Davies' book *Bread and Roses*.³ Although a few women were still active in the

Party, their struggle for recognition was a difficult one. The renewal of interest that came with the rise of the women's movement in the late 1960s, probably came just in time for the Labour Party. If it had not responded to the needs of women during this period, it is difficult to see how it would have achieved electoral success in the 1980s.

Several explanations can be given for the high and low periods of activity. There were the obvious pressures that came from the various roles women have had to play within their lives. The role of carer occupies more time in certain periods of women's lives, and the demands of this role are often inconsistent with the demands of public life that take no account of the needs of women. The influence of the depression and the war and the post-war period are also apparent in the cycles of activity. Long periods in opposition can drain energy and interest also. I am certain that a closer review of New Zealand's social history would provide reasons for the level of women's political involvement at particular times.

A Space of Her Own

It is also apparent from reading the available material that women's involvement depended to a large extent on the Party's willingness to allow women to organise their own political structures and activities within the Party. From the foundation of the Party, women sought the right to have women-only branches, conferences, and policy. It is also apparent that this right has been continuously challenged and for a long period the right to hold women's conferences was forbidden. Various explanations can be given for this attitude. The arguments, as I recall, normally focussed on the need for 'unity', that is, there should be only one way of doing things and that way always seemed to be what the men felt most comfortable with. This argument seemed based not so much on the necessary political principle that action is more effective when there is unity and not division, but more on some fear of what the women might be doing by themselves, and a need for conformity that was male-centred, hierarchical and authoritarian. The other more understandable objection to women's branches lay in the inability of the Party leadership to be able to control the women's votes at meetings and conferences. I understood this reason better than the other, but obviously did not agree that it justified the rigid control of women-only political activity.

You can only admire the number of times women in the Party challenged the leadership while continuing to work within an organisational structure that did not appear to encourage the participation of women within the Party. This struggle is not only historical,

however. During my active involvement with the Party there was a persistent challenge through conference remits to the right of women to have their own branches, conferences and policy-making process. While these challenges were repelled during this period, they had the effect of draining women's energy and detracting from their ability to pursue their and the Party's political agenda. For some women, this battle became a pointless one and they left. It was often difficult to justify the amount of time and energy that goes into internal disputes. Sometimes important points of principle were the issue, but often it seemed to be a clash of personalities. Politics is a combative activity so this should not be surprising. For many women however – and many men – it was pointless and detracted from what, for them, was the real business of politics – the development and implementation of ideas.

Why the Labour Party?

This raises the question of why women bothered to remain within the Party when there was so much opposition. The answer to this question may be as varied as the number of women who work actively within the Party, or any political Party. I shall suggest a few reasons that are based on what we know of our history and my own personal experience. The first reason for my own continuing involvement was a very pragmatic one. The Labour Party was the only viable political option open to women who wished to seek change within the foreseeable future. It was viable because of its history and record of the way in which it had attempted to address the needs of women. This record was no doubt due to the efforts of women and the men who supported them who struggled in the past. In other words those women gave hope that it was possible to seek change through this process.

The second and most important reason was that the Labour Party supported a policy of equality for women, which provided an ideological basis from which to develop a women's policy that addressed the needs of women today. Philosophically and ideologically the Labour Party supported the best policy ideas for women who wished to fully participate in both the private and public arenas. The women's policy at the 1984 election expressed the women's agenda best. It was a coherent comprehensive programme for change based on the equality of women and recognition of their right to self determination. Within that policy, one can see the continuation of the issues raised by the Labour women of the past. All aspects of women's lives were covered – economic, social, cultural, legal and political. The policy also addressed the problem of implementation of the policy and recommended the establishment of the Ministry of Women's Affairs.

The irony was of course that while this policy was being developed and fought for through the various Party forums, the change to a market driven economic policy was also being developed. The two policies are inherently contradictory, which was recognised at the time. The women however were not prepared to defer to the men driving the economic policy for the sake of Party unity. A unity based on one group being constantly subordinate to another dominant group, is a unity without strength as was subsequently shown. I am pleased to see that the Party is developing a less extremist and more culturally appropriate economic policy, while the women's policy remains substantially the same.

I suspect that there was another reason why women continued their struggle within the Labour Party, even though it may have seemed unrewarding at times. That reason was that women found the experiences and challenges they encountered through their political involvement contributed to their own personal growth and enabled them to acquire skills and experiences that would not otherwise have been available to them. In other words, not all the experiences were negative, many were positive. Women were also empowered through their political involvement. Involvement in the political decision-making process at any level gives an insight into how the decisions that affect our lives are made and by whom. How such knowledge and empowerment is used politically will depend on the individual woman or man. In my experience most women and men used it to pursue their policy objectives, which after all is the whole point of political activity. Skills and experiences acquired through the Labour Party were also used by women in their activities outside the Party. I saw many women grow in confidence during their period of involvement with the Party, and subsequently use that experience positively in their employment and personal lives.

It is Possible to Effect Change

I wanted to conclude this paper on a positive note because in this country's current traumatised state, it is very easy to feel all political activity is futile. This is because at the moment the real decisions are made by a few people in the executive. There is a sense of powerlessness as you watch your life being fundamentally changed without your consent or involvement. In being positive, however, I do not want to fall into the trap of the ever-increasing number of motivationalists (the current plague we must endure) who seem to say that our problems are all within ourselves. All we need to do is think positive and all will be well. It will not. It is possible to work for political change, however, and to see results for that work. In many

ways that is the lesson of the history of the Labour Party. As a Party of reform and change, it has had the task of enduring long periods in the political wilderness followed by brief periods of power at times of crisis. What has sustained the Party as a viable nationwide political organisation has been the values it expresses and its ability to produce the organisation to implement those ideas into practice.

In order to illustrate this point, I thought it might be relevant to share with you the role women played in the renewal of the Labour Party during the 1970s. The story began in the 1960s when a group of Labour Party women renewed the campaign to form the Labour Women's Council within the Party as a central forum through which women could organise politically and develop a policy agenda which it could take to the people. It was a time of transition within the leadership of the Party and a time when it was commonly felt that the Party had yet again lost its way and had no policy ideas to offer the people. The women knew the needs of the women in their communities and were determined to make the Party acknowledge that need because they recognised that this was the type of policy initiative that women in the community wanted. This was a time of questioning of the traditional roles of women, and a time when women were moving to change those roles. If women were to be able to continue this change, they needed political support to change restrictive laws, and provide the resources for the rape crisis centres, improved health care, better educational and job opportunities, and to fund the refuges. Since nobody else was likely to help women but themselves, it was necessary for them to become politically active to make progress.

It was during this period that I was seeking the answers to such questions as why the system seemed to advantage some and disadvantage others, and whether it was possible for women to live and work outside the traditional societal role that appeared to be assigned to them without their consent. I was also looking for ways to change the system as many young people were at that time, unlike today. I worked with many women's organisations that pursued single issues – equal pay, equal employment opportunities, rape reform, fairer abortion laws, a non-nuclear New Zealand, etc. I noted that while we were frequently successful at raising public awareness of an issue, it tended to flounder on the rocks of Wellington before any real change happened. The limitations and frustrations of single issue politics was well illustrated for me in the campaign for fairer abortion laws. It was an excellent demonstration of political power. The lesson to be learnt was obvious. Unless you have that power, it can and will be exercised against you. In many ways the Muldoon National Government was the best recruiting tool for the Labour Party during the 1970s.

While I then acknowledged the importance of single issue organisations and campaigns, I could also see their limitations. The same was true of my experience within the trade union movement to protect the rights of women workers. The fact was however that many men saw women workers as a threat to themselves and gave limited support to women workers. The lack of women in leadership positions made it hard and difficult territory for women, yet progress started to be made during the 1970s as the movement slowly started to change in response to the changes in the labour market and social conditions generally. The campaign for endorsement of the Working Women's Charter highlighted for me the strengths and limitations of working through the trade union movement for the rights of women. Opposition to part-time workers and the right of women to control their own bodies accurately portrayed the prevailing attitude of men to women at that time. The Charter campaign was successful however in hastening the process of education and change.

On any analysis at the time, then, it seemed to me that the most effective way to work for change in the medium term was to work through the Labour Party organisation. It was a somewhat unpromising vehicle on which to drive through the changes required when I became active in 1976. The 1975 election had been lost and there was a feeling of betrayal that the electorate had sold its soul on the promise of a superannuation scheme that was based on short term greed and long term pain. There was also a need for a thorough reorganisation of all the Party's administrative and organisational structure. There was also a need for new organisational leadership. I was encouraged to persevere, however, because of the presence of a few excellent women who worked tirelessly for change. While I involved myself in branch activities and local body elections, my main centre of activity was the women's section of the Party.

The Labour Women's Council had been endorsed by the 1974 Conference and started life at the 1975 Conference. Without this structure, I doubt if I would have found enough positive activity to maintain my commitment at that time. The strategy established by the women of the Party during the 1970s and early 1980s was quite simple. It involved two aspects. The first was to encourage women into positions of decision making within the Party organisation and to stand for Parliament. The second aspect of the strategy was to develop a policy for women that would be accepted by the Party as part of the Manifesto. It was assumed that with such a policy in the Manifesto there was a chance that it would be implemented once Labour became the government. These two strategies were developed together because it was important never to forget the purpose of political power was not only increased personal power, but the implementation of policy. Policy

was very important and a great deal of energy went into its development before it emerged in the 1984 Election Manifesto.

There is not time to detail precisely how the women of the Party gradually won positions on the executive, the Policy Council, and the all important selection committees. What must be said is that none of this development was an accident. It was planned and carried out through the democratic processes of the Party. This meant a lot of lobbying of other sections in the Party, several demonstrations of voting power in conferences, compromises, promises of support in exchange for votes, and all the normal tactics used in politics within any organisation. It also meant attracting, promoting, supporting, and generally assisting competent women to be involved politically. This was not easy for many had other commitments.

The single most important factor throughout this period was the ability of the women to work through their own structures. The Women's Conference which was held before the Annual Conference was open to all women who were financial members of the Party. There was no delegate system, and all women elected to the Labour Women's Council were voted there by all the women present. The appointment of a women's organiser to deal with the women's section of the Party was a major factor in maintaining the effectiveness of that section. Without that position, it would have been impossible for the network to have been developed so quickly and so well. The appointment of the women's organiser was one of the undertakings Jim Anderton gave to secure the women's vote for his election as President. It was an undertaking he gave and honoured, though there was opposition at the time.

While the women were developing their influence within the organisational and parliamentary wings of the Party, they also worked on the policy. Once again the use of separate forums for the development of the policy before it was debated in the Policy Council was vital for the survival of ideas through the various committees into the Manifesto. An initiative that was taken during this period was the Women's Policy Conference. This was held between elections and was used to raise ideas, which were then refined through committees and sending copies of the proposals to women in the Party for comment and decision. It was the responsibility of the women's representative on the Policy Council to see that the policy survived relatively intact. This would have been an impossible task if it had not been for the presence of other women on the Policy Council who could carry the argument, second the motions, and generally trade their way through the tortuous but necessary process.

The key then was for women to organise themselves, but when they engaged with the general Party organisation, then there were women

ready and willing to assist with the agenda at the next level. For women to be effective they had to be everywhere all the time. Although the separateness of women was criticised, I argued that ultimately the Party would benefit as a whole. It benefited from the increased active membership, and it benefited at the ballot box. The women's strategy was based on the assumption that if women produced a policy relevant to women, and had women in positions of authority to implement the policy, then more women in the electorate would support that policy and those women, and assist with the election of the Party. It was commonly assumed that more women voted conservatively, and there does seem to be some evidence for this, though little work had been done prior to the 1980s and the advent of the aggressive use of opinion polls.

This strategy to attract women voters was tested in the 1984 election and the results indicated that for the first time Labour attracted more women than National. The 1984 election also saw the election of 10 Labour women to Parliament. This was a greater number than ever before and was soon followed by another first when two women were elected to the Cabinet. It appeared that women had achieved a foothold within Parliament from which to launch their policy. It also appeared that the women of the Party had proved that their argument for greater control over their own affairs had produced the intended outcome – the electoral success of the Labour Party. Of course the women's strategy was not solely responsible, but it had contributed in an obvious and major way. Unfortunately this experience counted for little once the Party became government. The lesson learnt by the Party in the 1970s and early 1980s was not learnt by the Parliamentary Party.

There is not time to explore the details of the deterioration of the relationship and the slow but steady loss of support that took place over the six years of the Fourth Labour Government. From the outset it was a struggle between two very different ideologies. The dominant group, centred around the Minister of Finance in the executive, had determined that New Zealand's future lay with a market economy. The women of the Party had determined that in order for women to develop towards full equality the state needed to play an active role in redressing the imbalance of power between the sexes. The Economic Summit Conference was the first clear signal for me that this was going to be a very difficult battle for women and that ultimately we could not win because we did not have power where it counted, in the executive and to a lesser extent in the bureaucracy.

This insight did not mean, however, that women should give up. There was much to be learnt from the experience and along the way it would be possible to negotiate some changes. This is the strategy that was then followed and some gains were made that were and remain

important. The Ministry of Women's Affairs was established and after a shaky beginning has now started to produce the quality policy work that was originally intended. The rape laws were reformed and demonstrated what all women knew – that the law is only part of the problem. Women's initiatives were supported in health and education, especially in the area of early childhood education. Women were also appointed in greater number to public bodies which enabled some women to gain a further insight into how power operated at different levels. It also gave those bodies an opportunity to learn from the experience of women.

I do not want to give a catalogue of Labour's achievements in the women's policy area. That has been done elsewhere and I am reminded of them regularly as those initiatives are abolished by the National Government who are pursuing a very different women's policy. They seem to believe that the market will deliver equality, justice and fairness to women. We wait to see if the result of this experiment is any different from such approaches in the 19th century. The final point I wanted to make was that while under Labour women managed to negotiate some changes and avoid open conflict for a period of time, the inevitable showdown came over the employment equity issue. This was the issue that directly challenged the market economic approach. The legislation would not have been successful if the Minister of Finance and his supporters had remained the dominant group in the executive. Their removal cleared the way for women to start to achieve economic fairness. Unfortunately however because of the damage in the community, the Labour Government had lost the trust of the people and regardless of its achievements they were voted out of office.

For women one of the lessons is clear. If you do not have power you will be subject to the will of others. The experience of Labour women over the past 20 years is that it is possible to achieve power but it takes time and a great deal of commitment. This is the same for those men who enter politics. They have advantages but women, if they can maintain the ability to organise themselves, can also influence political decision-making. There is no magic to the process. You work the system and you have realistic time frames. However you must be persistent and consistent in the struggle. An ability to be adaptable and opportunistic also helps.

Conclusion

I have of course not answered the questions that I posed for myself in this paper. However, I hope I have provided some insights into how they can be answered. It took women so long to achieve power because

the normal societal prejudices against women participating in public life influenced the men and the women who worked in the Party. The Party itself reflected these prejudices by not giving women that space of their own in which to work for the common objective. As attitudes changed so did the Party, but only because women made it change. They created their own space. As to whether the Labour Party still remains a viable vehicle for women, I can see no reason why not. It has the supportive general ideological position, and it still has a nationwide political organisation that is capable of winning elections. It is really a question of whether the Party is prepared to continue down the road paved by the women, and whether women are prepared to work within it. At the moment politics is not the career you would recommend to your children but it is an important task. If it is not done well we all suffer the consequences.

I must conclude by stating that for all the frustrations and difficulties, I do not regret the time I spent working within the Labour Party. It provided me with opportunities to understand the political system in this country in a way that the university could not. It also gave me the opportunity to develop and test skills that had not been possible anywhere else. I learnt more in those few years than I ever imagined was possible to learn. I just hope other women take up the opportunity. If they do not then women and the country will be the poorer for not having the benefit of women in political decision-making.

Notes

1. Liz Gordon, *A Place in the Sun: Women in the New Zealand Labour Party*, unpublished paper, Education Department, Massey University, 1989; and Connie Purdue, *Women in the Labour Cause: The History of the Auckland Women's Branch of the New Zealand Labour Party 1925-1975* (Auckland, 1975).
2. Beatrix Campbell, *The Iron Ladies: Why Do Women Vote Tory?* (London, 1987).
3. Sonja Davies, *Bread and Roses* (Auckland, 1984).

5

Sore Labour's Bath? The Paradox of Party Identification in New Zealand

Stephen Levine and Nigel S. Roberts

Introduction

In *Macbeth* Shakespeare describes sleep as 'sore labour's bath.'¹ This is not to suggest that Labour's path back to power is necessarily for the Party and its leadership to sleep for three years: although – if National MP Winston Peters is to be believed – that was the strategy pursued by National when *it* was in opposition. In any case, using only three words of simple but colourful imagery, the playwright was able effectively to invoke a picture of a work-weary body being lowered slowly into an invigorating, soothing tub of hot water.

There can be no doubts, too, that the body of the New Zealand Labour Party has been battered and bruised. In 1990 the party was unceremoniously dumped from office by the largest anti-government swing since 1935. At 35.1 per cent, Labour's share of the poll was the lowest it had received in any general election in New Zealand for sixty years, and – as a result – the Labour Party, with only 29 Members of Parliament, now has fewer MPs than at any time since 1931 (when only 24 Labour MPs were elected to an 80-seat House). Membership of the party has also been estimated to be at a post-war low.

The Labour Party is obviously in need of the healing, restorative powers of a long hot bath. And it is the argument of this chapter that a thorough review of the phenomenon of party identification in New Zealand contains some surprising but generally comforting findings for the Labour Party.

Party Identification in New Zealand

Although 'party identification' is one of the most important concepts used in analysing voting behaviour not only in New Zealand but in

other democratic societies as well,² it can be regarded at the same time as a somewhat nebulous, even metaphysical, idea. As an attitude, it is most readily measured by survey research, as interviewers elicit responses to questions about people's feelings towards particular parties. Despite its apparent clarity of focus, however – involving the fairly simple and evidently attainable goal of determining whether a person 'identifies' with a political party and, if so, which one – there are difficulties in elucidating the meaning of any emotional links respondents may claim to possess.

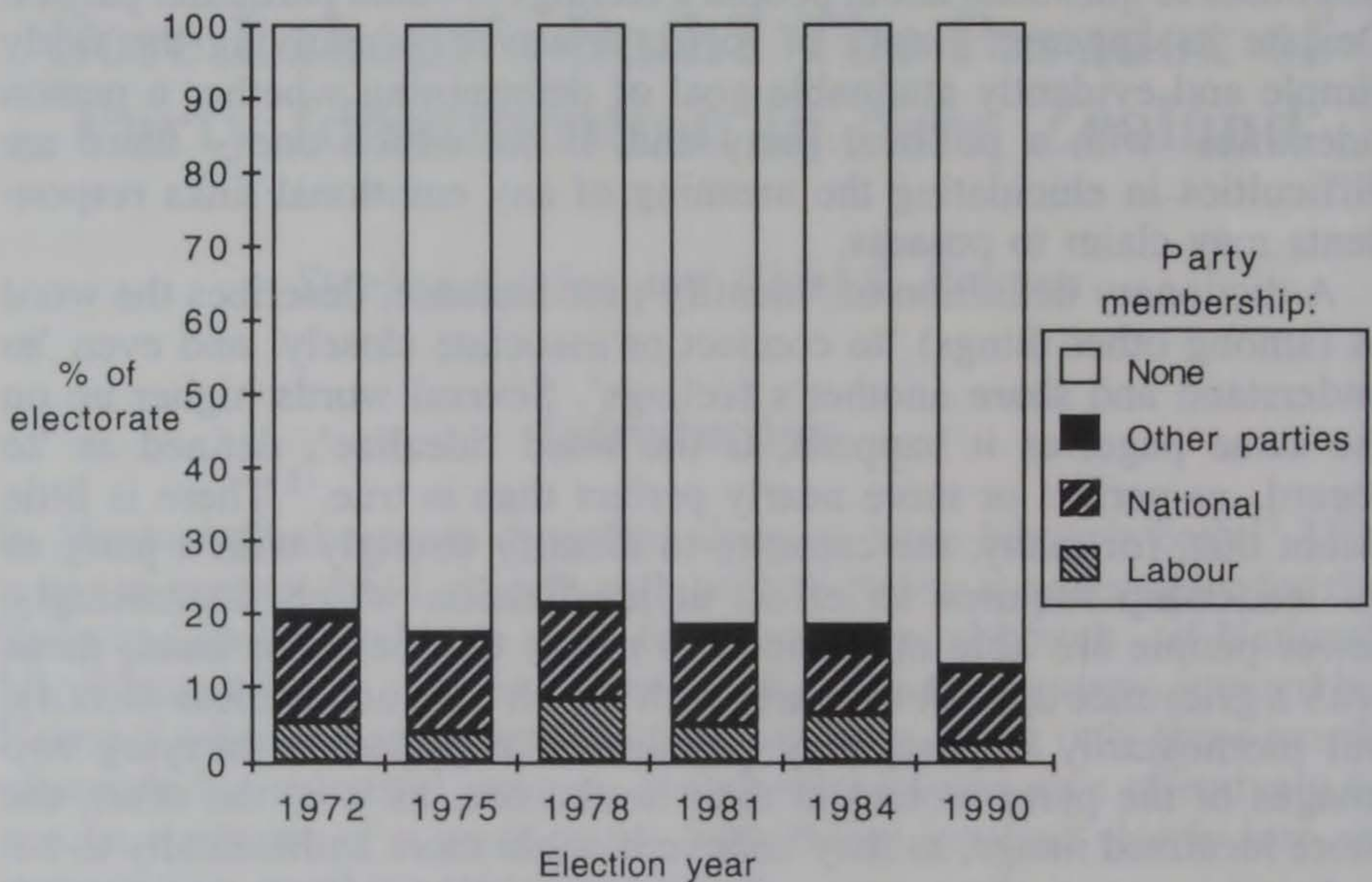
A dictionary definition of 'identify', for instance, describes the word as (among other things) 'to connect or associate closely' and even 'to understand and share another's feelings'. Several words higher up on the same page, as it happens, is the word 'idealize', defined as 'to regard...as perfect or more nearly perfect than is true.'³ There is little doubt that, for many, the capacity to identify strongly with a party or its leadership requires an effort at idealization which, increasingly, fewer people are able or inclined to make. On the other hand, those with a grievance against the party with which they nonetheless identify, but momentarily oppose, may perhaps be regarded as carrying two images of the party around in their heads: one, as it is; the other, the more idealized image, as they believe it ought more authentically to be.

In any case, a close connection or association with the party with whom one identifies is generally not sufficient in New Zealand for people actually to join the organisation, participate in its activities or attend its meetings. Moreover, successive elections have demonstrated that understanding a party's outlook, and sharing its candidates' feelings – their desire to avoid defeat, for instance! – seems on the evidence to have become a fairly weak barrier among some party identifiers quite comfortable about voting for opposition parties or sitting out the election altogether.

There are therefore apparent discrepancies between the way in which people describe themselves – how they feel about themselves, politically – and the way they may appear using strictly behavioural criteria. Figure 1, for example, which summarises responses to a survey question on party membership which was used over the 1972-84 period and in 1990,⁴ shows that most people in New Zealand possess no *formal* link to *any* political party.⁵

The absence of such affiliations sits side by side with a quite durable system of essentially two-party competition for government office. At general elections held since 1935 the two major political parties in New Zealand, Labour and National, together have acquired between 99.8 per cent and 77.8 per cent of the vote. Thus despite interesting and at times influential minor party participation in New Zealand's electoral process,

Figure 1: Political Party Membership in New Zealand, 1972-84 and 1990



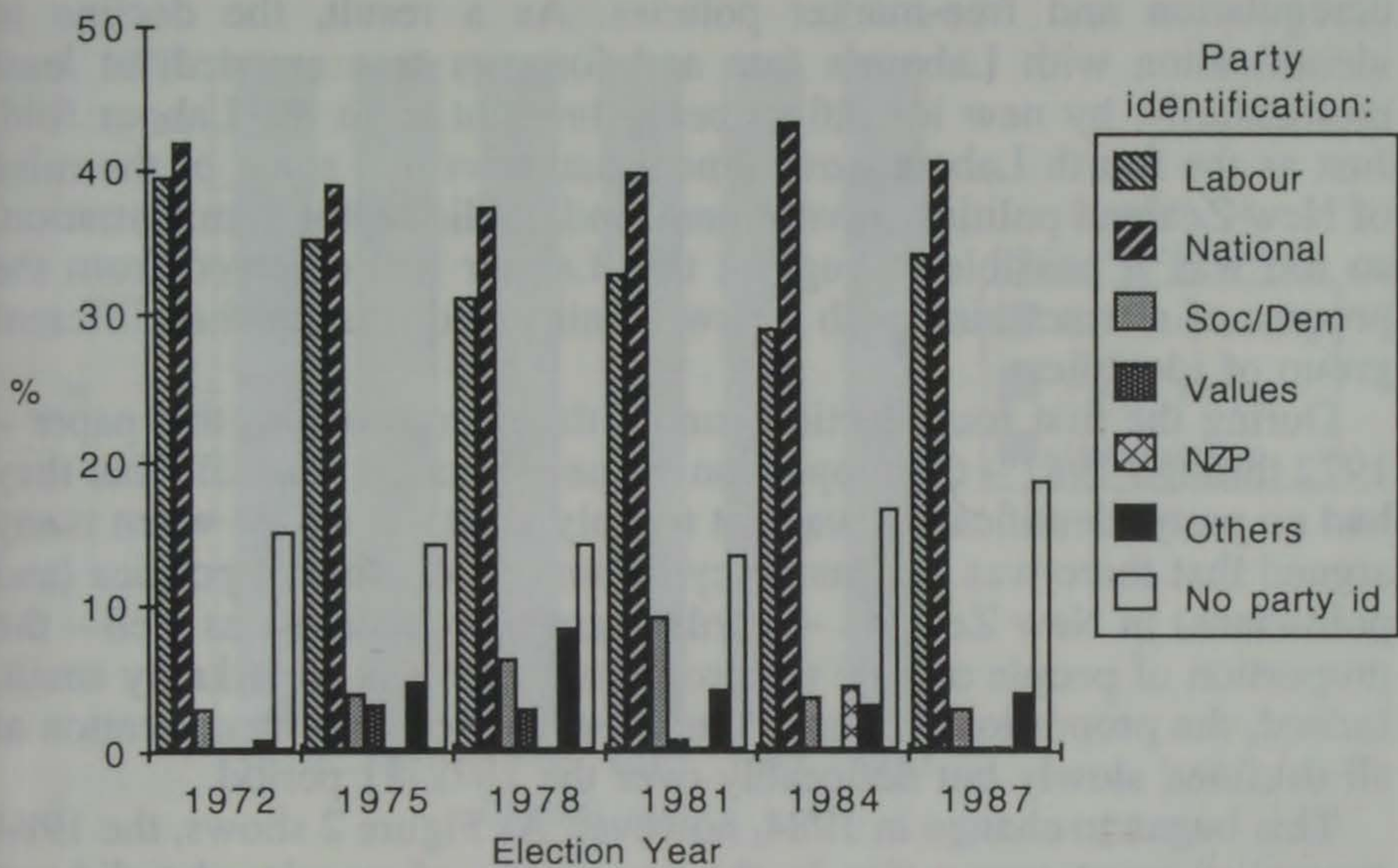
a reasonably stable pattern has developed in which two dominant catch-all parties have alternated in government for nearly six decades.

It would be surprising if such a development were not in some way associated with some fairly important bonds between New Zealand electors and the parties seeking both to represent and to govern them. One survey question which has been used in an attempt to study those bonds – to discover more precise information about their existence, strength and behavioural implications – asks participants a fairly straightforward question, common in overseas as well as in New Zealand research: ‘Generally speaking, do you usually think of yourself as National, Labour, [various third parties, which have changed over the years], Independent, or what?’

A summary of the responses given to this question from 1972 through to 1987 is contained in Figure 2.

The most striking feature of this Figure is that in each of these six elections, more people identified with the National Party than with Labour. This finding becomes even more significant, and at the same time somewhat paradoxical – hence the title of this article – when one recalls that Labour actually won three of these general elections (in

FIGURE 2: Party Identification in New Zealand, 1972 to 1987



1972, 1984 and 1987), gaining a plurality of votes cast nationwide and a majority of seats in the House.

In two of the other elections, moreover – in 1978 and 1981 – Labour actually won more votes than National despite failing to win office. The only election of these six in which National gained more votes than Labour was 1975 – and yet the data are clear: Labour always lagged behind the National Party in terms of identification and, perhaps most surprisingly of all, most noticeably so in 1984 when Labour nonetheless had one of its grander election victories.

Figure 2 also shows a fairly steady decline in identification with the Labour Party over a 12 year period, from 1972 until 1984. (Although the Labour Party recovered ground slightly in 1981, the downward trend was reaffirmed in 1984 despite the Labour win that year.) In 1987, however, following three years of Lange-Douglas government (now remembered with some misgivings by party activists), Labour Party identification rose five percentage points from the level it had attained in 1984.

At that time, it was claimed that the fourth Labour government had radically transformed not only New Zealand society, for better or worse, but its own image as well. No longer, it was argued, could

Labour be characterised simply as 'a party of the Left', as the party – or, at the very least, the government – had ostensibly turned its back on state intervention. Labour had now become the party of financial deregulation and free-market policies. As a result, the decline in identification with Labour's fate and fortunes was arrested, at least momentarily, by new identifiers being brought in to the Labour fold. Just as the fourth Labour government had rewritten some of the rules of New Zealand politics, government, and public sector administration, so too was it possible to suggest that Labour had emerged from the process of restructuring with a new identity and a somewhat different group of identifiers.

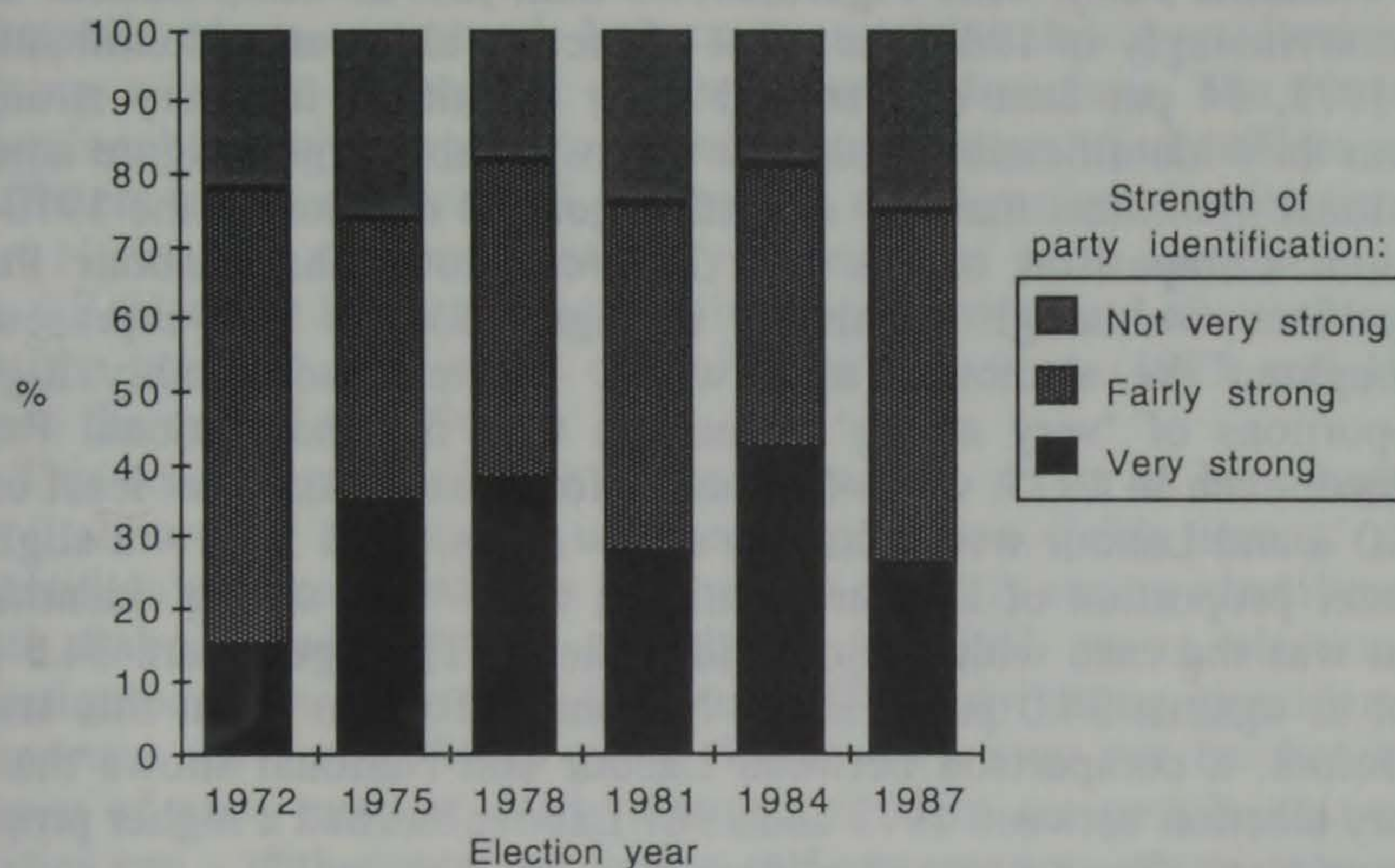
During the first four elections under the microscope in this paper – 1972 through 1981 – the proportion of the electorate who said that they had *no* party identification was not terribly great. At a time when many argued that there was increasing cynicism and distrust of politics (and politicians) in New Zealand – words heard more recently as well – the proportion of people outside the broad party net was remarkably small. Indeed, the proportion who said that they had no party identification at all declined slowly but noticeably over the 1972-81 period.

This began to change in 1984, however. As Figure 2 shows, the 1984 general election saw a rise in the percentage of people who did not identify with any New Zealand political party (in 1984 at just under 17 per cent, the figure was the highest on the graph for 'no party identification' at that stage), and the proportion rose still further three years later.

This loosening of party ties seems to be yet another instance of a much-noted phenomenon, a time lag in the arrival in New Zealand of social and cultural changes which have occurred overseas some years earlier. Many other democratic countries, in Europe and in North America, have witnessed a comparable weakening of the bond between party and self (which is one definition of party identification). In New Zealand the nexus with the established parties also appears to be weakening, in the wake of policy shifts and disappointments of various kinds, yet this still remains a process with a long way to go. To turn the statistics for those without party identification on their head, even in 1987 more than four out of every five New Zealand electors voluntarily described themselves as identifying with one or other political party. This is a very high figure and, despite some fluctuations, it has remained remarkably stable throughout the two decades under examination.

Of course not everyone identifying with a particular political party does so with the same degree of enthusiasm. A follow-up survey question, used throughout this period, asked, 'Well, how strongly [Labour, or National, etc.] do you feel: very strongly, fairly strongly,

Figure 3: The Strength of Labour Party Identification, 1972 to 1987



or not very strongly?' The strength of the party identification of Labour identifiers for the period from 1972 to 1987 is illustrated in Figure 3.

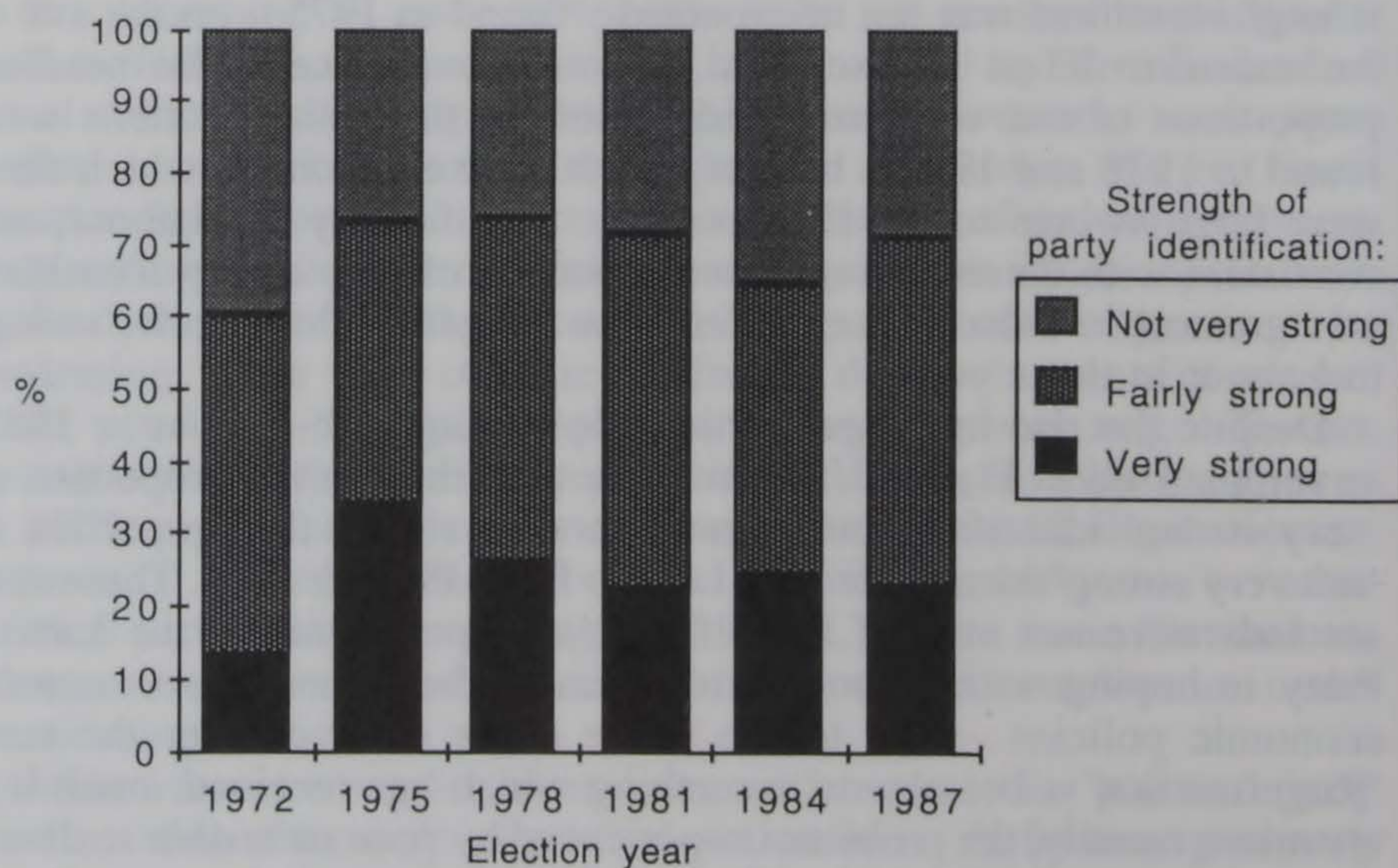
Of the Labour Party's identifiers, the largest group of 'not very strong' identifiers was not unexpectedly found in 1975 – on the eve of the massive defeat of the third Labour government. The smallest proportions of not very strong identifiers in these six elections were found in 1978 and 1984 – both of which were elections in which there were large swings to the Labour Party. Significantly for Labour, and consistent with these findings, the proportion of very strong identifiers was greatest in those two elections – once again reflecting the swings to Labour in those years.

Despite the rise in the proportion identifying with Labour in 1987, as summarised in Figure 2, Figure 3 shows a drop in the proportion of 'very strong' identifiers and a corresponding rise in the proportion of 'not very strong' identifiers with Labour from 1984 to 1987. These data are indicative not only of the difficulties experienced by the Labour Party in coping with responses to some of the Labour government's economic policies – and to the entire ethos embraced by the term 'Rogernomics' – but also to something which has received much less attention: namely, the problems experienced by persons unable to divest themselves of what may have been at times quite important emotional bonds to Labour yet equally unable to surrender their feelings of

dismay and disappointment over what was being done in their party's name.

By way of contrast, Figure 4 provides data collected with respect to the National Party. This Figure shows that, just as when Labour won so convincingly in 1984, the scent of victory aids party identification. In 1975, 34 per cent of National Party identifiers felt very strongly about their identification. This was a considerably higher figure among National identifiers than for any other general election in the 1972-87 period. Comparison of the two Figures shows that Labour Party identifiers – although (as shown in Figure 2) less well represented throughout the electorate as a whole – often had notably higher proportions of 'very strong' identifiers than did the National Party. Indeed, even in 1975, when National's fortunes peaked – at least until 1990 – and Labour was at its low ebb – again, until 1990 – a slightly greater proportion of Labour identifiers were 'very strong' identifiers than was the case with National identifiers. (The figures are 34.3 per cent as against 34.0 per cent for National.) To sum up at this stage, therefore: a comparison between Labour and National shows that in every election between 1972 and 1987 Labour has had a higher proportion of very strong party identifiers than has National.⁶

Figure 4: The Strength of National Party Identification, 1972 to 1987



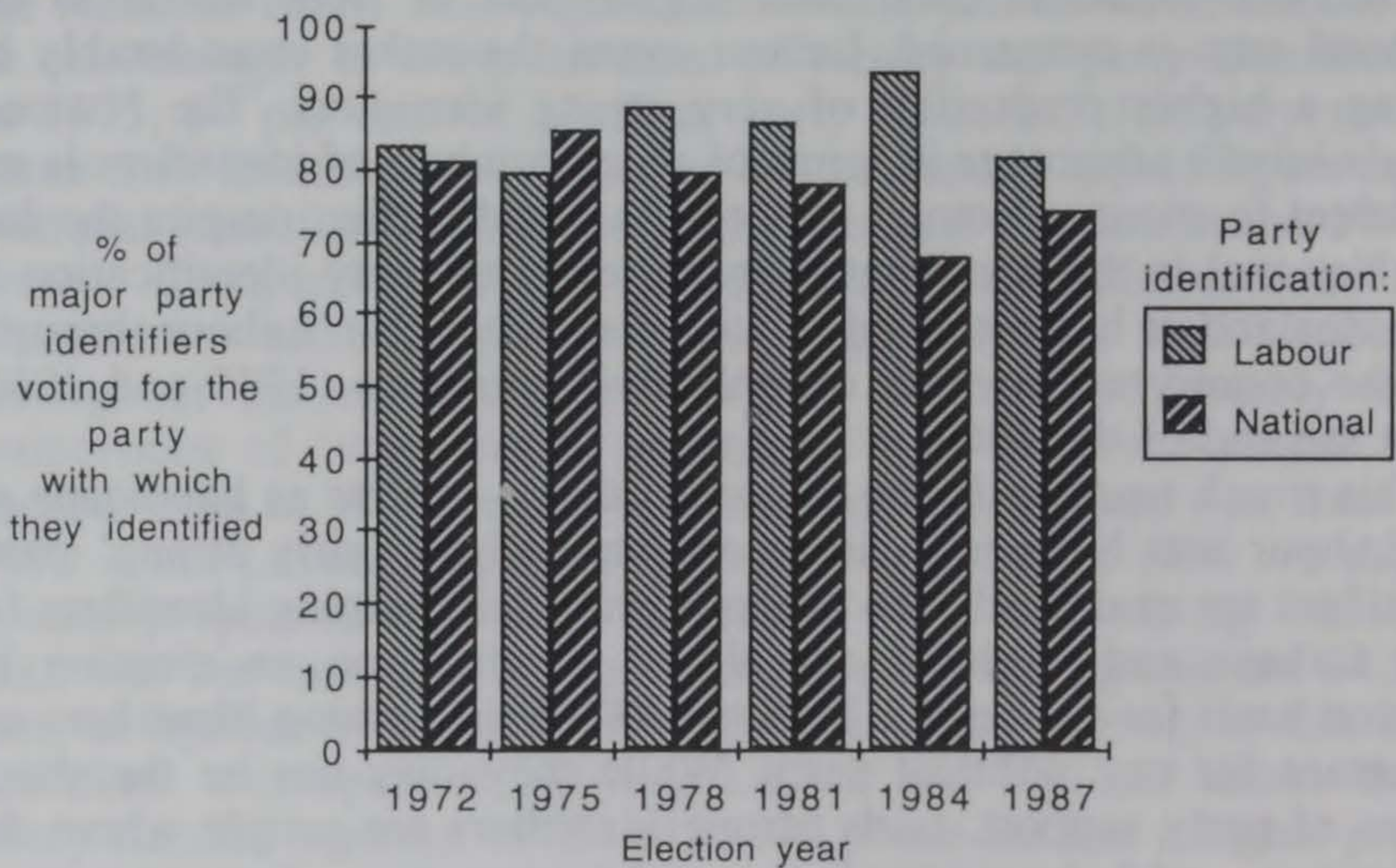
The consequences for New Zealand politics of this difference between Labour and National are important. Although the National Party has a broader base of sympathy in the electorate than does Labour, and National thus starts slightly out in front so far as the electoral race is concerned, Labour evens the stakes considerably by having a higher proportion of very strong identifiers. The National Party's inbuilt advantage in terms of sheer numbers of identifiers is not sufficient to ensure electoral victory. As noted earlier, despite the fact that National is the dominant party in terms of party identification in New Zealand, it has managed to win more votes than Labour throughout the country as a whole on only two occasions (1975 and 1990) since the end of the 1960s.

This rough equality in the electoral stakes – so far as handicaps go for Labour and National – is accentuated when 'fairly strong' party identifiers are examined. The proportions of fairly strong identifiers for both Labour and National are almost identical on an election by election basis for the period 1975 to 1987. Fairly strong identifiers are important for any political party. While they may not be the shock troops of party support, fairly strong identifiers are people whom the parties can – with decent marketing and presentation – hope to capture in significant numbers. Fairly strong identifiers cannot be taken for granted, but with some work they should be there for the taking by their own political party organisations.

One consequence of the fact that Labour and National had remarkably similar proportions of fairly strong party identifiers at each of the elections during the period from 1975 to 1987 is that National has thus had a larger proportion of 'not very strong' party identifiers than Labour at each of these elections. Given the fact that the middle of the columns in Figures 3 and 4 is of roughly equal size for both Labour and National, and given the fact that Labour consistently had a somewhat higher proportion of very strong identifiers than National, then it stands to reason that National must, in turn, have had a higher proportion of 'not very strong' identifiers; and this is indeed the case, as the two Figures show.

This seems an important clue to an explanation of an irony, or paradox, of New Zealand politics, restated here more comprehensively than earlier: namely, National's having lost so many times (in terms of votes) when so high a proportion of New Zealanders identify with the two parties and when, of the two, National has consistently had the higher share of party identifiers. One of the answers lies in the fact that National's identifiers have – on balance – been weaker than Labour's.

A criticism sometimes levelled against the concept of party identification is that ordinary electors in the street can see it as the same thing as voting. According to this view, a person interviewed in an election-

Figure 5: The Loyalty of Major Party Identifiers, 1972 to 1987

time survey will report a party identification identical to their intended vote. If this were so, however, then National would have won *every* election from 1972 to 1990. All the people who reported thinking of themselves as National should have trooped loyally to the polls and cast their votes for the National Party. Likewise, Labour identification and voting should have gone together. As the Labour Party has consistently had fewer identifiers than the National Party, Labour would have been doomed to near-permanent minority status in New Zealand politics, at least in the absence of a major and – in the circumstances – somewhat sensational realignment of the country's parties or the introduction of a new electoral system.

That Labour has managed to avoid that fate confirms that the two phenomena – party identification and voting choice – are not interchangeable. As there is a distinction between party identification and voting behaviour, it was possible for Labour to outpoll National in five of six elections between 1972 and 1987, in part because a considerable proportion of persons usually voting National have not been entirely loyal to the party with which they generally identify. This question of party loyalty is worth exploring in some detail.

Figure 5, which charts major party loyalty, shows that on only one occasion during the period from 1972 to 1987 – in 1984 – has any set

of major party identifiers (in that case, Labour's) given more than 90 per cent of their votes to the party with which they say they identify.

Looking across the bar graph in Figure 5, it can be seen that usually only about four out of very five party identifiers vote for the party with which they claim some sort of bond. In other words, about 20 per cent of those who identify themselves with one or other of the major parties *do not at the same time* vote for that party in the general election held closest to the survey. There is of course a correspondence between a party's fortunes and the proportion of its identifiers that it can retain as voters. In Figure 5, the highest column for the National Party is in 1975, when it retained the loyalty of more than 85 per cent of its identifiers and swept the third Labour government from office. Likewise, Labour's loyalty rate is highest in 1984 when it finally ousted the third National government from power. At the opposite end of the scale, Labour's loyalty rate – its ability to retain party identifiers as voters – was lowest in 1975 when it fell below 80 per cent for the only time during the 1970s and 1980s. The National Party's overall loyalty rate is somewhat lower than the Labour Party's. It is noticeable that in five of these six elections, National only achieves a higher loyalty rating than Labour on one occasion – 1975. In fact these findings go some way towards resolving the paradox arising out of the discrepancy between National's edge over Labour in numbers of party identifiers and its inability to translate that lead into a stable popular vote advantage.

The swing to Labour in 1978, Labour's retention of its position in 1981, and Labour's substantial victory at the polls in 1984 are – in a sense – all explained by the bar graphs for these three elections which are presented in Figure 5. The National Party, of course, fared extremely poorly in 1984 when it managed to retain the support of only two out of every three of its party identifiers.

Figures 6 and 7 provide a more detailed breakdown of the voting behaviour of Labour and National Party identifiers during the 1972-87 period. It is noteworthy that in 1972, 1984 and 1987 – three elections which saw Labour gain office – roughly one in 10 persons identifying themselves with the National Party nonetheless deserted National to vote Labour: a fairly substantial proportion. The only other party to capture a healthy share of the vote from amongst National Party identifiers was the New Zealand Party in 1984. It is important to emphasise here that these defections were not merely among persons who had voted for National at a previous election but were, more strikingly, among people who told interviewers that they continued to identify with National, and to feel themselves to be National Party 'people' – however weakly and however unhappily – but who had

decided to vote for another party, indeed its principal adversary, so as to deliver some sort of lesson that year.

As for the Labour Party's most loyal troops – its 'identifiers' – the years in which the highest proportion decided to deliver an unwelcome message were 1975, when National came to power, and 1987, when a Labour government about which many of the party's traditionally most committed followers felt decidedly uncomfortable was nonetheless returned. In both those years and in the others summarised in Figure 7, however, meagre proportions left Labour *to vote National*. This reflects both the stronger sense of party identification found among Labour identifiers, and their more pronounced negative orientation towards Labour's main rival, National: feelings much stronger and much more widespread than comparable sentiments among National identifiers.

Indeed, it is worth noting that although the term 'party identification' suggests an exclusively positive association with a given party, in fact it encompasses aversions as well as loyalties. As we have pointed out elsewhere, 'persons identifying *with* a particular party are at the same time taking up a position *against* that party's principal antagonist.'⁷ One apparent consequence of the at least traditionally much more pronounced ideological content associated with a Labour stance has been a rather stronger underlying enmity towards the party's strongest opponent, National. A contributing factor to Labour's higher loyalty rate among those identifying with the party, by contrast with National identifiers, is that – as the data in Figures 6 and 7 show – it has been

Figure 6: How National Party Identifiers Voted, 1972 to 1987

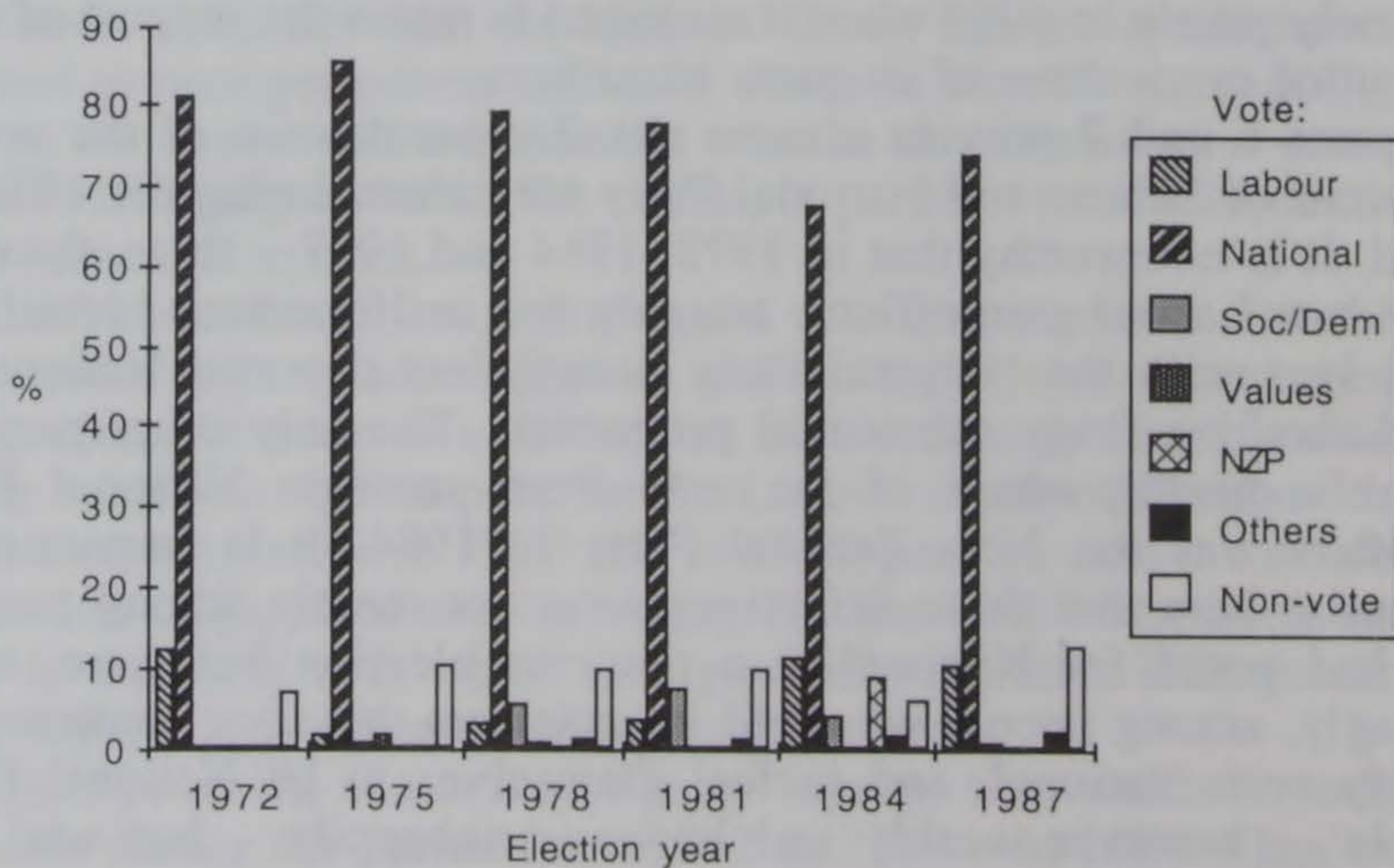
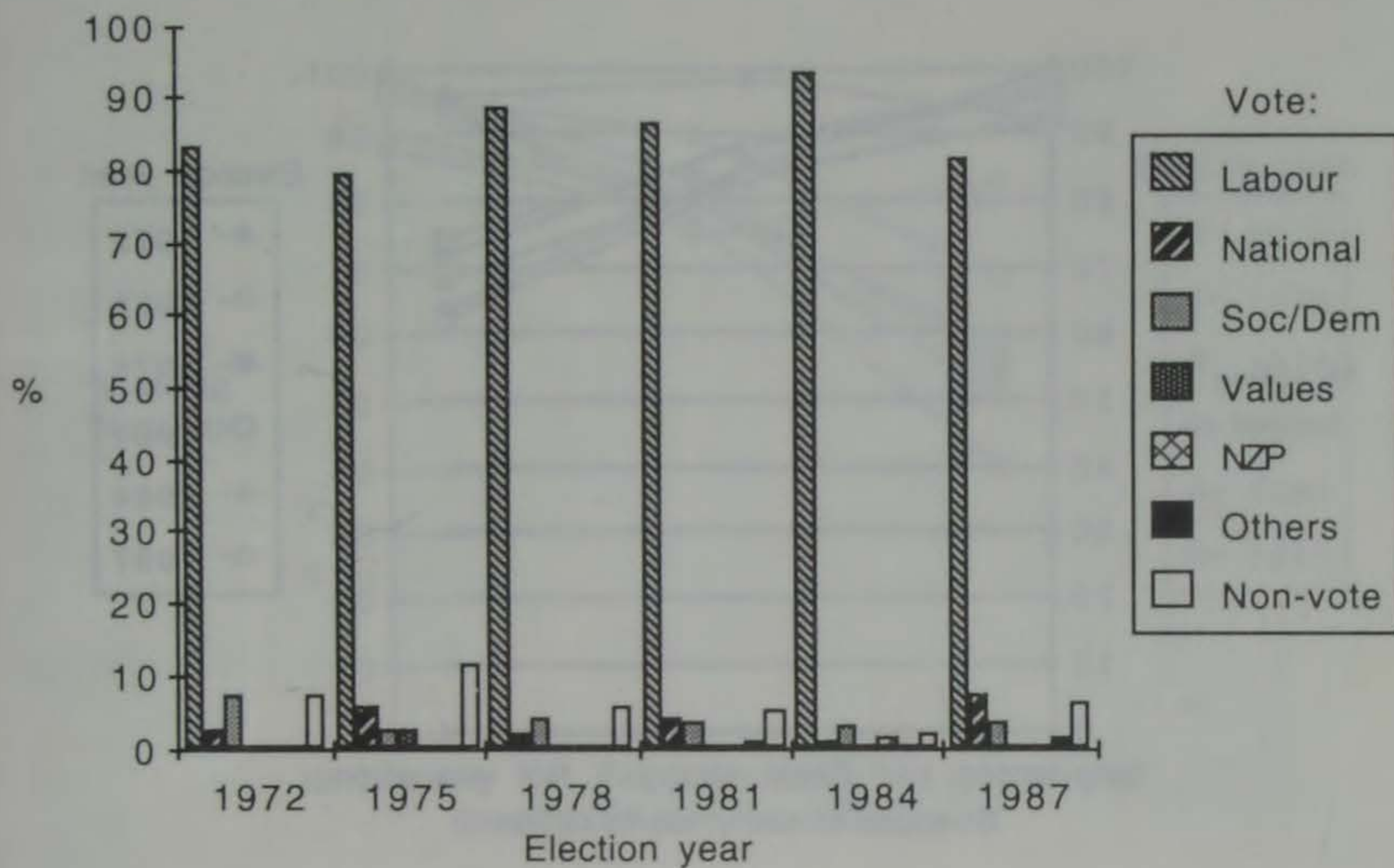


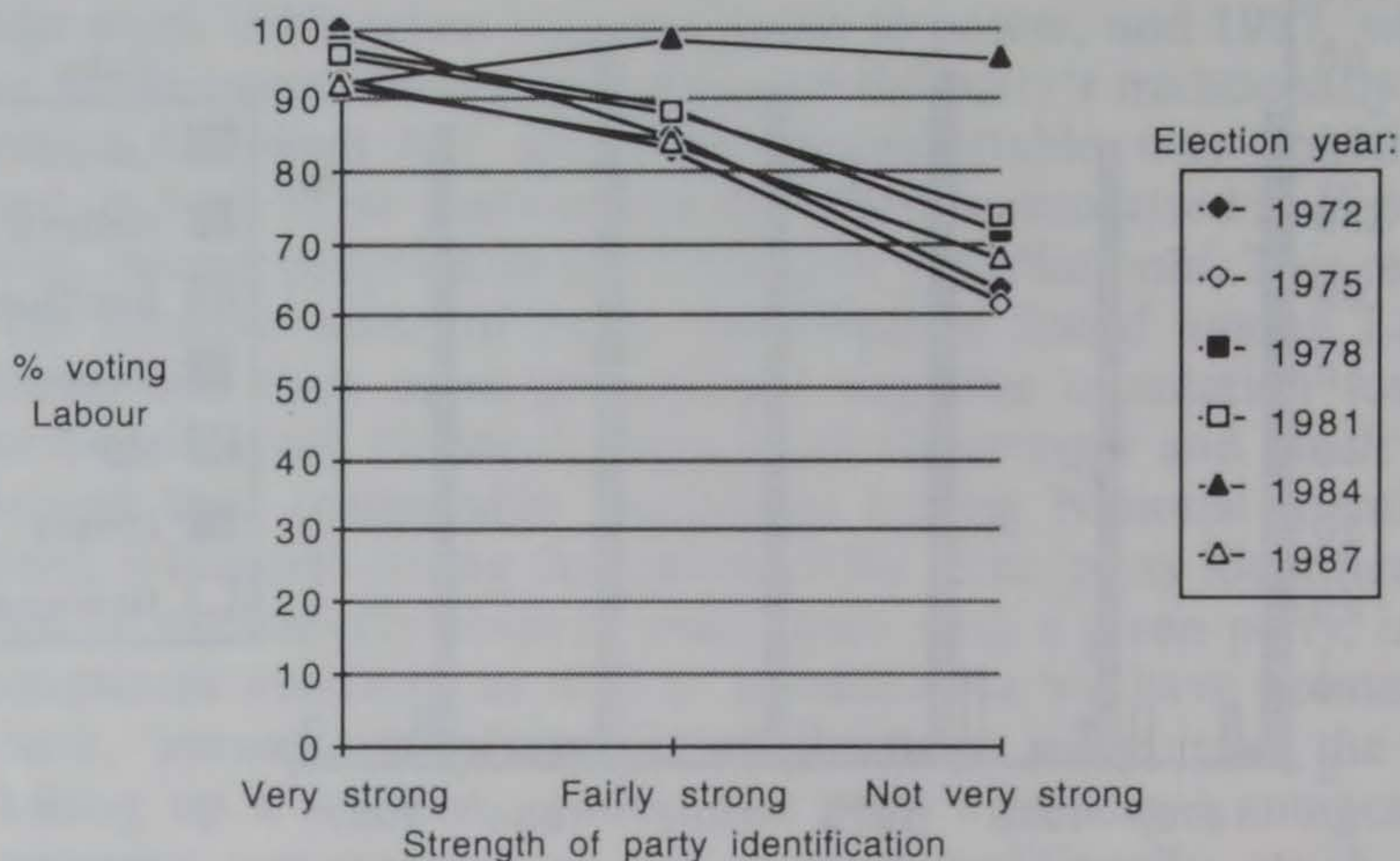
Figure 7: How Labour Party Identifiers Voted, 1972 to 1987

somewhat more difficult for Labour identifiers to take the step of voting for the only opposing party likely to deprive Labour of office. This sense of estrangement from a party's chief rival is a useful measure of party identification. When Labour identifiers can view a National government with equanimity – and, indeed, do little to prevent its occurrence – then it seems obvious that the mix of beliefs and feelings associated with their previous partisanship has begun to dissolve. This is a point worth bearing in mind subsequently in considering the implications of our 1990 survey data.

Figures 8 and 9 chart the loyalty of Labour and National Party identifiers respectively by the strength of their party identification. With only one exception over the 1972-87 period, as the strength of Labour Party identification declines, so too does the loyalty of Labour Party identifiers. Similarly, with but one exception, the loyalty of National Party identifiers also declines with the strength of their identification with National.⁸ These two Figures, which summarise a quite considerable body of data, are further evidence of the analytical utility of a concept which depends on respondents' abilities to ascribe both their own party identification and the strength of that bond.

It is noteworthy that both Figures show very strong identifiers from both the Labour and National camps with very similar loyalty ratings. Between 90 per cent and 100 per cent of strong party identifiers,

Figure 8: The Loyalty of Labour Party Identifiers by the Strength of their Party Identification, 1972 to 1987



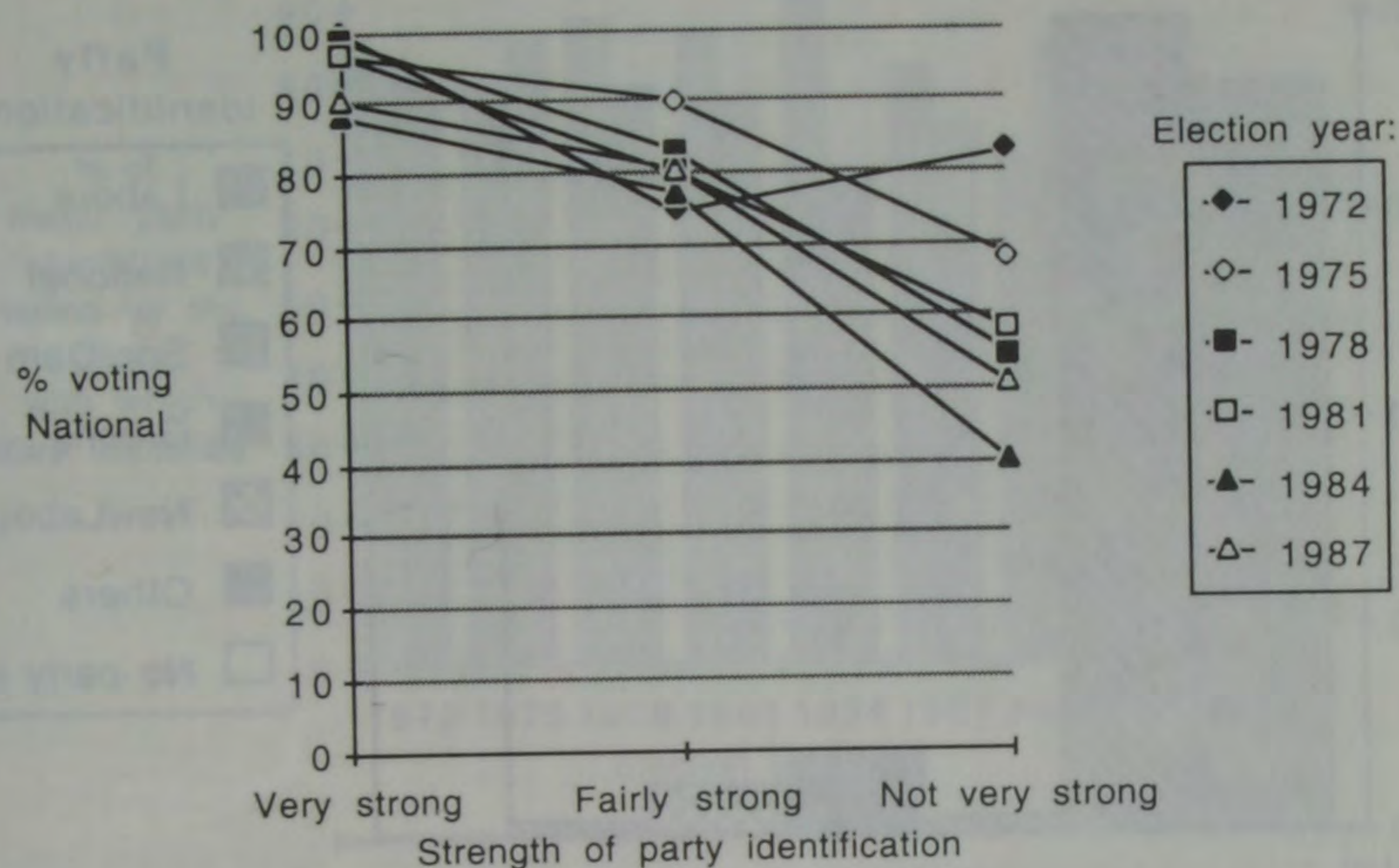
irrespective of party or election year, vote for the major party with which they identify.

However, the data contained in the two Figures – which follow the same pattern – also suggest some important differences. Fairly strong Labour Party identifiers are, almost without exception, between 80 per cent and 90 per cent likely to vote for the Labour Party. Fairly strong National Party identifiers, on the other hand, have a lower loyalty rating. They are, for the most part, clustered between 75 and 83 per cent. Likewise, while those identifying more weakly with Labour are, generally speaking, from 60 per cent to 75 per cent loyal to their party, in four out of the six electoral cases summarised in Figure 9 weak National identifiers are less than 60 per cent loyal. Once again, therefore, National identifiers are weaker than Labour identifiers in respect of loyalty and – as a result – Labour is able to win elections in New Zealand even though it does not have as many party identifiers as National.

The 1990 Survey

Against this background of relationships the most recent data, for 1990, can now be assessed. Not surprisingly, given the electoral result, 1990

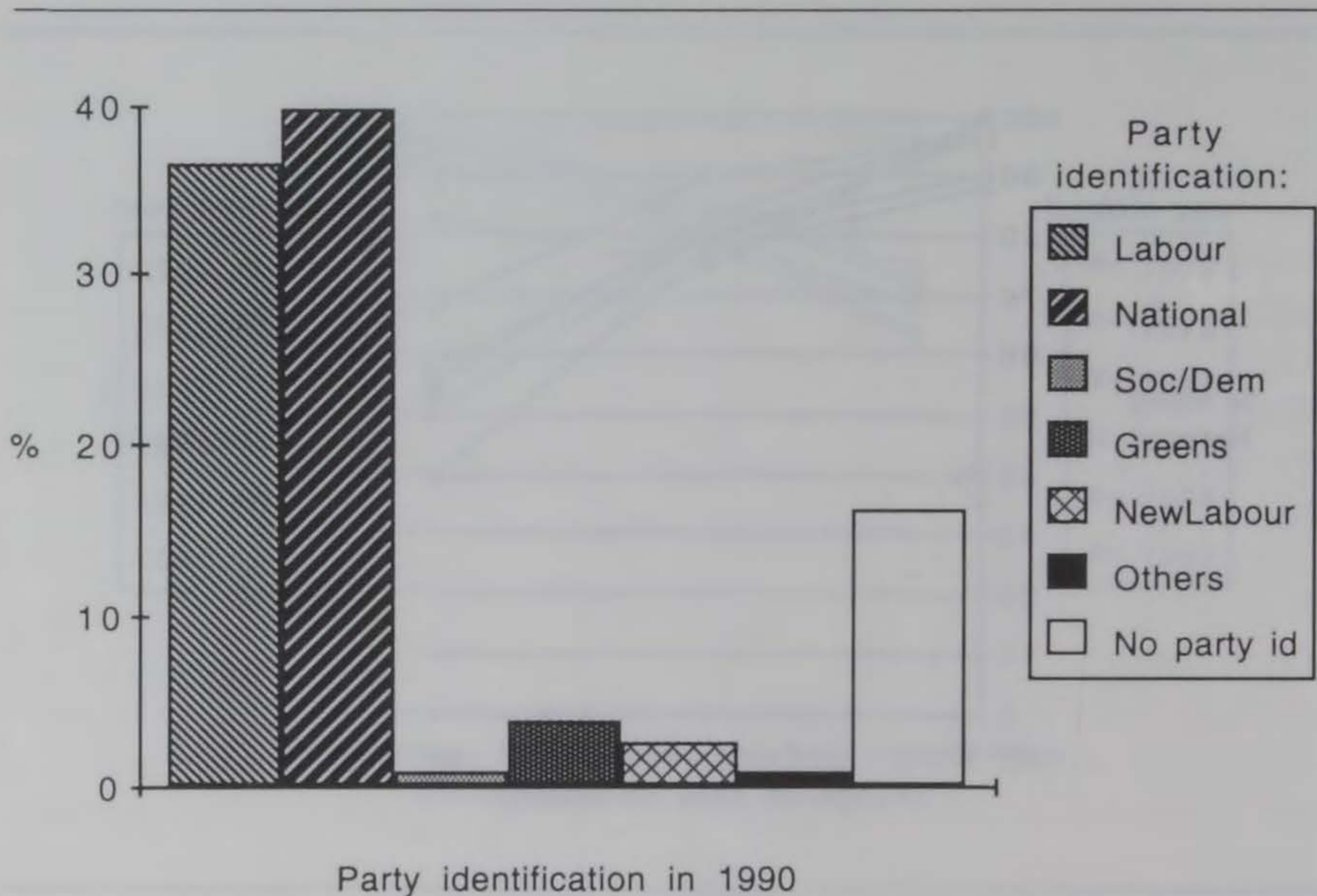
Figure 9: The Loyalty of National Party Identifiers by the Strength of their Party Identification, 1972 to 1987



was not the year in which the proportion of respondents describing themselves as identifying with Labour finally surpassed the National camp. As previously, there were more National Party identifiers – 39.8 per cent – than there were Labour Party identifiers – 36.4 per cent. However, the gap between the two was not very great and nor were the figures for either party significantly different from what they had been three years earlier (see Figure 2). Thus right at the outset, any suggestions that National's landslide win may have shattered the mould of New Zealand politics which has endured for so long seem as ill-founded as were observations about a fundamental realignment of the party system which were offered in 1984 and again in 1987 following Labour's victories at those elections.

The 1990 data do show some important discontinuities with past findings, however.⁹ For the first time since 1975, when National also scored impressive electoral gains, the proportion of persons identifying themselves as National *and* voting for the party was higher – in fact, significantly higher – than the proportion attributing a Labour identity to themselves and voting Labour. Only 71.4 per cent of Labour identifiers actually voted for Labour candidates. This was by far the lowest rate of voting loyalty among persons associating themselves with Labour – sharing, apparently, its thoughts and feelings – since our polling began nearly twenty years ago.

Figure 10: Party Identification in New Zealand in 1990



On the other hand, recalling Winston Peters' words alluded to at the start of this chapter about National seeking to 'sleepwalk to victory', 84.6 per cent of National identifiers walked into polling booths – whether awake or semi-comatose we have not sought to determine – and voted National. This was the best performance which National has achieved among its own identifiers since the Muldoon-led win of 1975.

National's sizeable 1990 victory reflected a massive drop in support for Labour – from 48.0 per cent of the vote in 1987 to 35.1 per cent of the vote in 1990 – rather than a massive surge towards National, which only increased its proportion of the vote from 44.0 per cent to 47.8 per cent of the vote. This attenuated enthusiasm for the winning party was reflected earlier in data (given in Figure 10) which showed that the proportion of respondents identifying with National had not increased significantly. Similarly, among those who identified with National in 1990, there was no appreciable redistribution in the statistics describing the strength of their identification. A plurality of National identifiers (39.8 per cent) identified 'fairly strong[ly]' with the party, and there were more weak identifiers (32.4 per cent) than 'very strong' identifiers (26.4 per cent). In addition, the pattern resembles more closely the 1978-87 distribution than the one for 1975, in which the proportion of very strong identifiers reached one in three.

Figure 11: The Loyalty of Major Party Identifiers, 1972 to 1990

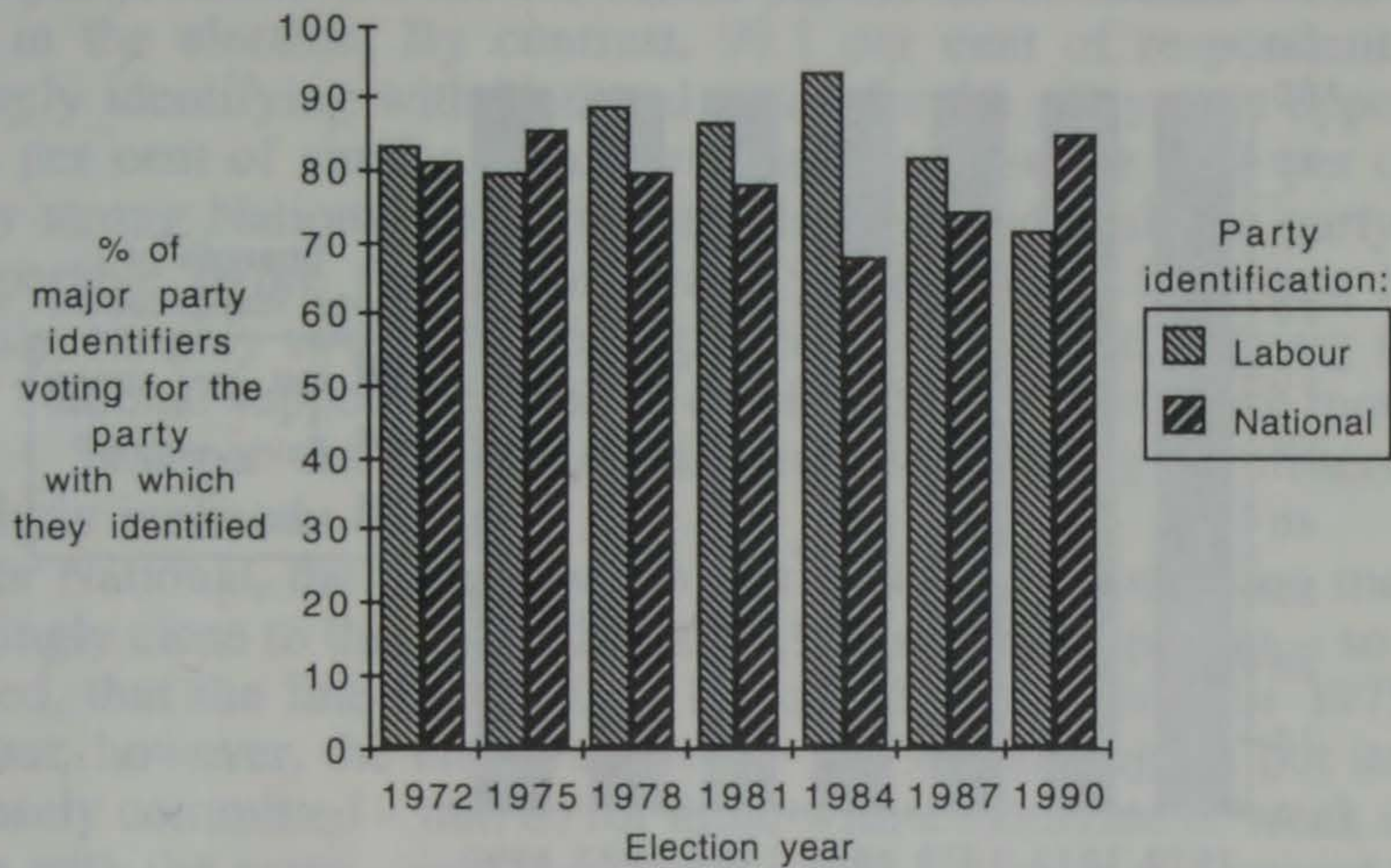


Figure 12: The Strength of National Party Identification, 1972 to 1990

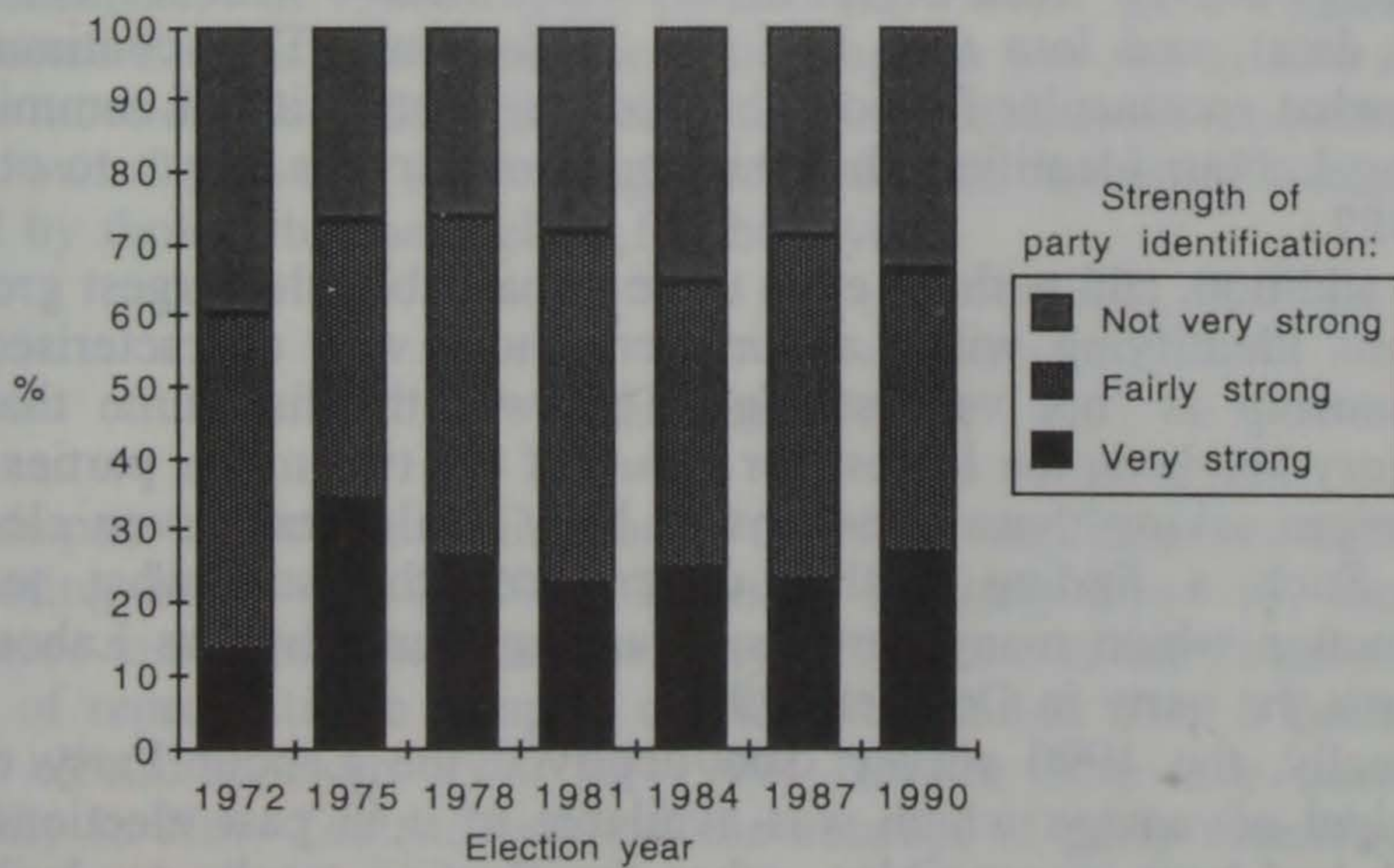
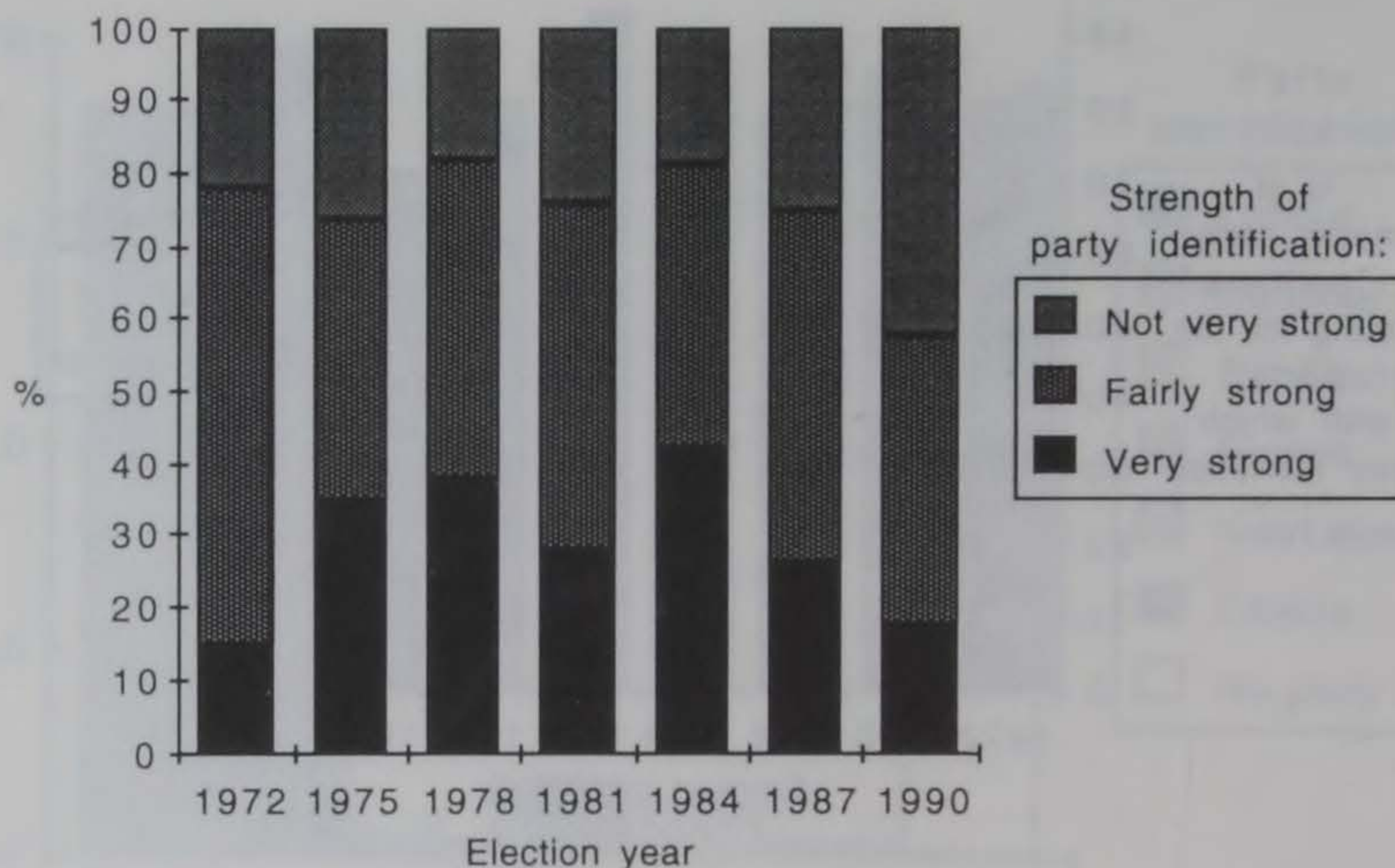


Figure 13: The Strength of Labour Party Identification, 1972 to 1990



The statistics for strength of identification for Labour identifiers, however, represent an abrupt change with the past. As Figure 13 shows, only 17.2 per cent of Labour identifiers described their bond to their party as 'very strong' – the lowest figure for *either* party since our mid-campaign survey work began in 1975 (see note 4 with respect to the 1972 data), and less than half the 1984 result. This continued, in somewhat spectacular fashion, the decline in intensity of commitment among Labour identifiers that this series of surveys began to observe in 1987.

In addition, and perhaps even more remarkably, the largest group of persons identifying with Labour were those who characterised that relationship as 'not very strong'. This was the first time that that category has been the largest for *either* of the two major parties since we began asking these questions of New Zealanders seven elections ago. Such a finding further underscores the somewhat tenuous connection which many persons regarding themselves as Labour felt towards the party in October 1990.

Finally, the 1990 survey data deprived the Labour Party of the principal advantage which was available to it in past elections, and which had been responsible – when the election results are looked at solely in terms of party identification – for its general election victories and popular vote successes: namely, the higher rate of loyalty among its identifiers compared with National's.

In 1990, for all categories of identifiers – very strong, fairly strong, and not very strong – higher proportions of Labour identifiers deserted their party, either to vote for minor parties or to abstain from taking part in the election. By contrast, 99.1 per cent of respondents very strongly identifying with National voted for the party – as opposed to 92.3 per cent of similar Labour respondents – while 89.1 per cent of fairly strong National identifiers similarly stayed with the party. (The comparable figure for Labour was 79.2 per cent, 10 points lower.) Finally, roughly two-thirds (67.1 per cent) of those identifying weakly with National supported the party on election day. Not much more than half – 55.0 per cent – of Labour's not very strong identifiers were similarly inclined.

For National, the pattern which this statistical information makes is strikingly close to that formed by the 1975 survey responses – so close, indeed, that the line for 1990 in Figure 15 covers that for 1975! For Labour, however, the electoral loyalty in 1990 among all but its most intensely committed – that is, for those with a moderate or weak association with the party – was the lowest which we have discovered in any of seven successive electoral surveys. Indeed, Labour Party identifiers in 1990 were considerably more prepared to vote for the National Party than vice-versa. In 1990, 4.8 per cent of Labour identifiers voted National, while only 1.8 per cent of those who identified with the National Party voted for Labour. Furthermore – as Figure 16 illustrates – Labour identifiers were also far more apt to cast their votes for minor parties – that is, for the Greens or for NewLabour – than were National Party identifiers in 1990. Figure 16 also shows that for a majority of disaffected Labour identifiers, the easiest option was not to vote at all.

The more embittered might claim therefore that Labour was betrayed by its own followers; others might respond that the party was abandoned by those who themselves felt betrayed.

Conclusion

This chapter is not an examination of all of the major factors influencing voting behaviour in New Zealand. It does, however, look at responses to several questions on party identification which have been asked of representative samples of New Zealanders over a period of seven elections, from 1972 to 1990. Despite a widely observed volatility in New Zealand politics, the concept of party identification has persisted as a meaningful force in electoral events. At the same time, however, New Zealand voters, like those elsewhere, have shown themselves prepared to desert the parties with which they identify, and to use their identification as a fluid guide rather than a restricting

Figure 14: The Loyalty of Labour Party Identifiers by the Strength of their Party Identification, 1972 to 1990

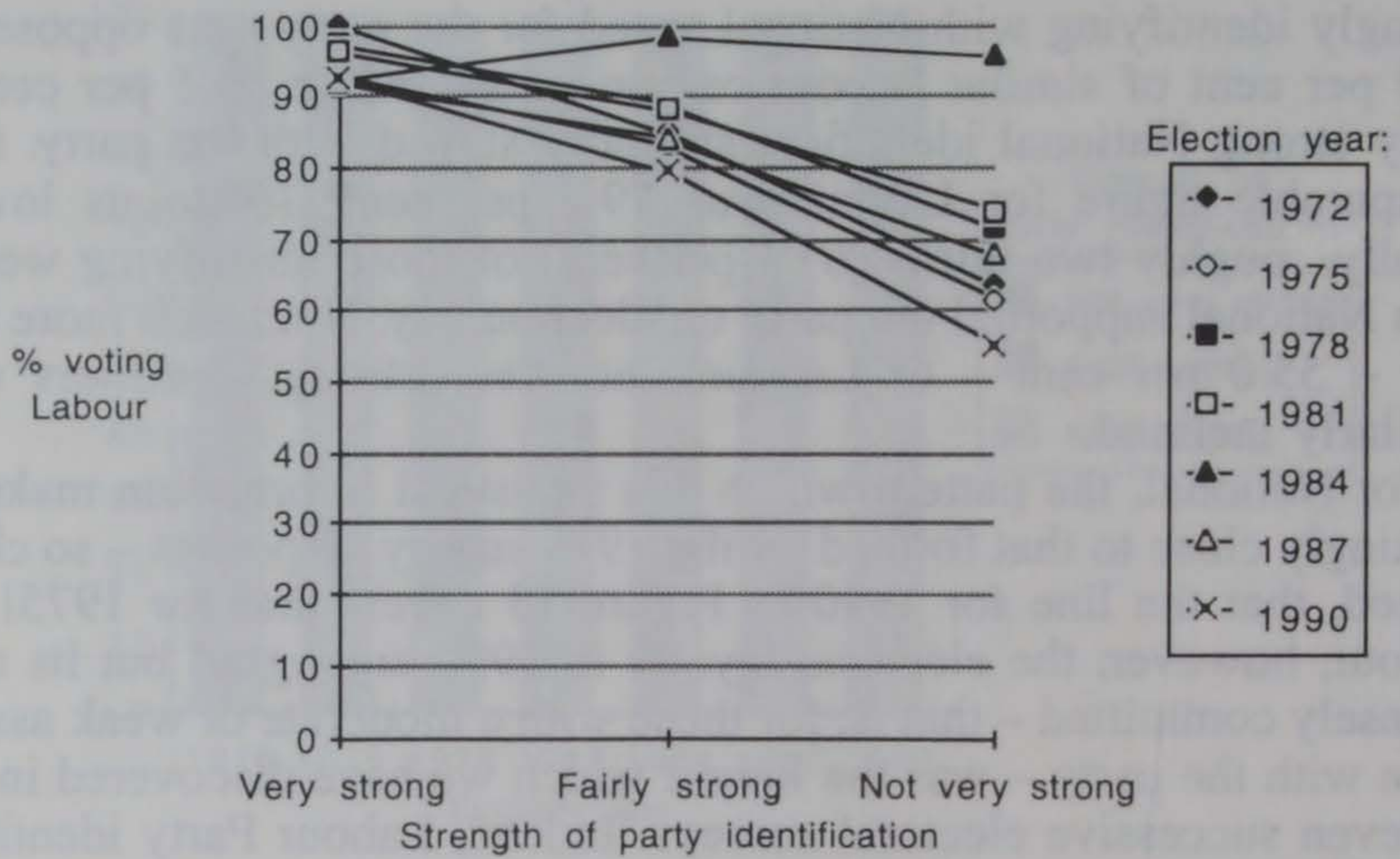


Figure 15: The Loyalty of National Party Identifiers by the Strength of their Party Identification, 1972 to 1990

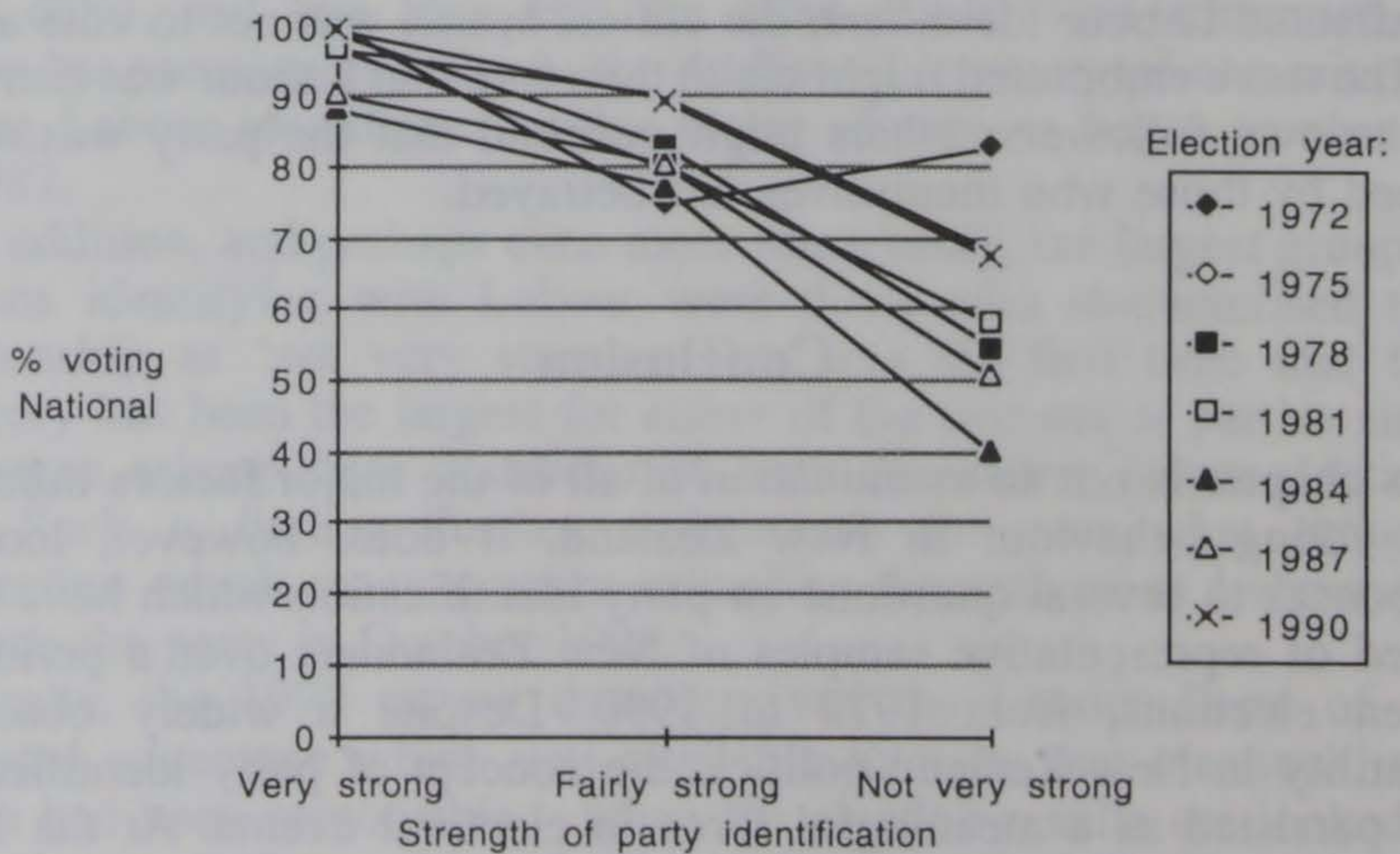
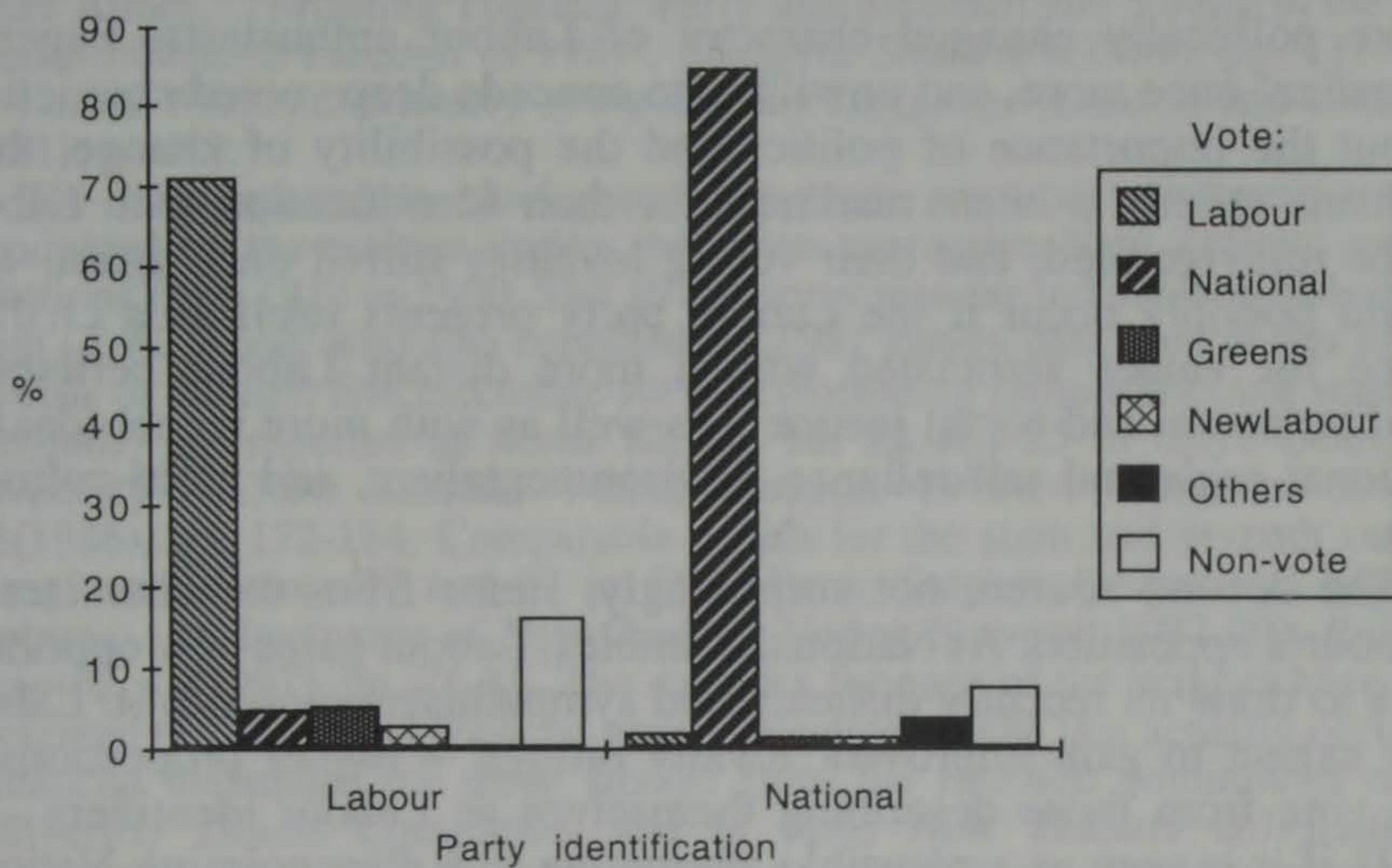


Figure 16: How Labour and National Party Identifiers Voted in 1990



straitjacket when it comes to casting their votes. This has had a dramatic effect on the results of elections in New Zealand: the National Party has not had a stranglehold on the allegiance of the New Zealand electorate (as the overall figures for party identification might have implied), as National has had to fight at least as hard as Labour for electoral success.

During the six successive elections from 1972 to 1987, the Labour Party managed to get more votes than National on five occasions in part because its party identifiers displayed a greater sense of loyalty to their party. In 1990, however, this came to a sudden end. National identifiers saw an opportunity to remove Labour from office, and large proportions of Labour's own – many of them aware of the party's desperate plight – chose to let that happen. The loyalties of Labour's own adherents – loyalties no doubt based on an idiosyncratic mix of hope for the future and gratitude for the past – had been enough in previous years to soothe and at times restore to office New Zealand's 'unnatural' party of government, its perpetual underdog, Labour. But in 1990 those soothing sentiments were most conspicuous by their absence. To return to the metaphor suggested at the outset: for the Labour Party it appears as though, for the moment at least, the bath may have run a bit cold.

For Labour strategists concerned that some of the warmth may have gone out of the relationship with their once more passionate followers, a possible 'balm [for] hurt minds' – to return to Macbeth's anguished ruminations – comes from two sources. The first is in the traditionally more politically engaged character of Labour enthusiasts. Eager to 'idealize' once more, and unwilling to concede deep-rooted convictions about the importance of politics and the possibility of change, there remains at least a latent readiness for their identification with Labour to be reinvigorated, and their voting loyalties stirred once again. This could possibly occur if the Labour party presents itself as a credible force for values associated with a more distant Labour heritage – egalitarianism and social justice – as well as with more recent ideals – national pride and self-reliance, environmentalism, and multi-culturalism.

The second source, not surprisingly, stems from the character of Labour's opposition. As National stumbles, Labour gains new opportunities to draw its recently disheartened sympathisers closer to it. Labour can expect to gain improved 'loyalty ratings' – higher proportions of the vote from those describing themselves as Labour identifiers – in 1993 if it is seen as a plausible alternative to a disappointing National administration.

The 1990 survey data, explored against the backdrop of Shakespeare's language, evoked the image of a Labour body slipping into chilly waters. But there was no suggestion of Labour being lowered beneath the ground: a cold bath is not a burial. If Labour remains a 'value-creating' party,¹⁰ there is every reason to expect – and it is appropriate to acknowledge this at a 75th anniversary commemoration – that it may regain its capacity again to inspire those who have looked towards it in recent times for leadership, judgment and resolve.

Notes

1. *Macbeth*, Act 2, Scene 2:

Methought I heard a voice cry 'Sleep no more;
Macbeth does murder sleep, the innocent sleep,
Sleep that knits up the ravelled sleeve of care,
The death of day's life, sore labour's bath,
Balm of hurt minds, great nature's second course,
Chief nourisher in life's feast'.

2. The concept of party identification was pioneered in the United States; see, for example, Angus Campbell, Philip E. Converse, Warren E. Miller and Donald E. Stokes, *The American Voter* (New York, 1960), especially chapters 6 and 7. Some of the data on party identification discussed here were initially presented in Nigel S. Roberts, 'Social Responses to Change in New Zealand:

Voting Behaviour During the Past Two Decades', Australian and New Zealand Association for the Advancement of Science Congress, February 1990. Other New Zealand studies include James W. Lamare, 'Party Identification and Voting Behaviour in New Zealand', *Political Science* 4(1984), pp. 1-9; and Peter Aimer, 'Travelling Together: Party Identification and Voting in the New Zealand General Election of 1987', *Electoral Studies*, 8(1989), pp. 131-142.

3. *Collins Pocket Dictionary of the English Language* (London and Glasgow, 1981), p. 419.

4. The data referred to throughout this paper are from electorate surveys conducted by the authors during the seven successive New Zealand general elections from 1972 to 1990. The 1975 survey was carried out in collaboration with G. A. Wood, who also collected the 1981 survey data used in this article. Details of the first five electorate surveys (including sample size and sampling methods) are reported as items 10, 13, 18, 22 and 25 in Clive Bean, 'An Inventory of New Zealand Voting Surveys, 1949-84', *Political Science*, 38(1986), pp. 172-184. Comparable details for the sixth and seventh surveys are given in items 27 and 37 in Clive Bean, Stephen Levine and Nigel S. Roberts, 'An Inventory of New Zealand Voting Surveys, 1987-90', *Political Science*, 43(1991), pp. 78-85. The statistics for each of the surveys have been weighted to correspond with the general election results that actually occurred. Financial assistance for these studies from the research committees of the University Grants Committee, and of three New Zealand universities – Canterbury, Otago, and Victoria, as well as from Independent Newspapers Ltd (INL), is gratefully acknowledged. So too is support from the New Zealand Social Sciences Research Fund Committee (SSRFC) to Nigel S. Roberts, holder of the 1988 Hodge Fellowship.

5. While this is not a paper about political party membership, it is nonetheless important to note that there was a dramatic decline in party membership in New Zealand in 1990. From levels that were already low (for example, from 1972 to 1984 an average of only about 20 per cent of people said they were members of *any* political party), there was a significant drop in the proportions of people who reported that they belonged to a party. Fewer than 14 per cent of the 1990 sample indicated that they were party members. Whereas there was a mild rise between 1984 and 1990 in the proportion belonging to National, Labour Party membership plummeted. Only 2.5 per cent of 1990 survey respondents said that they were Labour Party members, a statistic even lower than that for 1975 when, in the words of one commentator, Labour had 'ceased to be a...mass party.' See Douglas C. Webber, 'Trade Unions and the Labour Party: The Death of Working-Class Politics in New Zealand', in Stephen Levine, ed., *Politics in New Zealand: A Reader* (Sydney, 1978), p. 191.

6. The timing of the 1972 survey, which was conducted two months prior to the general election rather than (as in 1975-90) during the campaign itself, appears to have had a decisive effect on the responses to questions about party identification. In the absence of the campaign, in which reinforcement is given to party identifiers, the strength of both Labour Party and National Party identification was the lowest recorded for all seven elections. In other respects the 1972 data are consistent with the rest of the findings, with (for instance) a considerably larger proportion of the National identifiers assessing their bond to their party as 'not very strong'.

7. See Stephen Levine and Nigel S. Roberts, 'National to Power: Voter Choice in 1990', in Hyam Gold, ed., *New Zealand Politics in Perspective*, 3rd ed, (Auckland, 1992), pp. 493-512.

8. In 1984 the differences in loyalty rates among Labour identifiers are negligible, with 'fairly strong' and 'not very strong' identifiers actually having been very slightly more loyal to Labour than 'very strong' identifiers. The tide was so heavily Labour in that election that no matter how strongly (or weakly) one thought of oneself as Labour, *any* sense of a bond with Labour meant that a vote for the party was highly likely. As for National, the one occasion when the likelihood of a vote for National amongst its own identifiers did not diminish with a weakening of identification was in 1972, an election in which National suffered a substantial defeat. At that time, its loyalty rate was lower among 'fairly strong' than among 'not very strong' identifiers.

9. To facilitate comparisons, and for the convenience of readers, the 1990 survey data are presented side by side (in Figures 11-15) with the 1972-87 data given in earlier Figures.

10. See Stephen Levine, 'Labour After Nine Months: An Interview with John L. Roberts', in Stephen Levine, ed., *New Zealand Politics: A Reader* (Melbourne, 1975), p. 426.

6

Who Joins the Labour Party and What Do They Think?

Jack Vowles

Once upon a time the question 'who joins the Labour Party and what do they think' would have had an obvious answer. From the late nineteenth century into the early decades of the twentieth century Labour and social democratic parties promoted the interests of the manual working class – specifically wage earners employed in or retired from jobs in manufacturing, construction, mining, transport, and agriculture, and their families.¹ Thus members of the working class tended to be found disproportionately among the members of such parties, which also had explicit programmes which included commitments to varying degrees of public ownership of productive property, welfare policies, and support for workers and their unions.

As is well known, since the 1930s Labour and social democratic parties have become progressively more broad-based. Of course, persons from the middle classes and particularly intellectuals participated in such parties from their beginnings, although more so in European social democratic parties than in the Labour parties of the English-speaking democracies.² The changing social foundations of the New Zealand Labour Party have been extensively documented, both in terms of electoral support³ and active membership.⁴ Class voting has fallen steadily in New Zealand since 1963, the first election for which reliable data is available, from an Alford index score of 30 to one of 9 in 1987 and only 5 at the 1990 election. Meanwhile those belonging to the traditional productive working class made up only 11 per cent of the delegates at Labour's 1988 annual conference, compared to about 25 per cent of the electorate in 1987.⁵

Until the late 1970s, in terms of the political attitudes of its members and the general tenor of its programmes and policies, the New Zealand Labour Party could be easily compared to its counterparts elsewhere,

perhaps leaning slightly more to the centre than to the left. But having come to power in 1984, Labour's parliamentary caucus made a dramatic, rapid and decisive shift to the right. Virtually all traditional expectations of a Labour government were confounded. While previous Labour governments had emphasised direct control over monetary policy, and had operated within a Keynesian framework, the fourth Labour government adopted a monetarist approach and had, by 1990, given the Reserve Bank considerable autonomy to control monetary policy with the reduction of inflation as its overriding goal. The financial sector was deregulated, price controls abolished, quantitative import controls removed, and a programme of tariff reduction set in motion. By 1990 unemployment had increased to levels unheard of since the Great Depression. Meanwhile the government had reduced the progressivity of the income tax system, and introduced the Goods and Services Tax (GST), a value-added tax with virtually no exemptions. State trading departments and government corporations and companies were privatised, with substantial job losses. While social policy was more tightly targetted on those most in need, the real value of most benefits declined although there was an overall increase in government expenditure.⁶

Some aspects of government policy were not consistent with an overall shift to the right. Although under pressure to do so, the government did not cut social welfare expenditure, nor did it rapidly deregulate the labour market. Labour also established a Ministry of Women's Affairs and introduced legislation to promote gender pay equity. And in 1985 the government enacted legislation to prevent nuclear warships from entering New Zealand harbours. Labour therefore could claim some remaining credentials to qualify itself as a party of the left, across a mixture of traditional social democratic and more contemporary non-economic so-called 'new politics' issues.

Two processes of change have therefore been at work, the first a *long-term transformation* of the social foundations of the Labour Party, and the second a more recent *short-term* rightward shift of a particular Labour government. Explanations for these changes are varied. There are descriptions of the Labour Party's capture by the middle class as the result of social evolution⁷ and union and party leadership strategies.⁸ In a number of the accounts which focus on long-term change, there are two strands sometimes woven together, one acknowledging Labour's need to change with the times, another implying that Labour's leaders have somehow failed in their moral or historical purposes. Explanations for the short-term policy shift since 1984 are even more controversial. The process was accompanied by the coming to power of a new generation.⁹ Certain changes in the political thought of the Labour Party during the 1970s have been noted.¹⁰ There are Marxist accounts

which focus on the necessary restructuring of New Zealand capitalism in response to economic crisis, thus determining state policies regardless of the party in power. These are convincing in broad outline but less so in detail, and imply an absence of alternative options also asserted from the right.¹¹ It is also easy to imply a connection between the long-term transformation of the party from a working class to a middle class party since the 1930s and the retreat of the Labour government from social democracy during the 1980s.

Yet the long term changes in the foundations of New Zealand Labour have been far from unique. In broad outline, changes in the New Zealand Labour Party up to 1984 have been very much in line with experiences elsewhere. In order to gain power, Labour and social democratic parties everywhere have had to seek middle class allies in order to secure parliamentary majorities.¹²

Meanwhile the relative size of the traditional productive manual working class has grown smaller, obliging Labour parties to intensify their efforts to move beyond their traditional 'cloth cap' image and support base. In terms of party philosophy and objectives, commitments to public ownership of industry have become less and less a part of social democratic Labour objectives, links with and support for unions have weakened, although support for the welfare state has in most cases remained an article of faith for both Labour and social democratic parties. Most West European social democratic parties have retreated from many aspects of their traditional objectives but few if any shifted so far and so fast as did the New Zealand Labour government of 1984 to 1990. Changes in the social foundations of the party may have been a necessary condition for radical policy shift; but such changes on their own cannot provide a sufficient explanation.

Value change among elites and the mass public provides another possible focus through which explanations of change in the Labour Party may be found. New so-called 'postmaterialist' issues have also emerged to spawn movements of middle class radicalism which have in many countries been taken up by social democratic parties. Within the New Zealand Labour Party those attributing a higher priority to 'new politics' and those still more committed to traditional social democratic objectives fought through their differences during the 1970s. An upsurge of party membership during the decade probably contributed to Labour's increasing commitment to give higher priorities to political concerns such as race relations, gender inequality, opposition to nuclear weapons, and protection of the environment.

Theories about the 'new politics' have been extensively applied in the United States and Europe. According to Ronald Inglehart, a slow change of values has been occurring among significant sections of both the mass electorate and political elites.¹³ Inglehart's theory is based on

a view of human motivation which assumes that all persons by virtue of their very biological existence have a hierarchy or ordering of needs. First, people need sustenance: food, shelter, and economic security. Second, they need safety from violence and threats to themselves, their resources, and property. These priorities are labelled materialist: that is, both safety and sustenance are concerned with preserving people's material well-being. Sustenance needs are also primarily economic.

Inglehart measures the importance of these by weighing the priority over other policy options that people give to combatting inflation. Similarly, the need for safety is measured by the priority that people give to maintaining social order.

Inglehart argues that the generations coming to political maturity before World War II were predominantly 'materialists'. Those growing up from the 1950s onwards have, by contrast, a significant and growing minority of people who are 'postmaterialists'. Postmaterialists value people having more say in government and having free speech. The balance of materialists and postmaterialists, Inglehart argues, is accounted for by the changing historical circumstances that people experience, especially when they are growing up and their values and outlooks are forming. People growing up in western democracies since 1950 have matured into a world vastly different from that of the previous generation which had experienced both economic depression and war, that is major threats to their material well-being and even survival. During the 1950s living standards in most western democracies improved dramatically. Never before had so many people lived in such prosperity and comfort. A substantial minority of these post-World War II generations have tended to take for granted their economic security and well-being and therefore put a higher priority on other postmaterialist values.

Inglehart goes on to argue that the development of postmaterialism as a set of value preferences among voters has had effects on the ideological and value foundations of party competition. Until the 1960s, party competition in most Western democracies took place between parties which represented left and right wing political philosophies. Right wing or conservative parties preferred a free market, and left wing or progressive parties preferred state intervention and redistribution of wealth. According to Inglehart postmaterialism has provided a new foundation for value conflict between political parties, and has come to modify and in some cases displace the traditional left-right cleavage between major political parties. Thus postmaterialism is said to be responsible for declining class voting, and in particular has led parties of the left to take up new issues and modify and sometimes abandon their traditional policies of state intervention. Thus Inglehart allows us to reinterpret long-term changes in the social composition and

electoral support of the Labour Party within a new framework. And with respect to the question of short-term policy shift, it has been suggested elsewhere that the influence of postmaterialism on the New Zealand Labour Party may have been particularly important, providing at least a partial explanation for its radicalism on non-economic issues such as nuclear weapons, and its movement to the right with respect to management of the economy.¹⁴

Party Activists and Conferences

Data on the social composition of Labour's party organisation and the political attitudes of Labour Party active members and MPs is available to throw some light on the questions posed above. Analysis of the social composition of active Labour party membership immediately prior to the Fourth Labour government is available from a survey of the 1983 annual conference.¹⁵ A further survey of the Labour Party conference was mounted in 1988 in order to further investigate the composition of the party's active membership.¹⁶ Data across various dimensions of political attitudes was collected.¹⁷

To the extent that support for the government could be found among Labour party activists, there were hints that since 1985 at least a new middle class membership was entering the party. Labour certainly enjoyed the verbal and financial support of a number of businessmen and financiers including Sir Robert Jones, founder of the New Zealand Party, which had contested the 1984 election with an economic programme having more in common with the subsequent policies of the Labour government than the Labour party's own manifesto. There was also evidence that MPs were making efforts to persuade party members more sympathetic to the views of the government to attend conferences. But somewhat to the surprise of the researchers, there were only marginal changes in the social composition of both the National and Labour parties between 1983 and 1988.¹⁸ Table 1 compares some occupational categories between the two conferences. The figures must be interpreted with some caution. Increases in the proportions of union officials and MPs are largely due to the smaller size of the 1988 conference (537 attending) as compared to that in 1983 (753 delegates). For example, on a base of all delegates, not just those in the labour force as shown in Table 1, 15 per cent of the 537 delegates in 1988 implies that there were 84 union officials attending; 11 per cent of the 753 attending in 1983 indicates the same number, 84. As almost all unions affiliated to the party in 1983 were still affiliated in 1988, we would expect this consistency. As ordinary party membership declined over the same period, we would expect the number of delegates

Table 1: Occupations of Labour Party Delegates in the Full-time Labour Force, 1983 and 1988 Conferences, and occupations of the adult population (percentages)

	1983	1988	1986 Census
Manager/Sales	12	9	15
Professional	26	18	12
Teachers	16	16	3
Clerical	8	11	18
Farmers	1	1	5
Manual/ Service	19	14	47
Union Officials	14	20	-
MPs	4	11	-
N	265	245	

Table 2: Employment Status and Sector of Economy of Labour Party Delegates in the Full-time Labour Force, 1983 and 1988, compared to the adult population (percentages)

	1983	1988	1986 Census
Self employed	16	9	16
Public Sector	55	53	22
Other employees	29	38	62
N	225	227	

representing branches in particular to fall. It might be that more MPs attended the conference in 1988 than in 1983 – with Labour in government there were of course, more MPs to attend. Given all this, teachers and clerical workers seem to have held their representation at the expense of other professionals and managers. While the ‘middle class’ remained dominant, the higher categories of the middle class occupations had shrunk somewhat. But these are the very groups whose presence should have increased if supporters of Labour’s economic policies had flocked to join the party, and if MPs had sought to encourage the attendance of a new phenomenon – the Labour ‘yuppie’.

Nevertheless, the composition of the conference had changed significantly by individuals if not by occupational categories, for 40 per cent of the delegates to Labour's 1988 conference had attended their first conference in 1985 or later, and for 17 per cent it was their first conference.

On other relevant aspects of social structure there were small signs of change, but the general pattern was one of continuity. While there was a slight tendency for Labour delegates to have somewhat lower incomes than delegates to the National Party conference in 1983, there were virtually no differences in the distribution of household incomes across the National and Labour Party conferences in 1988. Delegates at both conferences, as in 1983, had substantially higher incomes than the population in general. Otherwise, the Labour conference in 1988 was very much like that of 1983, over-representing persons in the labour force, people with higher education, public sector workers (see Table 2), and trade union members. But because the National Party conference heavily over-represented the self-employed, and under-represented the major urban areas, of the two the profile of the Labour conference was the more representative of the overall population. 68 per cent of Labour delegates lived in a household containing a union member, as compared to 19 per cent of National delegates. 57 per cent of Labour delegates were union members or union officials, as compared to 9 per cent of National delegates and 28 per cent of the adult population. 75 per cent lived in a household where either the delegate him or herself or their partner belonged to a union or other organisation representing their interests at work.¹⁹ Most of Labour's unionists were in nonmanual occupations but, nevertheless, as in 1983, in terms of its active membership the Labour Party in 1988 was still to a considerable extent a union party, and thus closer in structure to its historical traditions than many have claimed.²⁰ But it was also a party of intellectuals, 40 per cent of delegates having a university degree. Both in terms of its government's policies, and in many if not all respects of its social composition, the New Zealand Labour Party of 1988 was a very different creature as compared to, say, the Labour Party in 1938. But there was nothing in the essence of those differences which leads inevitably to the conclusion that Labour party activists in 1988 were more conservative or less committed to social democracy than those of 1938. Furthermore between 1983 and 1988 the party proved itself remarkably resistant to short-term change in social composition.

Ideological Change and Internal Party Debate

Possible claims that Labour party activists in the 1980s were greatly more conservative than their counterparts of earlier decades are also called into question by the considerable conflict within the party between 1983 and 1988. A significant number of party activists opposed the direction of the governments' policies. The organisational leadership was itself critical of the government. However, this criticism was muted, as part of a strategy to constructively engage the political leadership of the party in debate, in an attempt to ameliorate and modify the worst aspects of its policies. Others within the party were much less restrained in their opposition. Meanwhile there also appeared a faction in enthusiastic support of the government's economic policies, the so-called 'Backbone Club'. The extent to which the active membership of the party opposed or supported the policies of the government was unclear, at least to outside observers. Was the party becoming divided into factions on the basis of ideology, or did there remain a substantial consensus? Despite continuity in the composition of the party during the 1980s, by 1988 the political attitudes of active Labour party members could no longer be assumed to be as predictable as they might have been even 10 years earlier. An explicit right wing faction had been formed and two other albeit much less well-defined groupings were identified by a number of observers: a 'left' and a 'centre-left'. Moreover, there was a closely contested election for the vacant Presidency of the party between former President Jim Anderton, supported by the left, and Ruth Dyson, supported by the centre-left and right. Dyson won, but much more narrowly than had been expected.²¹

The 1988 Conference questionnaire did not inquire how delegates voted in the Presidential contest, nor did it ask if delegates saw themselves as a part of a particular faction or tendency in the party. It included a number of attitudinal questions which can be deployed in order to discern what Labour Party activists thought, and the extent to which groups of Labour party activists thought differently. Useful starting points are conference delegates' self-placement on the left-right scale, and their responses to a question which sought their opinions about a socialist versus a private enterprise economy.

Table 3 shows the percentages of delegates who situated themselves from left to right, within the various categories running between extreme socialism and extreme privatisation. The column to the right with figures in brackets shows the percentages for all respondents on the left-right scale. Not surprisingly, the most favoured category is 'centre left', points 3 and 4 on a 10-point scale from 1 (left) to 10 (right), other respondents spreading fairly evenly between 'left',

Table 3: Delegates' Position on the Left-Right Scale Against Opinions on a Socialist versus a Free Enterprise Economy

	Percentages by Column					
	AS	MS	SS	M	AP	(T)
Left (1, 2)	60	46	10	10	8	(17)
Centre Left (3, 4)	40	47	64	51	29	(51)
Centre (5)	0	5	20	22	13	(17)
Right (6-10)	0	2	6	17	50	(15)
(Total % by row)	(3)	(17)	(14)	(59)	(7)	
N	10	59	50	204	24	347

AS=All Socialist; MS=Mostly Socialist; SS=Somewhat Socialist; M=Mixed; AP=All Private; T=Total.

Spearman's Rank Correlation: 0.48

'centre', and 'right', although the latter category again not unexpectedly is the least favoured at 15 per cent. Meanwhile the second lowest row of the table with figures in brackets indicates in which socialist to private economy categories all respondents placed themselves. Again, the vast majority favoured a mixed economy, with smaller groups opting for more socialism and a very small group favouring a completely private economy. Nevertheless the extreme 'all private' group is twice the size of the 'all socialist' category. The distribution of respondents among the cells of the table indicates that there is the correlation between the two sets of opinions that we would expect, socialists being more likely to be left and admirers of a private economy to the right. The Spearman's rank correlation between the two variables is 0.48, indicating a modest relationship. It is weaker than some might expect because of the tendency of respondents across both opinion dimensions to opt for the centre or mixed categories. Here is some possible evidence for more moderate views on these questions among party activists than in earlier decades, although given the lack of earlier data before 1970 such inferences can only be speculative. In fact Labour had abandoned much of its objectives of state ownership by the 1930s, with only token opposition from small sections of the party conference.

Such general questions provide a good starting point, but only scratch the surface. Left and right are useful estimates of where people feel they locate themselves politically, but their specific cognitive

content is hard to pin down. Much about being left is simply to identify with the Labour party. Ideological interpretation of the dimension normally centres on state intervention.²² But this is by no means the popular understanding, which often extends far more widely into non-economic issues such as race or foreign policy, and has done so particularly within the New Zealand Labour Party. 'Socialism' is another complex concept. In the 1988 conference survey the idea was explicitly tied to the traditional definition, 'nationalisation of the means of production, distribution, and exchange', and the question specifically asked was: 'do you think New Zealand would be better off with a socialist economy or with a private enterprise economy, or would some combination of the two be better?' Some respondents understandably objected to this narrow definition.

A wide range of other attitudinal questions were asked and, deploying these, a multi-dimensional analysis can incorporate other principles or attitudes also perceived as a part of socialism, and also give more substance to other aspects of opinion among conference delegates. Because of the number of such questions, it would be confusing to analyse them separately, as well as taking up too much space.²³

Multivariate analysis is therefore necessary. Initially, 40 attitude variables were available. About 10 were culled as of little likely relevance to internal party differences, and the rest were factor analysed in a series of combinations designed to produce a selection of composite variables which appeared to represent the main contours of opinion within the party. Table 4 displays the results of the final selections chosen. Economic and non-economic variables were separated out and the separate factor analyses produced seven attitudinal dimensions. Appendix A details the specific questions from which the items are derived and indicates their scoring for the factor analysis (prior to which they were transformed to range between 0 and 1). All were scored with 'progressive' or 'left wing' at the higher end of the scale (1), and conservative or 'right wing' at the bottom (0).

The seven dimensions represent well the complexity of opinion differences within the Labour Party. A social dimension indicates the extent to which Labour delegates supported social expenditure and saw the reduction of unemployment as the most important priority. The union dimension indicates the extent to which Labour member delegates believed union activity should not be any further restricted by law than it was in 1988, how they assessed the extent of union power, and how much they believed that private profits should be substantially taxed. The anti-business dimension indicates Labour Party delegates' assessment of the nature and extent of business power. Consistent with the

Table 4: Factor Analyses of Attitude Variables Among Labour Party Conference Delegates 1988

(Principal Components, Varimax Rotation, Mean Substitution of Missing Values)

Economic Issues				
	Social	Union	Anti-Business	
Spend More Social Policy	.79	.14	.06	
Spend More Health	.78	.10	.14	
Spend More Unemployed	.77	.20	.11	
Reduce Unemployment	.76	.11	.12	
Solve Unemployment First	.65	.29	.09	
Free Trade Unions	.13	.84	.15	
Take Private Profits	.18	.76	.15	
Unions Not Enough Power	.40	.55	.31	
Big Business Power Own Good	.07	.06	.85	
Big Business Too Much Power	.14	.17	.78	
Eigenvalue	3.06	1.77	1.50	
Variance Explained	30.6	17.7	15.0	
Non-economic Issues				
	Maori	Women	Ecology	Freedom
Maori Fishing Rights	.89	.11	.10	.01
Maori Land Rights	.89	.16	.16	-.04
Improve Maori Conditions	.80	.20	.11	-.06
Maori Special Benefits	.70	.38	.00	.01
Jobs Worse For Women	.21	.78	.02	-.21
Not Enough Women's Equality	.29	.69	.11	-.23
Legal Homosexuality	.15	.64	.12	.29
Spend More Environment	.12	.08	.88	.02
More Protection Environment	.12	.10	.87	.01
More Media Nudity and Sex	-.01	.05	-.02	.86
No Censorship	-.05	-.15	.04	.75
Eigenvalue	2.90	1.75	1.60	1.49
Variance Explained	26.3	15.9	14.6	13.5

principle that 'left' score positively and 'right' negatively, excessive power and perceptions of its use for businesses' own good register positively in each scale respectively. The Maori dimension reflects the extent of Labour delegates' support for Maori fishing rights, land claims, and improvement of conditions in general for the Maori people. The 'women' dimension indicates how Labour delegates negatively assess the equality of labour market opportunities for women, and consider how much further efforts to promote equal opportunity are desirable. The ecology dimension indicates how much Labour delegates value government action on the environment. The 'freedom' dimension is something of an oddity, indicating the degree to which Labour delegates welcomed or opposed nudity and sex and films and magazines, and censorship of books and films. This dimension is taken to represent libertarian tendencies, which have been coded positively. The seven dimensions were next combined into composite scales by a process of dividing each by its standard deviation, in order that no one item disproportionately influenced the index. The scores for the items within each dimension were then summed, and the result finally transformed into scales which again ran between 0 and 1.

Identifying Ideological Clusters

The next step in the analytical strategy was to seek to identify different ideological groupings within the 1988 party conference. A cluster analysis employed the seven composite variables and the socialism-private economy variable reported in Table 3. Ideally, there should have been two or three questions relevant to the issue of privatisation in the 1988 questionnaire, but in their absence and therefore a lack of composite scale drawing on that dimension, the socialism-private economy was the best approximation. While the data from it is not interval-level, it is an acceptable rank order and interval-level assumptions are not required in cluster analysis.

Cluster analysis assigns delegates to groups according to their views across the seven dimensions and the socialism-private economy question. Delegates with similar convictions are clustered together, each being placed in the group with which they have the most in common. Apart from choice among a number of alternative mathematical methods, the only control the analyst has over the process is in determining the number of clusters, and normally one experiments both with various methods and numbers. Eventually a decision is made on theoretical or common sense grounds in terms of the size of the clusters and the ways that they differ.²⁴ In the case of the 1988 Labour

Table 5: The Political Attitudes of Four Attitudinal Clusters Within the Labour Party Conference, 1988

Means of Attitude Variables, 0 to 1 (x 100)

	Left	Centre		Right2	All
		Left	Right1		
Socialism-Private	51	29	22	18	38
Social	81	68	51	38	71
Union	91	77	33	27	77
Anti-business	95	92	64	79	90
Maori	78	48	46	41	61
Women	91	77	76	63	82
Ecology	85	70	60	81	76
Freedom	35	19	27	90	30
N	158	139	37	14	

Party conference, at least three coherent groupings were required. At least two had to be of roughly equivalent size. These requirements reflect the frequently acknowledged existence of three groups, and the close contest for the Party Presidency in 1988. To attain two such groups, four clusters were eventually chosen.

Although the party's presidential contest forms the backdrop to this analysis, there is no attempt to claim that the ideological clusters of delegates here identified might closely correspond in voting patterns at the conference, although we would have expected them to correspond to some degree to delegates' self-identification if those had been solicited. But there are numerous reasons why ideology alone might not predict the Presidential vote, such as cross-cutting personal loyalties, directions from bodies represented, a desire not to embarrass the party leadership, and strategic questions to do with means rather than ends. Yet Table 5 does indicate four groupings which reflect many of the ideological differences which lay behind the events at the conference.

The two largest groupings clearly represent the left and the centre-left, the left being the largest group. The figures in the table are means where 100 would indicate the most progressive or left wing position possible, 0 the most right wing or conservative. Thus the figures represent the position of the average respondents in each group. For all attitudinal dimensions but one the average delegate in the left cluster has the highest score, and in all but two the average respondent in the centre-left cluster has the score closest to the conference mean score. The two right wing clusters are more difficult to interpret, but are

Table 6: Social, Organisational, and Ideological Characteristics of Four Attitudinal Clusters Within the Labour Party Conference, 1988

Frequencies by Row

	Left	Centre Left	Right 1	Right 2	All	N
Cluster Total	45	41	10	4	(100)	349
Membership						
1985 or Since	53	40	3	5	(11)	38
1984 or Before	44	41	11	4	(89)	269
First Conference						
1985 or Since	51	36	8	5	(40)	142
1984 or Before	41	44	12	4	(60)	214
Office Holder						
Office Holder	48	38	12	3	(53)	189
Not Office Holder	41	44	9	6	(47)	169
Represents						
Affiliate	55	44	0	1	(23)	80
Party	42	40	14	5	(77)	269
Work and Union						
Unionised Production	25	64	11	0	(8)	28
Unionised Middle	60	33	7	0	(34)	118
Nonunion Middle	33	40	16	11	(33)	114
Union Official	67	31	0	2	(15)	51
MP	19	62	15	4	(7)	26
Left/Right						
Left (1-3)	71	26	3	0	(41)	138
Centre (4-6)	33	50	11	6	(52)	175
Right (7-10)	8	33	42	17	(7)	24
Postmaterialist						
Postmaterialist	66	27	5	2	(27)	62
Intermediate	39	45	27	5	(64)	150
Materialist	14	55	27	5	(9)	22

distinguished from each other on social, environmental, women's, and libertarian dimensions. The very small 'right2' group is most conservative economically, more progressive environmentally, more conservative on women, and very strongly libertarian on censorship issues. 'Right1' is a more moderate and conventional centre-right, the most conservative on environmental issues and also the cluster most favourable to business.

The left cluster stands out from the others particularly in its tendency to give greater support for a more socialist economy, and to support more action on issues relevant to Maori and women. The contrast between the left and the other clusters on Maori issues is particularly sharp. Because the measurement of socialist versus a private economy is a rank order, the mean reported may be a little misleading and frequencies more reliable. Of those in the left cluster, 60 per cent favoured 'some socialist' (21 per cent), 'most socialist' (32 per cent), or 'all socialist' (6 per cent), but in the centre-left cluster, only 16 per cent favoured any of those options, 76 per cent favouring a mixed economy as compared to 40 per cent among the left. The left was also prone to be a little more permissive on censorship issues than the centre-left or moderate centre-right, and was also by far the strongest in its commitment to social expenditure.

Social, Organisational, and Other Ideological Characteristics

This ideological and attitudinal map of the Labour Party Conference of 1988 tends to fill out most expectations, except for the very small size of the right, and its division.²⁵ The final step is to explore some other characteristics of the various clusters and test some relevant hypotheses. Table 6 begins with some organisational variables. Percentages read across the table, and the propensity of certain clusters to contain more in a certain category than average can be easily identified by comparing each row with the total cluster frequencies listed in the top row. For example, on the assumption that Labour might have attracted members sympathetic to its economic policies since about 1985, we might expect those assigned to the two right wing groups to be more recent members (or members more recently active) than those assigned to the left and centre-left. The evidence tends to refute this conjecture: those in the left cluster are more likely to have joined from 1985 onward (53 per cent of new members since 1985 being in the left cluster, as opposed to the percentage of all delegates in the cluster of 45 per cent). Similarly those in the left cluster were more likely to have attended their first conference since 1985. But perhaps the most important point to draw from the

data is the small number of new members from 1985 and after who attended the conference – only 11 per cent. We might also expect centre-left delegates to be more likely to be officeholders at various levels in the party, given the policy of constructive engagement generally followed by the organisational leadership. In fact, delegates in the left and 'right1' clusters appear slightly more likely to be officeholders. We would expect delegates representing affiliated unions to be more to the left than average, and this is the case, whereas delegates in the two right clusters are more likely to represent various levels of the party itself. None of these organisational effects are very strong. And none are statistically significant except the tendency for those in the right wing clusters to represent party organisations rather than affiliates.²⁶

The 'work and union' data measures both delegates' union membership or otherwise, job of the principal income earner in the delegates' household whether in productive working class versus other occupations. It also separates out union officials and MPs. As expected, Members of Parliament are found more frequently among right and centre-left groupings, and much less frequently in the left cluster. Union officials are found much more among the left. We could hypothesise that delegates from unionised working class families would be more likely to be found in the left cluster, but they are in fact more concentrated in the centre-left. We could also expect middle class delegates to be more likely in the centre-left cluster, those from union families being more to the left and those from non-union families more to the right. This is indeed the case, middle class union membership having quite substantial effects, and having almost as strong an association with left cluster assignment as does being a union official.

The left/right section of the table redistributes the points within the left/right scale as compared to the presentation in Table 3 because assignment of cluster membership makes it more meaningful in this form. Delegates' self-placement on the left-right scale has a fairly close relation with their cluster location, which works best for the left. But only 50 per cent of those who define themselves as 'centre' fit into the centre-left cluster. One third have attitudes more in common with the left, and 17 per cent with the right. Nearly 60 per cent of those who see themselves as on the right are assigned to either of the two right wing clusters, but a third tend to have attitudes more in common with the centre-left.

This may seem to call into question the categories of delegates produced by the cluster analysis. But as noted above, delegates' self-placement on the left/right scale is ambiguous, and therefore a less reliable measure of attitudinal position than the multidimensional analysis just reported. These frequencies are more likely to reflect a

Table 7: Social Basis of Left, Centre, and Right Clusters at the Labour Party Conference, 1988**Logistic Regression (Mean substitution of missing values)**1: First difference between 0 and 1 (b equivalent²⁷)

2: Standardized parameter estimate (beta equivalent)

	Left against Centre-Left (Left=1, Centre-Left=0)		Right against the Rest (Right=1, Rest=0)	
	1	2	1	2
I: Socialisation				
Father Farmer	.13	.09	.09	.13
Father Worker	-.08	-.09	.04	.12
University education	.16	.17*	-.04	-.14
Low education	-.16	-.15	-.07	-.25
Age	-.54	-.22*	-.09	-.11
Gender	-.10	-.12	-.10	-.36*
II: Structure				
Household income	.00	.00	.04	.02
Self-employed household	.33	.22*	.20	.25*
Core working class household	-.11	-.08	.10	.17
Public sector household	.06	.06	.03	.10
Union official	.14	.12	-.09	-.33
MP	-.39	-.25*	-.01	-.02
III: Agency				
Union household	.17	.17*	-.08	-.22*
Business organisation member	.27	.10	.10	.09
Subjective working class	-.03	-.04	-.06	-.21
IV: Location				
Urban	.01	.02	.01	.04
Rural	-.08	-.05	-.07	-.21

tendency of delegates who see their views as 'moderate' to wish to position themselves in the centre, although their actual political views may veer to the right or left. Further, there is another ideological dimension which may have some bearing, that of materialism versus

postmaterialism. According to this model, a process of value change has created a new basis of political competition distinct from left versus right. Postmaterialists, materialists, and a 'mixed' category are classified according to their choices of two options among four, of which two are postmaterialist, and two are materialist. The two materialist preferences are 'maintaining order in the nation' and 'fighting rising prices', and those who choose both are classified as materialist. The two post-materialist preferences are 'giving the people more say in government decisions' and 'protecting freedom of speech' and those who choose both are classified as postmaterialist. Those choosing one from either category fit into the intermediate or mixed group.

The distinction between the two right wing clusters on libertarian versus nonlibertarian beliefs suggest that there may be a materialist-postmaterialist cleavage on the right of the Labour Party; in fact, Table 6 shows no such thing, indicating that the issues measured in that dimension are too narrow in scope to be strongly associated with postmaterialism. A reading of Inglehart also implies that the dimension should also distinguish between the centre-left and the left, the left taking an 'old left' position favouring unions and greater state intervention and opposing business, and the centre-left a more 'new left' position favouring greater individual freedom, and more attention to 'new politics' issues such as the environment, racial justice, and women's equality. Yet as Table 5 indicates, the left is the more radical on both materialist and postmaterialist issues than the centre-left. Table 6 confirms this, indicating that the left are by far the most 'post-materialist', and that delegates in all other clusters are more materialist in their orientations. By contrast, 14 per cent of voters at the 1990 election were postmaterialists, rising to 40 per cent of those who fell into the left cluster. Among MPs, 44 per cent were postmaterialists (although those who responded were only 26 out of the 57 in the caucus at the time). This is at least provisional evidence for significant postmaterialist influence in the Labour Party, influence that is particularly strong to the left and possibly in the Parliamentary caucus. But given debate about and criticism of Inglehart's measurement of materialism and postmaterialism, these findings should be regarded as particularly provisional.²⁸

Putting the Pieces Together

For more refined analysis multivariate methods are necessary. Logistic regressions were run, first with membership of either right wing cluster as the dependent variable, and secondly deleting right wing cluster delegates, and using membership of the left wing cluster as the

dependent variable against membership of the centre-left.²⁹ A wider range of social structure variables were employed to further extend the analysis.³⁰

Table 7 indicates that the social foundations of the attitudinal differences which define the clusters are weak to modest. The left model can predict the appropriate cluster location for 76 per cent of the delegates in the left and centre-left clusters; the right model can similarly predict 80 per cent among all delegates. Column 2 for each model provides standardized coefficients which can be compared within each model as indicators of relative explanatory power, a star to the right of which indicates whether or not the figures in either columns 1 or 2 are statistically significant. Column 1 provides first difference estimates which report the likelihood that a delegate in the category indicated was more or less likely to be a member of the cluster after controlling for the effects of all the other variables in the model.

The first model tells us the extent to which delegates were more or less likely to be members of the left as opposed to the centre-left cluster. Five of the predictor variables produced significant results: a person with a university education was 16 per cent more likely to be in the left cluster than a delegate in the reference category (a school qualification but no degree). The youngest person at the conference was 54 per cent more likely to be in the left cluster than the oldest, and on average left-cluster delegates were 5 per cent younger than centre-left delegates;³¹ MPs were 39 per cent less likely to be in the left cluster than other middle class delegates (the most powerful effect of them all according to column 2); delegates from a union household were 17 per cent more likely to be in the left cluster; and, somewhat surprisingly, delegates from a household where the principle income earner was self-employed were 33 per cent more likely to be in the left cluster, all these being after controlling for the effects of the other variables in the model.

The 'right' model defines the two right categories as one, and compares the likelihood of being assigned to either right category against that of being assigned to be left or centre-left. While the model is a little more powerful than the 'left' model, only three variables are statistically significant. Of these gender is the strongest, a woman delegate being 10 per cent less likely to be in either right group than in the left or centre-left. Delegates from a self-employed household were 20 per cent more likely to be in the 'right'; and delegates from union households 8 per cent less likely, again after controlling for the effects of the other variables.

Finally, the effects of the two ideological dimensions of left/right and materialist/postmaterialist were measured using logistic regression models again directed toward left against centre-left (deleting right), and

Table 8: Effects for Two Ideological Dimensions, Controlling for Social Structure

Logistic Regressions

1: Postmaterialism and Materialism: first differences between 0 and 1 (b equivalent); left/right scale first differences between cluster means on left/right scale (left .255, centre-left .372, right .509, left and centre-left .308).³²

2: Standardized parameter estimates (beta equivalents).

		Effects	
		1	2
Left against Centre-Left (Left 1, Centre-Left 0)	Left/Right	-.15	-.43
	Materialist	-.27*	-.14*
	Postmaterialist	.25	.20
Right against the rest (Right=1, Rest=0)	Left/Right	.16	.71
	Materialist	.18	.21
	Postmaterialist	-.01*	-.05*

*not significant < .05

Left $r^2=.16$ $c=.83$ $D=.65$

Right $r^2=.28$ $c=.90$ $D=.80$

right versus the rest of the delegates. Table 8 reports findings from a procedure which assesses the effects of left/right, materialism, and postmaterialism together, where the effects of the last two variables are measured against the mixed category between materialism and postmaterialism. First differences and the predicted probability and response figures are reported with the social structure variables from Table 7 entered as controls.

Table 8 indicates that the average respondent in the left cluster in terms of placement on the left/right scale was 15 per cent further to the left than the average respondent in the centre-left cluster, and the average respondent in the right cluster on the left/right scale was 16 per cent further to the right than the average respondent in the remainder of the sample. Thus a postmaterialist was 25 per cent more likely to be in the left cluster than a delegate in the 'mixed' category, and a materialist similarly 18 per cent more likely to be in the right cluster, controlling for all other variables in the model. The strongest effects are those of the left/right dimension, although for the left against centre-left

model the effects for materialism and postmaterialism are almost as strong.

Conclusions

The evidence presented above does not support claims that long-term changes in party composition might be a necessary or sufficient explanation for the Labour government's historic policy shift. Nor had that policy shift had any effects in changing the composition of the party since 1983. In 1988 Labour as a party retained a significant union component both in terms of affiliate representation and the union memberships of conference delegates. Middle class unionists actually tended to be found more among a left cluster of delegates than the admittedly small number of working class unionists. Neither were the political attitudes of most party members consistent with the general thrust of the economic policies of the Labour government. While middle class non-unionists did tend more toward the right, only a quarter were actually assigned to either right cluster identified, and their proportion of the active membership had not increased since 1983. Only a small general grouping could be identified having more positive attitudes toward business, private ownership, and more negative attitudes to unions, who tended to be male, not union members, and to be self-employed. This grouping was not disproportionately drawn from new members or members who had only recently begun to attend conference although, as one would expect, it was significantly less likely to contain delegates representing union affiliates. The heaviest weight of party opinion remained on the social democratic left, and showed no indication of changing in the immediate future, as those delegates assigned to the left cluster were younger on average than other conference delegates. The exodus of a minority of activists into the NewLabour party the following year is unlikely to have had major effects on the balance of opinion among active members.³³

Some evidence for the high salience of postmaterialist values among party activists is also presented. Such values were particularly strong among the left of the party, and provide further support for those who argue the importance of an implicit trade-off accepted by party members supporting anti-nuclear and other policies relevant to the 'new politics', and therefore retaining commitment to the party despite its economic policies. On the other hand materialists were more concentrated on the right. While a more methodologically rigorous application of the postmaterialist model is necessary, the political opinions of 1988 Labour Party conference delegates tend to indicate that postmaterialist politics have largely fused with social democratic goals at least insofar

as both are found at their strongest among delegates in the left cluster. There is no evidence which indicates the persistence of serious differences between unionists and liberal intellectuals which most observers identified during the 1970s. Among the social correlates of left cluster assignment both location in a union household and a university degree had equal significance. Further work is needed to trace the interconnections between postmaterialism and attitudes toward the role of the state, focussing both on opinions among elites and among the mass public.

Appendix A: Questions Used to Construct the Ideological Dimensions in Table 4

We are faced with many problems in this country, none of which can be solved easily or inexpensively. We would like to know if the government is spending too much money, too little money, or about the right amount on each of these.

- Improving and Protecting the Environment?
- Pensions and other social policies?
- Improving conditions for Maoris?
- Reducing Unemployment?
- Providing Assistance for the Unemployed?
- Hospitals and Medical Care?

Inflation and Unemployment have both been problems in New Zealand in recent times. Which do you think the government should concentrate on solving first?

Do you think big business has too much power, not too much, or not enough power?

Do you think that government should or should not:

- Introduce stricter laws to regulate the activities of trade unions?
- Allow private industry to keep more of its profits?

Appendix B: Variables Used in Table 7

All variables included were entered as 1 or 0, with the exception of household income and age which were entered as scales. Respondents in all the other categories listed scored 1, and respondents not in those categories 0.

Residuals

Parental Occupation: those respondents whose fathers were neither farmers nor manual productive workers.

Education: those with a school qualification but not a university degree.

Class: the middle class, that is, respondents in households classified by a wage or salary earner not in a manual productive occupation, such as service workers, clerical workers, professionals, and salaried managers.

Urban and rural: those respondents living in towns or cities above 1,000 and below 100,000 population.

Notes

1. A. Przeworski, *Capitalism and Social Democracy* (Cambridge, 1985), p. 104.
2. C. Levy, 'Socialism and the Educated Middle Classes in Europe, 1870-1940', in R. Eyerman, ed., *Intellectuals, Universities and the State in Western Modern Societies* (Berkeley, 1987), pp. 159-161.
3. C. Bean, 'Class and Party in the Anglo-American Democracies: the Case of New Zealand in Perspective', *British Journal of Political Science*, 18(1988), pp. 303-321; H. Gold, 'Party and Society in 1987', in H. Gold, ed., *New Zealand Politics in Perspective*, 2nd edition, (Auckland, 1989), pp. 409-422; J. Vowles, 'Nuclear-Free New Zealand and Rogernomics: the Survival of a Labour Government', *Politics*, 25(1990), pp. 81-91.
4. B. Gustafson, *Social Change and Party Reorganization: The New Zealand Labour Party Since 1945* (London, 1976); D. Webber, 'Trade Unions and the Labour Party: the Death of Working Class Politics in New Zealand', in S. Levine, ed., *Politics in New Zealand* (Sydney, 1978), pp. 182-195; J. Vowles, 'Delegates Compared: A Sociology of the National, Labour, and Social Credit Party Conferences, 1983', *Political Science*, 37(1985), pp. 1-17.
5. J. Vowles, 'Party Strategies and Class Composition: the New Zealand Labour and National Parties in 1988 and Beyond', *New Zealand Sociology*, 7(1992), forthcoming.
6. C. Rudd, 'The Changing Structure of Public Expenditure', in Jonathan Boston et al., eds., *Reshaping the State: New Zealand's Bureaucratic Revolution* (Auckland, 1991), pp. 140-165.
7. Gustafson, *Social Change and Party Reorganization*.
8. Webber, 'Trade Unions and the Labour Party', pp. 182-195.
9. C. James, *The Quiet Revolution* (Wellington, 1987), p. 166.
10. J. Vowles, 'The Fourth Labour Government: Ends, Means, and For Whom', in Jonathan Boston & Martin Holland, eds., *The Fourth Labour Government: Radical Politics in New Zealand* (Auckland, 1987), pp. 16-22.
11. B. Roper, 'The Dynamics of Capital in Crisis: The Political Economy of New Zealand Business 1974 to 1987', unpublished doctoral dissertation, Griffith University, 1990.
12. Przeworski, *Capitalism and Social Democracy*, pp. 74-75.

13. R. Inglehart, *The Silent Revolution: Changing Values and Political Styles Among Western Publics* (Princeton, 1977), pp. 3-21; T. Clark & R. Inglehart, 'The New Political Culture', paper presented to the World Congress, International Sociological Association, (Madrid, 1990).
14. Vowles, 'Nuclear Free New Zealand and Rogernomics', pp. 81-91.
15. Vowles, 'Delegates Compared', pp. 1-17.
16. The 1988 conference survey was carried out by Raymond Miller (University of Auckland) and Jack Vowles (University of Waikato). It was funded by the University of Auckland Research Committee. A postal survey, the response rate was 67 per cent. The researchers are grateful for the support and cooperation of the Labour Party, the 1988 conference delegates themselves, and also for the assistance of Bridget McPhail in questionnaire preparation.
17. While the conference may not have represented the views of all members, it can be taken as representing those of active members and those who determined the political direction of the party as an organisation.
18. R. Miller & J. Vowles, 'Delegates Revisited: A Sociology of the National and Labour Party Conferences, 1988', paper presented to the Australasian Political Studies Association Conference, (1989); Vowles, 'Party Strategies and Class Composition', forthcoming.
19. Vowles, 'Party Strategies and Class Composition', forthcoming.
20. Webber, 'Trade Unions and the Labour Party', pp. 182-195.
21. The political context of the 1988 Conference was therefore one of dissension, and indeed there was evidence that attempts to bolster support for the different contending forces drew more delegates to the conference than might have otherwise come. Some might therefore suggest that 1988 was an atypical conference, and therefore data from its delegates could be misleading. If this were the case, however, we would have expected more discontinuity in the occupational composition of the two conferences. Certainly, for 17 per cent of delegates 1988 was their first conference, and new delegates were 23 per cent of the more rightward leaning nonmanual nonunion category of delegate, and only 12 per cent of union officials. But if the right was more successful in 'packing' the conference, this still did not offset an overall decline in key middle class categories since 1983. I therefore tend to the conclusion that biasing effects from the special nature of the 1988 conference had but small if any effects on the overall composition of the conference. Finally, this is after all a study of the Labour Party conference in a specific year, and addressing issues which directly arise from the specific circumstances of that year.
22. A. Downs, *An Economic Theory of Democracy* (New York, 1957), p. 116.
23. See R. Miller, 'NewLabour: A Chip Off the Old Block?' paper presented to the New Zealand Political Studies Association Conference, University of Waikato, 1991, for frequencies comparing the views of Labour delegates and Labour MPs across a number of the individual questions.
24. The procedure eventually used was SAS's FASTCLUS method, which performs disjoint clustering on the basis of Euclidean distances, employing nearest centroid sorting. As an alternative an agglomerative hierarchical procedure, Ward's minimum variance method, was used via the SAS CLUSTER procedure, but it produced clusters that were not so ideologically distinct. All alternatives tested produced a large left group and a small right group (see SAS Institute, *SAS/STAT Users' Guide* (Cary, 1990), vol. 1, pp. 823-50).

25. If, as some observers claimed, right wing MPs were the most active in seeking to increase the number of delegates consistent with their views, the small size of the right indicates either that they were not greatly successful or that those delegates were less motivated to respond to the survey.

26. This derives from a logistic regression of the four variables against membership of the right or otherwise unreported here. Controlling for the effects of membership length, first conference attended, and being an officeholder or otherwise, a delegate assigned to either of the right wing clusters was 17 per cent less likely to represent an affiliate than delegates assigned to the left or centre-left clusters.

27. See Gary King, *Unifying Political Methodology: The Likelihood Theory of Statistical Inference* (Cambridge, 1989), p. 107.

28. Given the nature of the two sets of choices, and the context of New Zealand politics in 1988, it is not entirely surprising that postmaterialism should be associated with the left, and materialism with the right, where 'fighting rising prices' is so obviously compatible with Labour's economic policies, and 'giving people more say in important government decisions' could be so easily consistent with opposition to them. Inglehart has a more extensive battery which should be employed in future research, but even this as been subject to some criticism. See R. Inglehart, *Culture Shift in Advanced Industrial Society* (Princeton, 1990), pp. 40-53; J. G. Andersen, 'Environmentalism, New Politics, Industrialism: Some Theoretical Perspectives', *Scandinavian Political Studies*, 13(1990), pp. 102-117.

29. Logistic regression is the appropriate method where the dependent variable is binary. For further advice on its interpretation, see F. Harrell, 'The Logistic Procedure', *SAS Supplementary Manual* (Cary, 1983), pp. 269-293.

30. For further detail, see Appendix B. For their use in a model applied to both Labour and National Party Conferences in 1988, see Vowles, 'Party Strategies and Class Composition', forthcoming.

31. Estimates from the age extremes somewhat overemphasise the effects of age. Taking the mean ages of the centre-left and left clusters as the first difference figures provides a more meaningful estimate.

32. See King, *Unifying Political Methodology*, pp. 107-8.

33. The late timing of the 1988 conference survey meant that many delegates leaving Labour for NewLabour did not return their questionnaires. Comparison of the 1990 NewLabour conference with the 1988 Labour conference indicates only modest differences in opinion between the two sets of delegates, Labour MPs being considerably further to the right of Labour conference delegates. See Miller, 'NewLabour: A Chip Off the Old Block?'

7

Labour's Modern Prime Ministers and the Party: A Study of Contrasting Political Styles

John Henderson

This paper analyses the contrasting political styles of Labour's four most recent Prime Ministers: Sir Wallace Rowling (Prime Minister 1974-75), Rt. Hon. David Lange (1984-89), Sir Geoffrey Palmer (1989-90) and the present Labour leader, Rt. Hon. Mike Moore, who was PM for just a few weeks in 1990. The framework for this analysis is borrowed from Duke University political psychologist, James David Barber, who has demonstrated the usefulness of his scheme for analysing and predicting the behaviour of US presidents.¹ Barber, however, has made no claims that his analytical scheme should be applied outside the US, or that it may be appropriate for leaders operating in Westminster-type parliamentary systems. It should also be noted that a major part of Barber's work – the uncovering of the early life origins of leadership style, is not covered in this paper, and must await a further study. What the paper seeks to demonstrate is that the Barber scheme nevertheless provides a very useful means of categorising the styles of New Zealand Prime Ministers, and relating these styles to leadership personality, philosophy and the wider public mood which will ultimately determine a leader's rise or demise in politics.

The paper is also unashamedly an attempt to link in one paper two important periods in my own life; as one of Barber's graduate students in the early 1970s, and as an official working for the Labour leaders. I worked for Bill Rowling as Director of the Opposition Research Unit from 1979 to 1981 and served as director of David Lange's Prime Minister's Advisory Group from 1985 to 1989. During this period, I had frequent contact with both Rowling and Lange, as well as with Geoffrey Palmer, and to a lesser degree with Mike Moore. Part of the objective of using the Barber framework is to provide organisation and

rigour to the analysis, and a degree of objectivity which is difficult for a participant in the political process to provide.

Because much of this paper is based on my observations, I have not included Norman Kirk as one of the 'modern' Labour Prime Ministers. I never worked for, or even met, Norman Kirk, and was out of New Zealand during his period as Prime Minister. I have, however, applied Barber's framework to Kirk in an earlier review article.² I also consider that a case can in any case be made to categorise Kirk as a 'traditional' rather than a 'modern' Prime Minister, given his strong identification with traditional Labour values. However this assertion raises many issues which are beyond the scope of this paper.

While my own personal recollections are an important part of this paper, any one expecting a 'kiss and tell' tale will be disappointed. My objective is to attempt to bring together aspects of the theory and practice of political leadership. Certainly the opportunity to observe political leaders at first hand provided a fascinating experience for a political scientist with a special interest in the issue of leadership. It is my view that the best training for a political scientist is to work for a while with politicians. I hope through this paper to share some of these experiences, and meet Barber's own call to make the study of politics more relevant and useful.

Certainly my experiences have confirmed the central lesson I learnt from Barber: that politics is a people business, and that the study of the actions and inactions of individuals and groups will explain much more about the political process than the traditional political science focus on structures. This assertion applies particularly to the understanding of a political party. Much of the history of the New Zealand Labour Party is centred around key personalities.³

The Barber Types

Barber's typology is constructed from asking two simple questions relating to the President's level of activity (active or passive) and attitude towards this leadership activity (positive or negative). The activity dimension is readily recognisable by the amount of energy devoted to the job. The 'positive-negative' dimension can be more difficult to detect. Barber poses the question: 'Relatively speaking, does he seem to experience his political life as happy or sad, enjoyable or discouraging...'⁴ Do the leaders have a positive or negative view of their political life? Are they happy in their work, or is it a burden that must be borne?

From these two dimensions emerge a 'general mapping scheme' with four character types: active-positive; active-negative; passive-positive; and passive-negative. Barber emphasises that the boundaries between these types are far from watertight. Politicians, like all of us, reflect differing degrees of activity in their chosen profession, and satisfaction with the amount of effort they put into their jobs. What Barber demonstrates is that these two dimensions which have their roots in the psychological literature, do help identify four distinct types of Presidential character.

The character of a leader, which is formulated mainly in childhood experiences, helps answer the basic question: Why is the leader in politics? What drives them? The answer to this question for each of the Barber types is different. The 'active-negatives' are drawn by a need for power; the 'active-positives' by a desire to achieve certain policy goals; the 'passive-negatives' by a sense of duty; and the 'passive-positives' by a search for affection, gained principally through their ability to perform on the political stage.

In analysing Labour's four most recent Prime Ministers, this paper argues that each reflects predominantly one of these types. (It was not the intention to find a representative of each type – it was the way it happened to turn out.) As with Barber's Presidents, there are no perfect 'fits' and indeed some loose fits. Readers will be able to judge the degree to which they consider the categorisations to be accurate and helpful in understanding leadership behaviour.

The focus of this paper is not so much on the character of the Prime Ministers, as the effect of personality on their style of operating. Barber defines style as 'a collection of habitual patterns of meeting role demands'.⁵ He identifies the three core role demands which confront leaders as: the need to speak to small and large groups and audiences (the rhetorical function); the need to deal with colleagues and other individuals (interpersonal relations); and the need to manage to cope with the organisation of government and party business, and the massive paper flow it generates (the management function). Barber demonstrates how different Presidents have concentrated on the style which seems to work best for them. This tends to be the style they employed to gain their first independent political success. Not surprisingly, politicians will tend to latch on to what seems to be a winning formula.

Character analysis helps answer the question of *why* a leader is in politics. Determining style will reveal *how* the leader operates politically. But there is also a need to identify *what* they are in politics for in terms of their philosophy and ideals. This is what Barber refers to as the leader's 'world view'. It covers both the way the world is seen to

actually operate, and ideas and visions on how it should ideally be. A primary source of material for this dimension in this paper is the Prime Ministers' maiden speeches to Parliament. Most new Members follow the maiden speech tradition of outlining the sort of New Zealand they are in Parliament to promote.

There is a further question that needs to be asked after the 'why', 'how' and 'what' questions have been considered: this is 'to what effect?' In other words how do the public – the electorate, the party members – relate to aspiring or incumbent leader's motivation, style and goals? Barber focuses attention on what he refers to as the public 'mood'. He identifies three types of mood which seem, at least in American politics, to form a pattern – the 'Pulse' of politics. The first 'mood' is one of viewing politics as conflict, as a war between groups seeking different goals. This is the dominant view of politics as portrayed by the media. But the public will at times seek leadership which will take politics to a higher plane. This is the mood of conscience, of seeking spiritual uplift in contrast to the conflict of ambitious, even corrupt, politicians. The third mood relates to the public's desire for a rest from the strain of both conflict and appeals to conscience – for conciliation and consensus. This reflects a yearning for solace and tranquillity.

An attempt will now be made to assess the degree to which the four Labour Prime Ministers reflect one or more of these Barber character types and styles, their philosophies (or world views) and the relationship of these three factors to the public mood. In conclusion a brief assessment will be made of whether a change in party structures would assist the different types of leaders carry out their tasks. Finally the predictive dimension of the Barber approach will be applied to the political future of the leaders being considered in this paper.

Rowling: Passive-Negative?

As I have previously published my assessment of Rowling,⁶ I will restrict this analysis to a brief review of my main conclusions. I placed Rowling in the 'passive-negative' category, although the evidence was mixed. Certainly Rowling maintained a very high level of political activity, and earned the respect of his colleagues as a hard worker. For example, he travelled extensively throughout the country in his largely successful effort to rebuild the Labour Party following its devastating 1975 election defeat.

But the 'passive' nature of Rowling's character was evident in his at times detached view of his political tasks. He was not (as for instance

I will argue is Moore) totally consumed by politics. He did not seek the leadership position but accepted the decision of his caucus following the untimely death of Prime Minister Norman Kirk in 1974. He preferred not to try and assert a dominating role. As he reflected: 'I am a quiet sort of man. I don't push myself in a group'.⁷ He was in many ways a reluctant leader.

For Rowling there was always more to life than politics. As early as 1972 he talked about the possibility of retirement from politics. It was a job to which you gave your best, then went onto other pursuits: 'I believe that the pressures of the job are such that – if you're giving everything you've got – you must begin to burn out politically. Then rejuvenation is needed at the top'.⁸ While he resisted the forces promoting David Lange to leadership (on the grounds that he considered Lange lacked the necessary experience), when Rowling was forced to step aside he did so without bitterness.

Why are types like Rowling, who don't seek the leadership role, and carry it out with some reluctance, in politics? Barber considers that the key motivating force for the 'passive-negative' is a sense of duty.⁹ This explains why they accept the leadership role they never sought. As Rowling explained, he took on the job of Prime Minister because 'I was wanted by my colleagues'.¹⁰ There are strengths as well as more obvious weaknesses in this type of leadership. As Barber explains:

The orientation is toward performing duty with modesty; the political adaptation is characterised by protective retreats to principle, ritual and personal virtue. The political strength of his character is his legitimacy. It inspires trust in the incorruptibility, and good intentions of the man. Its political weakness is its inability to produce, though it may contribute by preventing.¹¹

These are the 'decent' leaders. Few would deny Rowling's considerable personal virtues. But, as is the fate of the 'passive-negative', this unassertive style tends to be perceived by large sections of the public as weakness. But the reality is that in terms of Rowling's determination to face up to problems, and directly confront colleagues who stepped out of line (such as Douglas and Moore), or friends who got themselves into political difficulties (such as Moyle), Rowling would rate as the toughest of the four Labour leaders considered in this paper.

In terms of the three categories of leadership style outlined earlier, Rowling concentrated on management rather than the rhetorical or interpersonal roles. He restored proper procedural arrangements to caucus and cabinet following the chaotic period of Kirk's dominating but erratic leadership. He emphasised a team approach. He also gave careful attention to his paperwork. But in the crucial area of rhetoric – of communicating directly to the electorate through television or cam-

painging – Rowling did not come across well. His high pitched voice tended to become squeaky when pushed, and seemed to lack authority.

However in terms of Labour values, Rowling knew what he stood for. He strongly believed that Labour existed to help the underprivileged – a view which reflected his strong Labour upbringing. He liked to recall how, when he was a youngster, Labour leaders would visit the family home to talk with his father, a leading Labour supporter. In his maiden speech Rowling focussed on his people-oriented economic philosophy. He reminded Parliament 'that in the ultimate we are dealing not only with facts and figures, but also – and this is most important of all – with the welfare of the people'.¹² The overall message of the Rowling speech was that politics was a calling of service to the community.

Had Rowling remained as leader there would certainly have been no takeover of economic policy by the so-called New Right – the 'Rogernomics revolution', which occurred during Lange's period of leadership. As Leader of the Opposition Rowling showed he was more than a match for Douglas – who he sacked as shadow Minister of Finance when Douglas produced his own unauthorised 'shadow budget'. Rowling foresaw, and warned David Lange, of the problems he would face with Douglas as Minister of Finance.

Barber identifies the danger of the 'passive-negative' type of leader to be 'drift'. It is difficult to provide a sense of direction to a government where power has been delegated. The leader is heavily dependent on the performance of others. There will always be ambitious rivals prepared to portray a consultative style as weak leadership. Moore was one who turned against Rowling because of his 'indecision'.¹³ After fending off two leadership challenges Rowling announced his intention to resign.

Rowling's strengths lay in his decency, but the public mood was for the more aggressive action promised by Muldoon. Had the call been for a higher moral tone, for the leadership of conscience, Rowling would have seemed the most appropriate leader. But Muldoon dominated New Zealand politics for nearly a decade. While Rowling led Labour through two elections (1978 and 1981) where Labour gained more votes, the elections were won in terms of seats in Parliament by National. Rowling was seen as no match for Muldoon, and was replaced by one who was: David Lange.

David Lange: 'Passive-Positive'?

David Lange's period as Prime Minister will be remembered for both triumph and tragedy. The triumph was the establishment of a nuclear-free New Zealand. The tragedy was the self destruction of Labour over disagreements on economic policy. How did Lange feel about his part in these momentous events? The 'positive' aspect of Lange's leadership was obvious to all in his humour, and the sheer joy gained from performing on centre stage. There was little difference between the public and private Lange. He enjoyed cracking jokes and 'performing' as much in private meetings as in public.

Lange also enjoyed the challenge of the job of Prime Minister. In an interview after a year in the job, he agreed that being PM could be 'fun'.¹⁴ But the latter period of his leadership was dominated by conflict over economic policy. Lange's feelings changed from positive to negative, and he resigned from office in 1989.

How much energy did Lange put into the job? Lange belongs at the 'passive' end of the political spectrum. But this is not because of the claims of his many critics that he was lazy. The assessment is based on my observation that Lange (like Rowling) did not share the activists' (like Moore) compulsive need to devote all their efforts to the pursuit of political goals and ambitions. As in the case of Rowling, Lange did not seek the leadership role, nor actively lobby for it. But as Prime Minister Lange surprised many (myself included) with his ability to work long and hard when circumstances demanded. He thrived on crises – such as the ANZUS dispute, the Rainbow Warrior bombing, and Maori loans affair. Between crises he tended to get bored.

But how could a 'passive' type lead one of New Zealand's most activist governments? The answer is by delegation to other Ministers, and assuming a 'chairman of the board' role. But this did not mean a surrender of leadership responsibilities. It was Lange who oversaw the implementation of Labour's anti-nuclear policies. When Lange considered the pace of economic restructuring was proceeding too far and too fast he became determined to reign in his Minister of Finance, Roger Douglas. The splits in the Party over economic policy which eventually shattered the Lange Labour Government during its second term occurred when Lange, true to form for a 'passive-positive', called for a 'breather', a spell to provide reassurance to an electorate punch-drunk by the pace of economic reforms.

Barber identifies the principal motivating force of the 'passive-positive' type as the desire to be loved – to be able to feed on the affection of political followers. As Barber put it: 'passive-positives are

the political lovers'. They are the 'nice guys who finish first, only to discover not everyone is a nice guy'.¹⁵

The great aversion of the passive-positive type is conflict. To quote Barber again: 'The passive-positive type lives in a market place of affection... What threatens the fragile structure of that adaptation is conflict and particularly conflict at close quarters'.¹⁶ It was Lange's distaste for conflict which led him to resign as Prime Minister rather than continue the conflict with Douglas over economic policy. The long, drawn-out dispute made political leadership an intolerable burden. For Lange his resignation from the office of Prime Minister brought genuine relief and few regrets. As in the case of Rowling, deciding to give up power was not a personal tragedy, because power was not the principal motivating force for being in politics.

In their search for affection the 'passive-positive' types may concentrate their efforts on the drama of politics – to gaining audience appreciation from performing on the political stage. This was the attraction of politics for Lange. It provided a role he excelled at and continued after relinquishing the leadership role. Both Lange's friends and foes agree that he is one of New Zealand's great political performers; a superb communicator with special gifts of oratory and humour, and a particular skill in the use of television. Lange delighted in his ability to appeal to the emotions of a large audience. He reflected that he could exercise a power that was 'darn near demagoguery. I have driven people to the point where I've seen tears coming to their eyes, by flicking [sic] at them, by wafting in front of them verbally, and by body language expressions of things from the past which move them'.¹⁷

There are dangers in this focus on the performance rather than substance of politics. As Barber has commented: 'The question of judgement is transformed into a question of appreciation'.¹⁸ But, especially in a television age, the ability to perform is the essential attribute necessary for leading a party to victory at the polls.

With the focus on performance it is not surprising that rhetoric has been Lange's chosen style. As one writer recalled, 'Talk was what Lange was about. Lange talked his party into power, he talked us into believing that he would bring all New Zealanders together...'¹⁹ It was these rhetorical powers which Lange used to entrench Labour's anti-nuclear policy²⁰ and, to his later regret, the first stages of Rogernomics. And the talk continues, as Lange divides his time between Parliament and the speaking and entertainment circuit.

Rhetoric was the key to Lange's political success – a winning formula which he exploited to the maximum. But talk – story-telling linked with humour – also served more personal needs. It provided a

means to engage in discourse without having to develop a close personal rapport. It was a means of avoiding difficult and sensitive issues.

But while Lange excelled at the rhetorical requirements of leadership, he was much weaker in the other two essential tasks of the Prime Minister and party leader: interpersonal relations, and management. The most significant factor in Lange's failure to withstand the 'Rogernomics' forces was his inability to convey to his colleagues how strongly he felt about the issues. There were other Ministers, and many Labour back-benchers in caucus, who shared Lange's concerns. Lange could have built a substantial coalition which might have withstood the tidal wave of the New Right-inspired economic policies that swept New Zealand. But something held Lange back from reaching out for the assistance of others. Part of this reluctance was related to his aversion to conflict which has already been stressed. A further important factor was a fear of rejection – that his overtures might have been unsuccessful.

The shortcomings in management were less serious. Lange did, however unwillingly, manage to stay reasonably well on top of the tremendous avalanche of paper that descends on a Prime Minister's desk each day. Not only did he have all the responsibilities of a Prime Minister, but he also took on one of the most difficult portfolios – education. What he could not manage he delegated – much of it to his willing Deputy, Geoffrey Palmer. One management area he paid for dearly was his failure to enforce rules relating to Cabinet papers. Both Finance Minister Roger Douglas and his associate Richard Prebble at times ignored the requirements of consultation – or even giving their colleagues a chance to reflect on proposals – and brought papers directly to the Cabinet table. Lange should have insisted that the papers be deferred, but instead allowed Cabinet to be swayed by Douglas's argument that the 'markets' required instant decisions.

Fundamentally the Lange-Douglas dispute was an ideological one. Lange believed he had a special responsibility to care for the poor and disadvantaged. Douglas put his faith in the free market. Lange accepted that changes had to be made, that the highly protected nature of the economy could not continue. But for Lange there was a limit to how far the Labour Government could deviate from its traditional collectivist values and accept the extreme individualism of the New Right's faith in market forces. Although Lange was not good at conveying his concerns to his colleagues, he knew his bottom line.

The intensity of Lange's belief that he was in politics to assist the underprivileged is clear in his maiden speech to Parliament. Lange spoke of the need 'to create a society where people feel committed to

each other...where the fruits of such a society are seen in the love, the charity and the compassion of the people'.²¹ The congruence between the Lange philosophy, and the politics of affection, of conciliation, of bringing the country together, of an aversion to conflict, is evident here. For Lange, his purpose for being in politics was clear: 'I represent the ordinary people, people who need to be clothed, fed and housed...'²² In an interview given during the successful 1984 election campaign he talked about going back to his electorate. 'You meet all the powerless, all the moneyless and the hopeless. And you think about it, and you get mad about it... Now, that's why I am in politics'.²³

Had the public mood remained one of conciliation the Lange leadership would have been long and stable. But although the term of the Labour Government began in a spirit of consensus with the Summit Conference bringing together all interest groups, it soon turned into one of conflict as it took on the 'evils' of interventionism and protectionism. Lange sought to go back to a period of conciliation following the 1987 election. But the call for 'a breather' was made too close to an election in which Labour had increased its majority with the opposite pledge to 'finish the job'.

Lange excelled in the most important areas of political style – oratory and particularly television interviews. But his failure to complement performance with management skills and effective interpersonal relations demonstrated that an absence of these abilities can undermine even a star performer.

Palmer: Active-Positive?

Barber's 'active-positive' types are those who enjoy being in politics because it enables them to achieve particular goals they have set for themselves. They work hard and enjoy it. Certainly Geoffrey Palmer had a well-earned reputation as a workaholic. He regularly worked 18 hour days during the six years of the Labour Government. Even holidays involved work, and Christmas Day was no exception. He was always a difficult Minister to see as he had meetings scheduled all day, every day.

But for Palmer, ministerial work was not a burden because he enjoyed it. Most importantly, being a Minister meant he could achieve the reforms he wanted to make to the legal and political system. As Prime Minister he retained the portfolio as Minister of the Environment to continue the reforms he had initiated in this area.

But while he enjoyed his work, he was not consumed by it. As he explained a year after he resigned as Prime Minister, the difference

between himself and a lot of other politicians was that they were 'dependent on it (the job) for their careers and I never was... I went in there to reform the law and I did a lot of that. I never felt politics was a means in itself. I always thought it was a means to an end. It didn't reach me the way it reached a lot of people'. The Prime Ministership 'was not a job I ever sought'.²⁴

The attraction of politics as a means to achieve policy reforms is typical of the 'active-positive' type. Their detachment from personal needs gives them the advantage of being as flexible as necessary to achieve policy goals. Consistent with the rational ideal of letting the evidence decide the required course of action, Palmer had no firm ideological beliefs, no rigid 'world view'. What concerned Palmer was the efficiency of the policy process.

The best evidence that Palmer was not motivated by ideological beliefs was his admission that he initially sought nomination as a parliamentary candidate for National rather than Labour. His background as a constitutional lawyer, and his strong beliefs on individual rights, his privileged background (as the son of a newspaper editor), naturally led him to the National Party rather than the more collectivist goals of Labour. What turned him away from National was the vulgarity of Muldoon's leadership. Palmer was attracted by what he saw as the decency and propriety of Labour leader Bill Rowling. But for Muldoon, Palmer might well have been a National Prime Minister.

In his maiden speech to Parliament, Palmer criticised the inadequacy of the existing decision-making structures. He asked the question: 'What is democracy?', but gave his answer in terms of process, not end goals.²⁵ Similarly his book on the New Zealand political system, *Unbridled Power*,²⁶ focuses on the constitutional and machinery aspects of government, and is largely devoid of wider philosophical considerations.

Palmer's support for constitutional reforms such as a Bill of Rights put him at odds with most of his colleagues. Palmer never understood the intensity of the Lange-Douglas dispute over economic policy. He always thought differences could be resolved by instituting new structures and processes.

Problems arise for the 'active-positives' through their tendency to oversimplify, to assume that others are as 'rational' as they are, and overlook the less noble requirements of politics. As Barber has explained:

The character who has overcome his own hang-ups, who has leaped over the barriers between himself and the real world, whose bent is towards rational mastery of the environment, is likely to forget, from time to time, that other persons, publics, and institutions, maintain themselves in messier ways.

This type of leader develops the unreal expectation of political institutions 'to deliberate like Plato's Academy and take action like Caesar's Army'. Barber could have been describing Palmer's downfall when he wrote: 'This type is also vulnerable to betrayal when he assumes that others who seem to share his purposes will see those purposes as he does and govern their actions accordingly'.²⁷

Journalists recognised Palmer's difficulty in dealing with political problems. Colin James noted Palmer's inability 'to see political need, much less respond to it'.²⁸ The result was that Palmer failed to take advantage of the wave of goodwill which greeted his leadership. While he was good at handling detail, he did not succeed in putting a Palmer stamp on his government.

Palmer's biggest political mistake was his attempt to bring both Roger Douglas and Richard Prebble back into the fold. Douglas had in effect resigned from Lange's Cabinet, while Prebble had been dismissed. As Colin James wrote, in an assessment which bears a striking resemblance to the Barber quote cited earlier:

The righteous Palmer believes people should behave generously, rationally, and sensibly, and not, as most do, with self interest and ego foremost. Despite evidence to the contrary in his failure to bring Douglas and Lange together, Palmer still believes compromises, tolerance of difference and pursuit of the greater common goal are achievable with the right amount of earnest effort.²⁹

Bill Rowling has sought to explain Palmer's apparent political naivety (although Rowling did not use the word) through reference to his seemingly effortless rise to prominence:

Geoff's life was from school to university to university. Some of the other guys have gone through some fairly rough patches inside and outside of politics. They know what it's all about. They know how to get the best advantage out of the system. I'm not sure Geoff was able to perceive that.³⁰

Palmer's term as Prime Minister lasted only 13 months. How much of the failure of the Palmer administration can be attributed to the Palmer style of operation? In Barber's terms, and consistent with the active-positive's 'rational' approach, Palmer put his emphasis on management, and to a lesser degree interpersonal relations. The area in which Palmer had least ability or success was in public presentation – either in person or on TV. He came across as a rather detached and 'wooden' law professor. Efforts by his media advisers to present him with a more 'human face' only added to the problems.

Palmer prided himself as an efficient manager. He was very critical of what he saw as Lange's limited interest and ability in management. He believed there was no problem which could not be resolved through

good management. But there were problems beneath this calm, rational exterior. Public servants who had not previously worked for Palmer were surprised at his tendency to panic. When under considerable pressure his voice would rise, his language would deteriorate, and he would demand instant answers to complex and sometimes insoluble problems.

A further problem was that Palmer's demand for detail at times prevented him from clearly defining the overall political objective. For instance, when early in Labour's second term Lange gave him responsibility for overseeing social policy, Palmer set up numerous (from memory about 15) working parties – a sure recipe for inaction and confusion. But for Palmer the process – working parties representing interested and knowledgeable individuals – avoided the more difficult task of defining the goal.

Regarding his skills at interpersonal relations, it is true that Palmer's detached style allowed him to communicate with all individuals and factions in caucus and the party. As Palmer did not seem to hold passionate personal beliefs (except about process) he was seen as a neutral force in the Lange-Douglas dispute. (However, in fact Palmer provided an efficient engine room operation which ensured the passage of the necessary legislation to implement Rogernomics). The degree of depth of Palmer's personal contacts with everyone made Palmer the confidante of no one. The view in Lange's office was that when Palmer reported all was calm with the Douglas office, a fresh strike was about to be launched by Douglas against the Prime Minister.

Palmer remained a rationalist to the end. As his friend and Ministerial colleague David Caygill commented: 'It is no secret that Geoffrey stood down because of the polls. He took that action as a rational caring man'.³¹ Palmer later commented that he knew he still had the numbers in caucus (a point he also stressed to me at the time) but that his departure was necessary for the greater good of Labour's electoral fortunes. In any case, Moore would have challenged again and again, until he succeeded.

But Palmer had the advantage of the 'active-positive' character type of being able to walk away from politics without regarding it as a personal tragedy. Asked about the campaign that had been waged against him he responded: 'I have no feelings about it. I am a remarkably detached person'.³² A year later he described his decision to quit politics as 'the best decision I have ever taken...because I have got enough time and opportunity to write about what I did and to use some of the knowledge I gained for other purposes. It's a wonderful education being in politics, but it's a terrible way to live'.³³

But while Palmer could escape relatively unscathed the Party could not. Less than two months after his resignation Labour suffered a massive defeat at the polls. For Palmer to have succeeded as Prime Minister the public mood would have needed to match his own passion for the purity and rationality of the political process. Palmer could have succeeded as a leader of conscience. But Palmer did not play to his strengths, and capitalise on the groundswell of public goodwill that accompanied the change of leadership. Instead Palmer first tried to be the great conciliator, and bring back Douglas and Prebble into the fold. When, as has been noted, this failed he took on the role of reformer, with belated and unrealistic promises to halve unemployment. The result was a lack of credibility and a loss of office.

Mike Moore – Active-Negative?

It would be difficult to find a more active politician than Mike Moore. Yet why is someone who is so active in politics categorised as having a negative view of the role? The answer, according to Barber, is that the active-negatives are the compulsive types of politicians. They devote all their time to politics because they feel some inner compulsion to do so.³⁴

Moore's autobiography *Hard Labour*³⁵ is about a person consumed by politics. Moore absorbed his mother's interest in Labour politics, joined the Labour Party when he was 16, gained election to the Auckland Trade Council at 17, served as a Junior Vice President of the Labour Party, and at 23 was elected the country's youngest MP. He recalls how as a new MP 'I was acting like a man possessed, working day and night'.³⁶ He recognised the danger of overdoing it. 'Politics can be a powerful drug, but like any drug, you can overdose on it'.³⁷ But politics was his life. 'The Party was my Training College, and Parliament was my University'.³⁸ The education was appropriate for a life devoted to gaining the office of Prime Minister. In his autobiography he quotes a former Labour Minister as telling him 'the only job to have in politics is the Prime Minister or Minister of Finance. All the other jobs are branch managers'.³⁹

It is a view that Moore has long held. Asked when he decided to become Prime Minister Moore replied: 'I was always going into politics'.⁴⁰ For Moore entering politics and becoming PM was part of the one process. As his wife Yvonne commented: 'Of course he's ambitious. I knew he would do it. I always knew he would be Prime Minister. It was just a question of time'.⁴¹ Moore's whole life had been preparation for the country's top job.

Moore's ambitions made his colleagues nervous. But Moore resented the suspicions. 'Because I was different, every action I've taken has been given the most sordid of motives, the darkest flavour of ambition and conspiracy...'⁴² Nevertheless Moore readily admits to his role as deposing Bill Rowling as leader, and his disappointment at not succeeding in becoming David Lange's Deputy. He made a further unsuccessful bid to be Deputy Leader when Palmer took over as PM following Lange's resignation.

Of course criticising politicians for being ambitious for power is as ridiculous as criticising bankers for their love of money. But for the 'active-negative' type, gaining and retaining power becomes the preoccupying objective. It can lead to rapid promotion when these personal desires and party needs coincide. As one journalist commented: 'Mr Moore has wanted to be PM all his life... It is that level of hunger for office, of unforgiving combativeness, that makes Mr Moore fill the profile of the "circuit-breaker" that Labour's tacticians wanted'.⁴³

In the pursuit of power conflict must be expected. As Moore reflected: 'Politics is a tough merciless business. There are no prizes for coming second'.⁴⁴ In an 1988 interview he portrayed himself as a tough but fair operator. 'I have been a prick...behaved like a prick...you know, done all those political things. I've done some shitty things. But I always did them frontally. I'm not a knee-capper'.⁴⁵

But, to return to the opening question of this section, why continue to throw all one's energy into such an unpleasant environment? Moore has asked a similar question: 'Why do so many hundreds fight to get into Parliament, fail, and fight again?' In his answer Moore referred to the 'job satisfaction: Politicians gossip, plot and plan...it is the parliamentary life, the battles, and victories, imagined or real, that drives people on, that turns them into politicians'.⁴⁶ It is this 'plotting' dimension of Moore's style which most concerns his critics. Bill Rowling commented: 'He's too Machiavellian for me, but that's a personal view and he's never been any different. Mind you he's a professed Machiavellian'.⁴⁷

In Barber's terms the emphasis of the Moore style is on interpersonal relations. The challenge for Moore will be to extend his proven talents of small group organising to the wider challenge of holding a Party together and controlling his own enthusiasm for promoting half-thought-out ideas. Moore is sensitive to this criticism and is giving particular attention to the management aspect of style. As he has observed: 'Leadership is about management. It's about coaching, about getting the best out of people, about getting the average to feel good about themselves, about selecting the right people for the right

jobs...management in opposition is about morale'.⁴⁸ It's also about establishing priorities.

In meeting this challenge Moore will be assisted by his abilities in the third aspect of leadership style: an ability to communicate in speeches and interviews. Moore has considerable abilities as a communicator, and has developed his own unique folksy style. As one observer noted: 'Moore has the gift of being able to connect with an audience even when – or especially when – the audience hasn't got a clue what he's on about'.⁴⁹

Moore's talents in each of the core areas of leadership (interpersonal relations, management, rhetoric) provide an encouraging basis for his future leadership. But his difficulty will be to keep up his interest in management as his leadership comes under greater stress, as it will as the election approaches.

But what sort of New Zealand does Moore want a Labour Government to forge? Identifying Moore's 'world view' is a difficult task. Certainly he is instinctively Labour – coming as he does from a working class background uncontaminated by a university education. In his maiden speech to Parliament Moore praised the cooperative approach to politics, but rubbished doctrinaire Marxism: 'Life, however, cannot be forced to conform to theories. The approach must be experimental and flexible while the principles remain immutable'.⁵⁰ Moore followed his own advice. During the Lange-Douglas dispute over economic policy he tried to walk a middle line. As Party leader he continues to argue for a middle way – what he calls a negotiated economy. 'The 1980s saw us learn the limitations of the Government, and I believe the 1990s will see us learn the limitations of the free market'.⁵¹ While 'Rogernomics has had its day', he quickly adds 'It was a very important day'.⁵²

Moore's political ambitions will determine the details of his political ideals. He is most likely to excel in the role of a pragmatic populist, who will do and say what is necessary to achieve and hold power. The public mood will be most embracing of the Moore style of populism where conflict is expected, even welcomed. As a battler who has overcome the personal disadvantages of poverty and ill health, Moore makes a credible figure to take on the rest of society's battle against injustice and misfortunes.

Party Structure And Dissent

It is interesting to note that each of the Party leaders examined in this paper handled dissent in a different manner. Rowling directly con-

fronted those who he considered to be troublemakers. Lange's distaste for conflict increased his tendency to withdraw, and leave the resolution to others. The Palmer technique was to try and reason with the dissenters. Moore's response to dissent has been to try and embrace it.

Each of these methods of handling difficult conflict situations reflects the wider operating style of the particular leader. But would institutional change help resolve differences? I have recently had the opportunity to observe at first hand the operations of the Australian Labor Party's system of formalised factions. Responsibility for resolving internal disputes rests with the faction leaders. This enables the Prime Minister to remain aloof from the internal brawling.

Certainly Lange would have been assisted by a faction system. It would have legitimised his inclination to stand back from conflict. So too would Palmer. It would have enabled him to negotiate deals which might have been made to stick. However a faction system would not suit the current Moore strategy of presenting a united front. The problem for Moore is that the old tensions remain and always will in a radical party of change. Moore's instincts will lead him to making the sort of deals which were tried and failed during the Lange-Douglas dispute. A formalised faction system would keep it all 'above board', and protect Moore from accusations that he was continuing his old 'Machiavellian' ways.

Certainly it would take time for a faction system to become an accepted part of the Party process – as it is with the Australian Labor Party. It would be more difficult to operate in the smaller New Zealand Labour caucus. But it may well provide a means of containing disputes – and the aftershocks which have caused such instability in the leadership of the New Zealand Labour Party.

The Future

What of the future of the four Labour leaders? All are theoretically young enough to continue, or again take on, a leadership role. Rowling is 64, which is not old by international standards for holding the office of Prime Minister, and the other three are all under 50 years old.

Rowling has distanced himself from the policies pursued by Roger Douglas. There were reports that he had even resigned from the Party in objection to the Palmer government's decision to award a knighthood to businessman Bob Jones, who launched a campaign which undermined Rowling's leadership when he was Prime Minister. By not openly splitting with the Party he once led in a very different direction, Rowling has continued to do his duty. He is unlikely to change.

Similarly Palmer has completed all he feels he can do for the Labour Party. He has happily made the transition back to academic life, and is most unlikely to play a future political role. He may speak out from time to time on issues of law and the environment which concern him, but will not reactivate his political career. He has achieved even more than he set out to when he entered politics, and can feel satisfied while he takes on new academic challenges outside politics.

Lange has said that he would indeed like to lead Labour again, but it would need to be a party free of the conflict that caused him to resign. 'I would love to be leader of the Labour Party, and it would be good to be PM again – if it was part of a team that had resolved its philosophy, and a capacity to work together, and was not pursuing agendas with which I disagree'.⁵³ This description does not sound like the New Zealand Labour Party. Any call for Lange to resume a leadership role would be likely to come from a wide groundswell of opinion extending well beyond the party.

Moore recognises that he is still on probation as leader. He promises a cautious approach: 'I want to go very carefully right through to election day, talking people's expectations down. People expect certain things. Whenever a government goes above expectations it means you have a formula for a sustained government'.⁵⁴ The strategy appears sound. The problem is that it is counter to the Moore activist political style. The danger for the active-negative type is that their compulsive tendencies may cause them to latch on to a self-defeating course of action. Their need for power can make them dogmatic and unwilling to listen or consider the views of others.

Moore has the potential to be another Norman Kirk – a Labour leader whom I have also categorised active-negative. He has the potential for considerable populist appeal, and an ability to relate to the so-called ordinary New Zealanders in a way similar to both Kirk and Muldoon.

Barber has written about the 'resonance' between individual style and the wider public 'climate of expectations'. If the public are looking for a strong populist leader to take New Zealand out of its many difficulties, Moore could emerge as one of New Zealand's dominating leaders – in the mould of Kirk or Seddon. But if there is a yearning for a return to quieter times, and an end to radical change and political warfare and the re-establishment of a society based on the values of caring and compassion that gave rise to the welfare state, there could well be a turning back to Lange.

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8

Is There an Available Ideology for the Labour Party?

John Roberts

Introduction

It is my contention that commitment by active members to – though not necessarily their belief in – an ideology is, in the Westminster system, a condition precedent to the coherent action of a political party and therefore to its ability to secure and retain political support. This seems to me so obvious that it requires no pragmatic or theoretical justification. A political party is formed to take collective action to achieve objectives through the political system. There must be some ground of ideas held in common which identifies those objectives and shapes the measures that will give them practical effect in the political process. As I say, a member of the party may be completely cynical about the moral and practical justification for the ideology. If members do not and, particularly, if they repudiate both duty and belief, the party in question is, metaphorically, in a pathological condition. I think it incontestable that the two major parties in New Zealand are in serious pathological condition at the moment. The objective of this exercise is to identify the nature of Labour's particular disease and to suggest how it might be treated to restore the Party to ideological coherence.

Now there may be eager readers of Bell, Shils, Lipset, Aron, et al., who will have been switched off. They will be thinking 'Where did they dig this relic up? Does he not realise that ideology has been dead along with Marxism – that's the one with the upper case 'M' – for at least 30 years?' Apocalypse, *weltanschauung*, secular religion are all revealed – to use Lord Bacon's term for erroneous community preconceptions – as mere *idola*¹. What truly *is* is incremental, ameliorative, multiple, contested experiment carried on by pragmatists without rigorous preconceptions such as – let us say – Milton Friedman.

This error is, ironically, a product of current ideological struggle. Mannheim points out that

For most people, the term 'ideology' is closely bound up with Marxism, and their reactions to the term are largely determined by the association. It is therefore first necessary to state that although Marxism contributed a great deal to the original statement of the problem, both the word and its meaning go further back in history than Marxism and ever since its time new meanings of the word have emerged, which have taken shape independently of it.²

In other words, 'ideology' is a general political fighting word and if it is to be used for the analysis of the imperatives of political organisation then a deliberate effort must be made to persuade interlocutors to suspend their natural belligerence. I do not dispute the proposition that nature red in tooth and claw has an honourable place in any assembly of the social sciences. I suggest merely that you hear me out in this examination of the various applications of the word 'ideological' before you turn and rend me.

There is a paradox to be dealt with. As one authority points out the term has variously signified a 'politico-social program' on the one hand, to the much more complex 'organization of opinions, attitudes and values – a way of thinking about man and society' on the other.³ Humpty Dumpty, you may recall, famously told Alice that a 'word means what I choose it to mean' and I intend to follow this convenient device while admitting that I have no more warrant to do so than those who converted 'marxism' into an anti-marxist missile. It will be up to you to decide whether this procedure has been heuristically justified when I have made my pitch. This implies of course that I will offer you no proposition that is complete and unassailable but rather typological hypotheses that may explain some of the possible ideological options open to the Labour Party if the members are impelled to act in a way that will tend towards the survival rather than the extinction of the Party. One cannot be assured of this after the events of late '87 and early '88 of course.

As someone pointed out, ideology has always trailed a pejorative connotation rather like the similar disapproving label 'doctrinaire'. We can get closer to the difficulty that an ideological position generates by considering what effects ideology is thought to have on those subject to its influence. For example, in a very recent issue of the *Listener* a profile on an Anglican cleric includes an indirect description of the government as '...blinded by its belief in individualism, the market and the rest of it'. This is described directly as 'institutional capture'. In the context it is reasonable to assume that some ministers are thought to be captives of the Treasury and have in their turn captured their colleagues around the cabinet table. An analytical game evolves, carried on by

'policymakers' who do not 'live in the real world'.⁴ This is a pretty representative complaint against a situation that easily attracts the damning epithet 'ideological' without the slightest undertone of marxist subversion. We might analyse the negative elements in the following manner:

- 1 Ideology involves instilling a system of abstract guides for action over long periods of time and based upon integrated intellectual assumptions about social responses.
- 2 Therefore ideology is in essence removed from the understanding of the broad mass of the people who are not considered to have the intellectual training to support or criticise its imperatives.
- 3 To the ideologue this is a desirable outcome since the political will in favour of rigour and consistency is not distracted by significant challenge. Most expert comment will be restrained by deference to professional dogma.

It is interesting that a conservative government should have stirred up a general distaste for ideological behaviour since this has been the most usual and probably the most damaging line of attack against Labour in New Zealand. This unexpected phenomenon demonstrates that ideology is simply regarded as a general theoretical explanation of social process. Rather than consult citizens the ideologue is seen to derive specific decisions from the theory. This has interesting implications for future Labour Party policy.

An argument can be made that New Zealand is the first wholly modern society in the sense that very little of the historical baggage accumulated from religious and economic strife was carried through to the creation of an independent political community. Maori eagerly adapted pakeha technology and resource exploitation to their own use. The ideal of widespread family land holdings, though it took some time to realise, chimed with the early appearance of a genuinely representative and responsible democracy. It was no mere quirk of fortune that the new polity became the first to adopt universal adult suffrage. There were no plantations, no communities of detested indigenes or imported indentured labour excluded from legal and political rights. A spirit of Benthamite social experiment and pragmatism prevailed and, in this context, independent, itinerant workers with far greater bargaining power than their cowed relatives in the United Kingdom were – at least in the good years – encouraged by the general view that New Zealand 'was a paradise for the working man'. In 1885 the Trades and Labour Councils in conjunction with the Working Men's Political Association

organised a national labour conference. Its programme throws light on a perennial preoccupation of the political left. The conference aimed to

...promote the better organisation of the working classes; to carefully consider all matters affecting their interests ...[which] will better their conditions; to take all steps possible for passing into law such measures...to use every legitimate means to obtain a proper representation of Labour in the Legislature...⁵

While it could be an exaggeration to suggest that employers welcomed trade unions, it is true that so long as they made such deferential and modest political claims as these there was no need to fear them. This moderation, encouraged by depression, persisted in the trades and labour councils which were in constant dispute with the militant, so-called industrial unions. The conflict in the labour movement remains unresolved, although it is undoubtedly obscured by the theoretical apostasy of Rogernomics.

The political incumbents did not exactly welcome working class competitors in the struggle for place and preferment, but while they promoted ideas in line with the reformist radicalism of the Liberal ascendancy a function could be found for a modest group of 'labour' members. The Lib-Labs went on to political glory in the pursuit of what they complacently accepted as 'state socialism', yet they remained paradoxically a middle-class party of property. Although one of the most active members of the government was the only prominent politician in our history who could be called a political theorist, the policies were designed to secure the support of particular groups and were not dictated by any larger intellectual idea than the freedom conferred by sustained prosperity. In one sense this has been an enduring advantage to all subsequent administrations – including Labour – seeking to justify state interventions. In another, the Lib-Labs were a formidable obstacle to the development of a moderate social democratic party. In the result, the cause of labour was carried forward by militant socialists who found their support in the unions of the vastly expanded transport and construction sectors. Their enemies were as much the leaders of the state regulated craft unions as they were the capitalists. The strike was a political weapon against oppressive class enemies mobilised by governments. The bourgeois capitalist state was, as Marx had it, a committee of the ruling class. A letter dated 13 March 1912 from the Secretary of the Socialist Party of New Zealand – an office once held by one M. J. Savage – outlines the objects and methods of the militants: '...the organisation of the workers of New Zealand. Propaganda methods – soapbox speaking, lectures, selling and distribution of literature; discussions etc. Object – the socialisation of

the means of production distribution and exchange'. The letter is signed 'Yours for Revolt, Tom Barker'.⁶

It is in this period that the dual problem of the relationship between the trade union movement and a socialist parliamentary party appears. On the one hand, the union movement nourishes the deepest suspicion of Parliament and all its works – including Labour governments. On the other, direct industrial action having proved a useless political weapon, the only hope for the working class lay with a strong parliamentary group attached to and sufficiently dependent on the unions to be reliable.

The failure of the great strike in 1913 – the nearest the New Zealand polity has ever come to a syndicalist challenge – compelled the militants to look to a more collegial solution. The New Zealand Labour Party grew out of this movement towards moderation caused not only by the failure of industrial strikes but also by the harmful airing of ideological conflict in the attempts to find a basis for 'unity' among the jarring sects giving tongue to their beliefs across the whole spectrum of the left. In the end, the inheritors of the more militant – more 'ideological' socialist line had the greatest influence. A Social Democratic Party formed by activists of the RedFed and the Socialist Party in 1913 provided the main inspiration for the programme of the Party formed in 1916 in the depths of the war by the S. D. P., the United Federation of Labour and the Labour Representation Committees. The fundamental points were the belief that the resources of the community – land, minerals, labour – should be put at the service of all the people and that credit should be created to serve the public rather than the private, capitalist interest.⁷

But the real issue of the moment was not the specifics of the programme nor even the political hopes of the new party but the opposition to conscription of men for the First World War. The argument was not so much opposition to the war itself as to the unfair enlistment of men while capital remained free to seek advantage in the market. This overshadowed all other matters especially when the Massey Government pushed constitutionally crude sedition prosecutions against four of the Labour leaders. In the event, the Labour Party was not pressed by ideological dissension and, despite persecution, was able to foster unity that depended more upon effective action in Parliament than devotion to ideological coherence. Thus the Party had some time to consolidate before facing the challenge of the post war years.

Perhaps the greatest of these and the most persistent is the problem of maintaining an ideologically viable agreement with the trade union movement. This has never been easy. Bruce Brown quotes a statement by an Irish firebrand from the Alliance of Labour – predecessor in a sense to that Federation of Labour formed in 1937 which has now

given way to the Council of Trade Unions. The Irishman, one James Roberts, remarked about the Labour Party: 'After twenty years experience the piffle their platform contained was enough to make any intelligent man or woman blush. We want a revolutionary party...if we have elected our rats to Parliament it is a good means of getting them out of the way'.⁸

I can confirm from a useful private source that the same James Roberts, despite a brief stint in the Legislative Council, never really altered his opinion of parliamentary ideologues. They were there to subvert the system until the way could be cleared for 'industrial democracy' which meant, in effect, the economic governance of the workers through the trade union mechanism. For all the persistence of his theoretical convictions, James Roberts was to become the longest serving President of the Labour Party. His was and remains the dilemma of the ideologically-instructed faced by the realities of winning and retaining political power. In an address to the annual meeting of the Alliance of Labour he remarked that 'It is popular to boost up organisations that talk of strike and use high falutin militant terms which mean very little to those who have experience of adjusting disputes'.⁹ He was not the first and certainly not the last leader of trade union federations who found a conflict between ideological conditions and a developed awareness of what the real power balance allowed.

By 1921, four years after the socialist revolution in Russia, Peter Fraser who would once have regarded himself as a revolutionary socialist asserted to the Annual Party Conference that 'The Labour Party stands against methods of force and violence for the achievement of its objects'. As a result of this the idea of working class ascendancy was transmuted into a '...struggle for political supremacy'.¹⁰

What remained of socialism in a theoretical sense is exemplified by the proposal to create a system of land tenure based upon the productive effort of the landholder. 'Usehold' as it was called depended upon the gradual nationalisation of the land, the provision of resources through a state bank and the protection of the smallholder and the farmer in difficulties in the post war slump. This sounds impossibly interventionist to a modern ear but in 1921 it represented a not unreasonable enlargement of a familiar process. Government was, after all, the prime holder of land and had operated a public finance agency to promote land settlement. Again, though it seems absurd today, there were many small-holders who shared Labour's view that the hard working proprietor of a family farm should be the object of the government's tender concern.

From this time on there begins, in my opinion, a long slow ideological retreat by Labour from the socialist positions that had been so painfully devised and sustained in the first two decades of the century.

The historical accounts show how the gathering exigencies of economic decline turned the Labour Party towards expediencies designed to relieve the consequences of unemployment and retrenchment in social services. James Roberts saw the point very clearly in 1934:

...although the workers today are suffering from the effects of a man made depression, the results will in the end benefit the working class as a whole, for, to put it bluntly, the depression has been the greatest lesson learned by the capitalist class for the past century. Delegates will remember that from 1928 to 1931 there was a general demand for wage cuts and for the worsening of conditions of employment throughout the Dominion. Added to this demand, propaganda on the part of the employers suggesting that the protection given to the workers by law should be removed, in short, that every avenue open to the workers by which they could organise to sell their only commodity – labour power – to the best advantage should be closed to them.¹¹

Now this seems to me a very significant passage because it contains the seeds of so much conventional thinking by Labour as to how they could benefit their clientele, sustain economic activity by the expansion of public programmes, and, above all, so discredit the capitalist party with charges of meanness and stupidity that they would be swept off the political board, at least until the bill for funding a government-led recovery was presented.

This rough hewn Keynesianism uncovers two important aspects of Labour's learning curve. In the first place, it became dogma that the 'purchasing power' of the people must be sustained at all costs. Thus the enduring damage to the conservative reputation by the decision to impose cuts in government salaries and to give the Arbitration Court the task of reducing award rates across the board. Once done in one direction such a tactic could be and was employed to increase wages. The other point was that there was never an intellectual wing to the socialist movement. The men who made the doctrine were, in general, from the bottom of society. They were autodidacts who acquired their theory in the few spare moments of a life of hard labour, agitation, organisation, interminable meetings and public debate. There is nothing at all akin to the Fabian Society in New Zealand, no tradition of lively progressive journalism, a largely inert mass in the institutions of higher learning. Debate on the left alternative outside the publications of the working class movement was largely incoherent and not infrequently venal, dishonest abuse. Labour had good reason to believe that the Party would never get a square deal from the daily press. It is unforgivable but equally unsurprising that when they were able to get their hands on a mass communications agency they used it mercilessly to promote their interests. The New Zealand Broadcasting Service is a

standing reproach to the Labour Party principally because it wasted the opportunity to encourage constructive moderate criticism.

1935 is a notable year. The election certainly set the agenda until 1984 – an equally notable year. Yet what was done was not so much a renewal of the polity as a return to the values of the Lib-Labs. State intervention to redistribute income, to provide housing, to protect local industry, to set up large-scale publicly owned infrastructure followed well established precepts which had never been entirely abandoned even in the high days of Reform conservatism. But the scale was much larger and the risks greater. There is a persuasive argument that Labour would have presided over comprehensive disaster had not the war started in 1939.

What happened is a classic case of the perversity of politics. The Labour Government's finest hour came with the prudent management of the economy during the war. To a large extent this was due to an unprecedented level of social coherence in a time of great peril and the attendant willingness to comply with close regulation. Labour's stabilisation scheme kept inflation in check, spread the burden fairly among the lucky and the unlucky and, above all, provided a mechanism for consultation with the great baronies of interest – Federation of Labour, Federated Farmers and Employers Federation. Below these commanding heights a mass of specific industry arrangements adjusted economic relations. The association of the Court of Arbitration, through its power to make general wage orders, with this scheme meant that an attempt was made to ensure that economic justice was seen to be done. The trade union movement, vastly strengthened by compulsory unionism, acquired a political platform and collective identity independent of the Party. No one could have imagined in 1946 that Labour had prepared a poison cup for itself.

The new regime turned out to be profoundly conservative in character. It depended upon confidence among all the participants that the immense intervening power of government inherent in this negotiated economy would be used impartially and skilfully. The Labour politicians, carrying the dislike accumulated over five hard years of war, had forfeited the trust of the voter. National, a party almost completely unencumbered by principle but shrewd and pragmatic in action, succeeded to that trust and kept it virtually without challenge until 1984. Labour held office for nine of the 36 post war years to the time of the election that year. With one exception, no one did anything to reconsider the ideology of the 1930s or to apply a critical analysis to the ascendant disposition of political and economic power. Labour's brief occupancies of the Treasury Benches were, for different reasons, models of political disaster.

The one exception was of course Roger Douglas, who had been one of the very few rising stars in the Kirk and Rowling administrations and had seen the looming economic crisis of an economy conditioned to look to the government for favours in return for conformity to economic strategies. Whether or not Rogernomics is an ideology or not may be debated. What is incontestable is that what might be called the consensual economic polity has been subject to a flood of criticism.

In what may well be the best conceptual account of the problem, Mancur Olson pointed to the inevitable tendency of pressure groups to maximise their own interests at the cost of the collectivity and, as a result, cripple the capacity of the economy to adapt.¹² It is true that the New Zealand consensual system had been more extensive and probably more collegial than most of the other variants on the Keynesian theme. It was, in effect, the substitute for the regime dictated by a socialist ideology but it had and has no theoretical underpinning in its own right. I will return to this point in a minute. Yet, among political value systems it retains a nostalgic appeal. It is associated with egalitarianism, with the benevolence of full employment, with the moral superiority of a universal benefit structure for all those who have fallen on adversity. Certainly, many of those who were nurtured in the consensus culture do not concede that the economic crisis of the mid-1980s was provoked by the rising costs, inefficiency and inequity of public enterprise and income transfers.

But the problem for this band of true believers in what they would call a decent society is that the dominant spirit of the times is overwhelmingly against them in practice and principle. The overwhelming intellectual consensus is that interventionist societies misallocate resources and drive economies into debt and inflation. These, in turn, work powerfully to increase poverty and reduce economic vitality. Practices allegedly based on Marxist theory have certainly failed to attract the support of people in the former Warsaw Pact countries. One can, of course, argue that all this is due to a misinterpretation of the facts but, in electoral terms, to put forward an orthodox social democratic programme would simply court total defeat. Are there still areas of social need that can only be met by deliberate application of political power derived from humanitarian principle and credible analysis of social process? Anthony Crosland, a leading Labour politician and theorist, lists six of these priorities. They reflect specific British preoccupations but Crosland's priorities in methodology are suggestive of a wider principle:

Firstly we must decide that greater equality, and not spawning new pieces of State bureaucracy, is what fundamentally divides us from the Tories.

Secondly, if it is, we must have a concerted strategy for achieving it. This means selecting beforehand a *limited* number of key areas which are to have priority; ensuring that in these areas we have costed, detailed and practical egalitarian policies; and for the remaining areas...[that] the question is always asked and as far as possible answered: *cui bono?* Who will be the gainers and who the losers and what will be the effects of the distribution of welfare?

Thirdly, we must decide to establish a monitoring system to measure the progress in the field of social policy.¹³

Is this a possible answer to the problem posed by my topic? Could a Labour Party of the future argue that the task of government is to ensure that those wealth-increasing factors which operate best without government intervention are free to respond to the demands of the market except where principles of egalitarianism and welfare are offended? Is it now credible to justify the process of identifying such offences by detailed, scientific monitoring of the achievement of existing social policy? Baldly stated, the Crosland prescription hardly sets the ideological heart afire. Yet I wonder if there is not something in this pin-pointing technique. Perhaps it is appropriate for the kind of society we inhabit in our *fin de siecle* uncertainty.

Any attempt to prescribe a social democratic ideology must start and end with the fundamental quality of the political process. Bernard Crick has some wise words on this vital topic all too often neglected in the vulgar pragmatics of New Zealand political life:

Socialists must add the egalitarian assumption to liberty that not merely must all men and women be treated as citizens, but also be helped to count equally as citizens and, above all, expected to act as citizens. Liberty in this positive sense of public action does not deny liberty in the more liberal, negative sense of being left alone and in peace: it subsumes, complements and extends it. A free man or woman must move back and forth between public and private life, both the richer for the other. Citizens in socialist societies must have rights against the State as well as a duty to work for commonly agreed purposes.¹⁴

To my mind a close consideration by the Parliamentary Labour Party of this passage when contemplating the future for consultation between social groups and the central government, when considering the way environmental decisions are to be made, when establishing the conditions that make access to the community's resources justified, when contemplating the stance that the Labour Party should take in the campaigns leading to the poll on reform of the electoral system would do wonders for its ideological health.

It seems to me that this reflection is urgently required in the interests of resuscitating confidence in the political process. That this has declined seems obvious from the poll returns on the support for a government elected in a landslide little more than a year ago. That this

may be a general condition is suggested by recent data gathered in connection with a comparative study of political parties and confidence in government in the United States, Norway and Sweden. In the latter two countries, the authors suggest 'What may have started out as a decline in specific support in these countries eventually came to influence diffuse support and that institutional arrangements of the political regimes'.¹⁵

It seems to me beyond contest that the inability of the current major parties to establish a policy line and how to it has not only debilitated the parties but also faith in the political system. This is disturbing. While it is true that the political structure survived for nearly 40 years without any discernible devotion to – or even discussion of – ideological principles, it is also true that there was almost no substantial conflict upon basic principles between the major parties. This is no longer likely to be the case. The leader of the Labour Party announced the end of 'Rogernomics' after the 1991 Annual Conference. It is not clear what is to take its place, but the whole temper of the times suggests to me that there will be a return to sharp conflict upon principle rather than the crude name calling of the past. Labour, against all the odds a year ago, has a chance of winning in 1993 but will have to rebuild the active party membership. Up to now there has been a supply of ambitious progressives whose dislike of the National Party has compensated for the vacuum in Labour's philosophy. This is unlikely to be sufficient now. What ideology is likely to attract competent support and consolidate the Party's challenge to National?

To my mind this must be based upon the idea of empowering the citizens to take a greater part in the evolution and scrutiny of policies. This is the keystone of the other great object, the promotion of equality. Equality naturally comprehends the principle of equitable access to social services and education. Labour must also acknowledge the need for greater political diversity and prepare itself to work constructively in coalition with other political groups. As a fundamental principle, echoing but refining the claims of the past, Labour should accept that the resources of the society must be managed whether in public or private control, in accordance with principles of environmental sustainability.

My answer to the question 'Is there an ideology that could bind the loyalty of able and energetic members and provide them with constructive tasks in or out of office?' is an emphatic 'yes'. All it takes is a deep breath and a little understanding of the influence of the past on the present.

But this leads us to a major problem. The Party has no longer the option of returning to the managed economy they had bequeathed to

them by the National Party in 1949. Globalisation is a reality we cannot wish away.

The ideological problem is to create a belief that it is not impossible to respond in a creative humanitarian manner to the needs of individuals or sectors in adversity (and not only in economic terms) without regenerating that distrust and dislike of the beneficiaries.

Labour's greatest ideological achievement was to persuade society that virtue resided in ensuring a place of respect for everyone: what we called 'full employment'.

The open economy makes the distortion of economic processes which supported full employment (tariffs and public ownership) impossible. Thus the problem will be to find other valid ways to assert the dignity, place and purpose of the individual as a social actor: in other words, to reject the notion that *homo economicus* is the sole focus of public concern.

Notes

1. Joseph Devey, ed., *The Physical and Metaphysical Works of Lord Bacon* (London, 1981), p. 389.
2. Karl Mannheim, *Ideology and Utopia: A contribution to the Sociology of Knowledge* (London, 1936), p. 49.
3. T. W. Adorno et al., *The Authoritarian Personality* (New York, 1950), p. 2, quoted in Alexander Groth, *Major Ideologies* (New York, 1971), p. 1.
4. Anthony Hubbard, 'The Reverend Stirrer', *New Zealand Listener*, 27 October-3 November 1991, p. 26.
5. Bruce Brown, *The Rise of New Zealand Labour* (Wellington, 1962), p. 2.
6. Tom Barker, 'Yours for Revolt', *Letter Book of the New Zealand Socialist Party* (Auckland), ACC 89-40, 1-11, Alexander Turnbull Library.
7. Brown, *The Rise of New Zealand Labour*, p. 25.
8. Brown, *The Rise of New Zealand Labour*, p. 48.
9. Secretary's Report, Annual Meeting of the Alliance of Labour, 28-31 March 1934.
10. Brown, *The Rise of New Zealand Labour*, p. 64.
11. Secretary's Report, Annual Meeting of the Alliance of Labour, 1934.
12. Mancur Olson, *The Rise and Decline of Nations* (New Haven, 1982), pp. 78-79.
13. Anthony Crosland, *Socialism Now and Other Essays* (London, 1974), pp. 44-45.
14. Bernard Crick, *Socialist Values and Time* (London, 1984), p. 14.
15. Arthur H. Miller and Ola Listhaug, 'Political Parties and Confidence in Governments', *British Journal of Political Science*, 20(1989), p. 357.

1991 marked the 75th anniversary of the founding of the New Zealand Labour Party. The Party, New Zealand's oldest, was then in a sombre rather than celebratory mood as the Fourth Labour Government had been heavily defeated in the 1990 general election and retained only 29 seats in Parliament. Analysing what had gone wrong and how the party might shape its future preoccupied parliamentarians and party members alike.

Perhaps these papers might assist the process of redefining the party's point and purpose. They were delivered to a day-long seminar held in Victoria University's Stout Research Centre on 29 October 1991. The seminar's organiser and editor of this collection, Margaret Clark, is Professor of Politics at Victoria University of Wellington.

Contents: Barry Gustafson, **Coming Home? The Labour Party in 1916 and 1991 Compared**; Colin James, **The Rise and Fall of the Market Liberals in the Labour Party**; Tipene O'Regan, **The Labour Party and the Treaty**; Margaret Wilson, **Women and the Labour Party**; Stephen Levine and Nigel S. Roberts, **Sore Labour's Bath? The Paradox of Party Identification in New Zealand**; Jack Vowles, **Who Joins the Labour Party and What Do They Think?**; John Henderson, **Labour's Modern Prime Ministers and the Party: A Study of Contrasting Political Styles**; John Roberts, **Is There An Available Ideology for the Labour Party?**