

## ‘GEDDA LIFE!’

Charles Pigden on the Crisis in the Alliance

### END OF THE LINE?

Politics is a passionate business, and political loyalty is a bit like love. It can wax, it can wane, it can die and it can be killed. Right now my loyalty to the Alliance is at its last gasp. I am not yet talking to my lawyers, but I am certainly considering a trial separation. To some extent this is 'just one of those things'. I should have been aware that my political love affair was too hot not to cool down. After eleven years of effort, the time has come to be a less active activist and I would have made the same decision even if I had approved of the way that the Party was going. But cooling down is one thing and giving up on the Party is quite another. The real reason for the impending rift is that the Party leadership and I have 'differences' - differences which may prove to be 'irreconcilable'. These are partly personal but mostly political since they relate to the tactics, the strategy and perhaps the ultimate goals of the Alliance.

### SAINT JANE'S SERMON

Jane Clifton's practices may be questionable but her precepts are excellent. After putting out a political column replete with flip put-downs, she took time off during her summer vacation to preach an eloquent sermon against - well, flip put-downs (Listener, 20-26/1/2001). She objects to 'Whatever' ('Your views are so boring and absurd that they are not even worth contradicting') "Yeah, right" (ditto) and 'Gedda Life!' ('Your views are so absurd that they could only be entertained by a deranged obsessive who stays up late at nights brooding on his sicko fancies'). As Clifton rightly points out, these are idioms of disrespect which dismiss the other party's opinions without addressing their arguments. What is worse, they are popular in the highest circles. 'No less a person than Deputy Prime Minister Jim Anderton, speaking from the party conference platform told a heckler to "Gedda life!"'

## **MEMOIRS OF A NON-HECKLER**

I was there at that conference and I remember that exchange. For I was that heckler. Except that I wasn't actually heckling. Anderton was responding to a tough but polite challenge posed during question-time. But so authoritarian is the atmosphere of an Alliance Conference, that dissent looks like disruption and a challenge, however polite, is misconstrued as a heckle. What did I say to provoke Anderton's wrath? 1) I suggested that the Alliance move amendments to Cullen's budget, proposing more spending on Health, Education and Welfare along with the taxes to match. These amendments would almost certainly be voted down (since Labour would have the help of ACT and National) and once the amendments were lost we would vote for Cullen's budget like good little Coalition Partners. But at least we would have stood up in Parliament for our own policies. And we would have embarrassed Labour to boot by demonstrating to the public that they are not the born-again social democrats they pretend to be. I was told (in fairly sharp terms) that as Coalition partners we cannot even propose amendments to the budget, since budget votes are matters of confidence. 2) Alright, I conceded, perhaps we can't do that. But surely there is no ban on putting up proposals (with revenue-raising policies to match) which would, if passed, be tacked on to the NEXT budget. We could propose, for example, that the emergency grants made to beneficiaries revert to the status of GRANTS rather than loans. Such a scheme would be voted down (of course) but again we would embarrass Labour thereby nudging them to the Left and shoring up our own support.... However, I did not get the chance to develop this idea - instead I was told to 'Gedda life!'

## **IT'S LIFE JIM, BUT NOT AS I WOULD LIKE TO KNOW IT**

Now, I must admit that this rankled. For once upon a time I DID have a life - and then I joined the Alliance. Working for the Alliance is not like working for Jesus - you don't get life in more abundance. There is a certain amount of comradeship and a little cynical fun to be had along the way, but mostly what you get is boredom - dull meetings, dull tasks, dull policy documents to read and duller ones to write. (In my pedestrian opinion, politics should be about improving people's lives, not ideological high-jinks - which means that when it comes to policy development, excitement is not to be looked for.) As Oscar

Wilde remarked, the trouble with socialism is that it takes up too many evenings - and the same goes for the pale pink social democracy of the Alliance. I don't want to dwell on this since there are many who have sacrificed far more to the Alliance than I (though I reckon my opportunity costs run to tens of thousands of dollars). But I was, after all, the campaign manager in the constituency that secured the second highest percentage vote for the Alliance after Wigram (Dunedin North). If I had known that Anderton wanted me to get a life, I could have saved myself the trouble of getting out the vote.

### **STRATEGIC MISTAKES/TACTICAL CATASTROPHE**

There is one thing that redeems the hard grind of politics - the thought that you are doing good. Jim could pepper me with put-downs and I would not turn a hair, so long as I believed that his leadership was on the right track. But, alas, I do not. I think he is sacrificing the strategic goals of the Alliance for the sake of short term gains - a policy that is not only strategically but tactically disastrous, since, at 2% in the polls, it is leading us straight to electoral oblivion. The good we have managed to do in government may just have been worth the doing but if we cease to exist we won't be able to do any good at all.

### **THE POLITICS OF A PALE PINK**

What, after all, is the Alliance for? Different people have different agendas but for me the central purpose has always been clear. I am an old-fashioned social-democrat with distinctly conservative tendencies. Twenty years ago I would have considered myself the palest of pale pinks. If I now count as a representative member of the most Left-wing branch of the most Left-wing parliamentary party in New Zealand - the Dunedin North branch of the Alliance is known within the Party as the 'Dunedin North Soviet' - this is not because my opinions have changed but because of the extraordinary right-shift in elite political culture. I have now, and had then, no radical agenda, certainly not the abolition of capitalism, since I think that capitalism is the goose that lays the golden eggs. Unfortunately capitalism is a vicious beast. Left to itself it shares out the eggs very unevenly, it has a nasty habit of biting people, and it tends to make a mess on the floor. The task of the state - one

task at any rate - is to discipline the goose; to make sure that everybody gets a bit of egg, and to use the proceeds to clean up the mess. (A clean environment does not come cheap.) The chief question in politics is how much discipline the goose needs. The New Right thinks little or none, since left to itself the goose will produce so many golden eggs that we won't need to worry about its defects. (The evidence suggests otherwise, at least in New Zealand. After fifteen years of increasingly unfettered capitalism, economic growth has been distinctly ho-hum.) Social democrats think that the goose needs a firm hand since the most important thing is that everyone gets enough egg, though they also think (and history tends to bear them out) that social democratic discipline is compatible with plenty of eggs. As an old-fashioned social democrat, I am grateful to the mid-century Labour governments in Britain, Australia and New Zealand for the institutions they created. I know what they have done for me and my family and I do not spurn the base degrees by which we did ascend. (Indeed, one of the benefits of social democracy is that it makes room for success without guilt, since you can enjoy your extra dollop of good fortune secure in the knowledge that everyone has enough.) Still, given a decent Labour Government led by reasonably competent people I probably would not have bothered with politics. I would have given Labour my vote and left it at that. Unfortunately, the Fourth Labour Government was neither decent (containing as it did some champion promise-breakers) nor led by competent people, except in the sense that some of them showed a certain finesse in forcing through their disastrous policies. Those who disagreed with the general line lacked the wit or the gumption to mount an effective opposition. Many of them, as Helen Clark admitted, did not know shit from cheese about economics, and those that did often showed a perverted preference for shit. When I first came to New Zealand in 1986 I fondly believed that I was at last living under a government that I could be proud of. As a convinced unilateralist, the anti-nuclear stance meant a lot to me, especially as nuclear war looked like a real possibility. It took me a while to realize that the Labour Government was forcing through the economic and ultimately the social policies that I had so deplored under Thatcher. Deconstruction was the order of the day and it was the institutions of the social democratic state that were being deconstructed. By 1990, the mixed economy, progressive income tax, free tertiary education and the goal of full

employment had all gone by the board. There weren't many SOEs left to sell, and though the flat-taxers had lost the battle in 1988, as Jane Kelsey points out, they had effectively won the war: New Zealand was pretty close to a flat tax system. Though poverty was predictably on the rise, the true assault on the poor had yet to come (for that we had to wait for Ruth Richardson). But it was quite clear that the direction of government policy was incompatible with the fairer and more just society that was supposedly Labour's goal. Perhaps the most spectacular of Labour's many broken promises was the great big sell-off of the SOEs; a colossally stupid policy pursued in insolent defiance of public opinion. Although there may have been a case for selling off SOEs, there was none at all for selling them off at rock-bottom prices in the aftermath of a stock market crash (unless, of course, the object of the exercise was to benefit the finance community at the expense of the New Zealand taxpayer). Labour incurred my contempt during this period and it will be a long time before I vote for them again given a halfway decent alternative.

I was not a founder member of the NLP, but decided to join after the disastrous first conference held at a waterfront terminal. Having witnessed the craven behaviour of Labour's loyal 'Left' I thought that the NLP was the only hope for social democratic politics in New Zealand. And having witnessed the attempted take-over by Trotskyists, I thought that the NLP rather needed my help.

### **THE ROLE OF THE ALLIANCE**

To my mind the function of the NLP was clear: to slow down, stop and eventually reverse the New Right Revolution; and to rebuild a social democratic state, somewhat amended to meet changed conditions. That was what I wanted out of the NLP and that is what I continue to want out of the Alliance. I want a society in which basic needs are met and nobody is too poor to participate. That means free (and adequate) Health and Education. I want a society in which real poverty - the day to day grind of worry, humiliation and constantly going without - has been abolished. That means a decent level of social security (at the very least the restoration of the 1991 benefit cuts). I want as much equality of opportunity as non-punitive policies can muster. That means free Education again, but it also tends to mean universal as

opposed to targeted benefits since targeted benefits lead to poverty traps. I want decent, affordable housing for all, which means not only income-related rents for state-house tenants but a large-scale building and buying program. I want prosperity too. But that requires (forgive the cliché) a knowledge-based economy which in turn requires public spending on Education and Research. All these things are costly and cannot be paid for without progressive income tax and wealth taxes (which means more taxes for the middle classes as well as the rich). Of course, these goods would be easier to pay for given full, or nearly-full, employment - but that, in turn, is difficult to manage without amending the Reserve Bank Act. And though FULL equality is no doubt a chimera (and is anyway incompatible with capitalism), I want a MORE equal society since the inequalities of wealth that exist in a New Right society lead to gross inequalities of power. Again this means wealth taxes and progressive income tax. There is more (much more) I might add to my political shopping list and much that I might say in its defence. But the point is that none of these things are possible without (partly) reversing the New Right Revolution. Thus Counter-revolution is what the Alliance is all about.

### **THE TWO-TRACK STRATEGY**

How to bring about the Counter-revolution? Well, the short answer is by 'democratic action'. But that is the name of the game we are playing not a strategy for winning. A better answer can be had by focusing on the problem that the NLP - and subsequently the Alliance - were originally designed to solve. This was not simply the New Right Revolution. If National by itself had implemented the New Right Revolution - if we had had Ruth Richardson without first having Roger Douglas - there would have been no need for New Labour. The reason that the NLP (and thereafter the Alliance) was necessary was that the Labour Party itself, the chief party of the Left, had been captured by the New Right. This, I take it, is not a controversial point. A government whose economic policy is dominated by a pair of ministers who subsequently desert to form ACT is a New Right government, whatever its more wimpish members may like to pretend. This being the problem, the NLP had to do (and the Alliance today has to do) one of two things: either a) replace Labour as the chief party of the Left before going on to defeat National (not so very difficult under MMP since there is a permanent Left-Centre majority in New

Zealand) or b) force Labour to the Left in an effort to outbid us for electoral support. They must be forced to steal our policies to keep us from stealing their votes. On one scenario we win by winning, on the other we win by losing, since if Labour were to defeat us by adopting our policies and reversing the New Right Revolution, this would be a true euthanasia, a happy death for the Alliance. (I am myself indifferent between the two outcomes although I am not sure if the Alliance MPs would agree with me.) Although I call this a two-track strategy, it dictates but one course of action. We must, of course, oppose and criticize the parties of the Right, National, ACT and United (though the latter being a party of one is not really worth the effort). But in public and in parliament we must keep on putting up attractive Left-wing policies that Labour must either oppose - and thus risk losing votes - or accept - thus helping to bring about the Counter-revolution. Furthermore we must present these policies as part of a PROGRAM - the attempt to re-create a just society.

That in my view is the strategy we SHOULD be pursuing. And it is more or less the strategy we DID pursue until about 1996 (though I don't know if the leadership conceived of it that way). What were the results?

Well, we did not win by winning, that's for sure. There were a few brief periods with Labour at under 20% in the polls when it looked as if we might replace them as the chief party of the Left. But those periods were all too brief. When it came to the crunch of general elections, our share of the vote continued to decline from 18% in 1993 to 10% in 1996 and a little less than 8% in 1999. True, we might have done better in 1999 had the Greens still been with us. But even so we were not going to replace Labour with 13% of the vote. But have we won anything by losing? Yes - though we haven't won as much in terms of policy as we have lost in terms of the vote.

### **A POST-NEW-RIGHT PARTY**

For there is no doubt about it, Labour HAS shifted to the Left, partly, no doubt, in response to pressure from the Alliance. It is no longer a New Right Party. But this does not mean, as Helen Clark likes to say and Steve Maharey likes to think, that Labour is a Left or even a Centre-Left Party. We are not in

coalition with a bunch of born-again social democrats. Labour is not a social democratic party nor yet a New Right Party - it is a post-New-Right party: a party which does not want to push the New Right agenda much further and may be willing to roll it back here and there, but a party that is fundamentally unwilling to reverse the New Right Revolution. In order to live with themselves Labour's leaders must believe that the Great Leap which they perpetrated in the 1980s was a Great Leap Forwards and for that very reason they cannot contemplate a Great Leap Backwards. But that means that they can't reinstate social democracy. It is a party based upon an illusion - that you can somehow fund a decent society without getting the middle classes to pay more tax. Dr Cullen said it all with his fatuous boast that 'we are not a tax-and-spend government'. Because the Coalition is bound to Labour's fiscal policy it can't do much to repair the ravages of the last fifteen years. I made the point in a letter to the Otago Daily Times during the Election Campaign:

Sir,

Mr Keast does the Labour Party an injustice in his recent critique of Mr Benson-Pope [the Labour candidate for Dunedin South]. Labour is not a tax-and-spend party but a do-nothing party. Labour is not prepared to tax very much, hence they won't be able to spend very much, hence they won't be able to do much good. Health and Education have been starved of funds over the last few years and the money needed to alleviate, let alone abolish, poverty has not been spent. To put this right, money must be spent which means it must be raised through taxation. Only the Alliance is prepared to do this. So if Dunedin's voters want a government which will do good as opposed to doing nothing they should vote Alliance on the list.

Yours etc

Not enough voters DID vote for the Alliance (though more of them did in Dunedin than in most other places). Which is why we are stuck with a government which despite all the sound and fury isn't going to do much good and has done most of the good it is likely to do. But let me not minimize the

magnitude of our victory. A government which is not going to do much good is a great deal better than a government which would do a lot of damage. And a National-led Government or a New Right (as opposed to a post-New right) Labour Government would indeed have done a lot of damage. By forcing Labour at least a bit to the Left (and by keeping up the pressure on National) we have brought the New Right Revolution to a halt.

But bringing the New Right Revolution to a standstill is one thing. Counter-revolution is quite another. And it must be admitted that we have failed (and are failing) to bring about the Counter-revolution. We have not forced Labour far enough to the Left. Why not?

There are many reasons no doubt. But I want to focus on just two: 1) that Labour's leadership cannot bear to admit that they were wrong; and 2) that since 1996 the Alliance has not kept up the pressure but has instead pursued an unduly cooperative strategy. As Mme de Merteuil remarks in *DANGEROUS LIAISONS*, 'unnecessary virtues are rarely acquired'. And we have failed to make the virtue of self-criticism a necessity for Labour. Stealing Alliance policies means admitting that we were right. Which means admitting that they were wrong. Which means owning up (at least in the privacy of their own minds) to massive moral and intellectual failings (stupidity and duplicity if they were true believers: stupidity and cowardice if they were not). And admitting to such failings is not an easy thing to do. Indeed it is such a difficult thing to do that Labour's leaders can hardly bring themselves to do it. Fear is the only incentive strong enough to overcome the sentiment of self-regard, in this case the fear of electoral defeat. And since 1996 we have failed to strike the fear of the electoral God into Labour

### **1996 AND ALL THAT**

Stealing our policies was perhaps too much to ask, but what Labour COULD do without too much psychic trauma was admit that NATIONAL'S policies were wrong. (Though not so wrong that they had to be reversed. To date Labour has not restored the 1991 benefit cuts.) And this was enough (just) to make Labour a post-New-Right party. The conversion process was assisted by the rise of Helen Clark. Though not a Left-winger (unless judged in terms of

the right-shifted culture of the new political elite) she was, and probably still is, on the Left of the Labour Party, and professes to have been perturbed by the doings of the Fourth Labour Government. Her political courage was never up to much, since it largely consisted of waiting for her opponents to go away. But this they dutifully did, some out of principle to ACT, some out of opportunism to United, and one out God-knows-what to the WTO. By 1996 the process was more or less complete and Labour had become a post-New-Right Party.

This fact posed a problem for the Alliance. Since Labour was not a New Right Party and National was, we could contemplate some sort of accommodation - either a Coalition or a looser arrangement whereby one party might support the other as a minority government. Indeed, since Labour was very much the lesser of two evils and still a major party, some such arrangement was imperative. We had to put a stop to the ongoing disaster of a National Government if we possibly could. And without some kind of an accommodation this would be difficult to do in an MMP parliament. But at the same time Labour was still our chief competitor in terms of votes and our chief rival in terms of policy (though by 1996, New Zealand First was competing for the mindlessly disgruntled vote.) What was needed was some kind of managed competition, a political arrangement which would allow for cooperation, without precluding us from competing for votes or from putting up rival policies. After all, if we needed Labour's help to oust National, Labour needed our help to climb into power.

But although Jim Anderton talked to Michael Hirschfeld, the then Labour President, nothing much came of these consultations. I suspect that Labour were hoping that they could somehow do without us or at least that they could get our support in the MMP Parliament without making any major concessions. Winston Peter's anti-National rhetoric made New Zealand First look like a likely coalition partner whilst his policies were in some respects rather closer to Labour's than ours. True, he was too much of a flake to be allowed access to the Finance portfolio, but perhaps he could be bought off with some high-sounding concessions ... Meanwhile the Alliance made a fatal mistake - we took a position that was too principled by half. Denouncing

'backroom deals', we proclaimed that we would not enter into a Coalition unless the terms were agreed in advance. The public had to know what it was voting for. What we were demanding was the political equivalent of a pre-nuptial agreement - common enough in other countries where some sort of proportional representation system makes coalition government likely. The trouble was that nobody else wanted to enter into such an arrangement. Labour, like the opportunists that they were, preferred to wait till after the election before doing any deals. It looked as though we had priced ourselves out of the political marriage market. This error might not have proved fatal had we not made another. Unbeknownst to the general public we had an emergency back-up policy - in the absence of a formal coalition, we were prepared to support Labour (and perhaps New Zealand First) as a minority government. Unfortunately the policy remained unbeknown. Thus Labour were able to portray themselves as the cooperative party whilst depicting us as the bad guys whose political intransigence risked a return of National. This almost certainly lost us votes. Realizing the danger, two members of the Dunedin North Soviet, Quentin Findlay and myself, wrote to Anderton begging him to enunciate the back-up policy. I suspect that other activists made the same request. But Anderton just could not seem to get the words out of his mouth. By the time he managed to say something, the damage had been done. Neither the public nor subsequent historians seem to have realized how accommodating we were prepared to be.

## **TOWARDS COALITION**

Anderton soon realized the error of his ways. An apparently uncooperative attitude had cost us dear. Within a year he was pushing Coalition with Labour for all he was worth. Now it was the Dunedin North Soviet that was hanging back. We weren't against coalition per se. But we were wary of a coalition agreement that might compromise Alliance policy. We wanted to retain the option of supporting Labour as a minority government come 1999. And we wanted this option to be PUBLIC so that the Party could not be pressurized into accepting a bad deal by dint of prior commitments. I won't bore you with the details of the struggle, which anyway we lost. But during this period, Anderton displayed an unhealthy tendency to leadership by press-release rather than leadership by persuasion. He would give a speech or

an interview which pre-empted the matter under discussion, making it difficult to vote him down without undermining his authority (which most of us were unwilling to do). When he DID condescend to persuade, his speeches seemed to follow a pattern which soon became familiar. He would lead off with a couple of sob stories, harrowing tales of life under the New Right, derived from his experience as a constituency MP. People were suffering NOW and we had to put a stop to it. To do that we had to defeat National at the next election and to do that we had to do a deal with Labour. If this meant compromising the long-term goals of the Alliance - well, so be it (though this last was implied rather than stated). I am sure that Anderton was sincere, and that he was trying to persuade us with the arguments that had persuaded him. The everyday experience of poverty and despair, which is very real to a conscientious constituency MP, was beginning to get to him. I don't know whether he despaired of the long-term goals of the Alliance (though I used to hear comments like 'He no longer believes we can win') but he did seem to lose interest in rebuilding social democracy as opposed to ending present pain. His intentions - let me stress - were of the best. Though undoubtedly ambitious, his ambition, like Cromwell's, is for a high place to do good in, his vision of the good is generous and humane and the evils that he wants to combat are very real. But the road to political oblivion, like the road to Hell, is paved with good intentions. I did not realize it at that time but we had begun to walk down that road.

### **DANGEROUS LIAISONS**

Why so? Because the *raison d'être* of the Alliance is to reverse the New Right Revolution by either replacing Labour or pushing them to the Left. If we give up on that goal then there is no reason to vote for us and - after a while - people will cease to do so. (Politics is not a completely rational business so it won't happen straight away, but it is not completely irrational either, so it will happen.) By consenting to a Coalition - or even a looser accommodation - with Labour we had given up on the first track of the two-track strategy. We weren't going to replace Labour, at least in the short-to-medium term. But as subsequently became clear we were also beginning to go slow - maybe even to give up - on the second track of the two-track strategy. We weren't pushing Labour to the Left. The proof of this, if proof is needed, is that Labour hardly

shifted at all between 1996 and 1999. It was a post-New-Right party in 1996 and, as has been amply demonstrated by Cullen's do-nothing budget, it is still a post-New-Right party in 2001. It is true, of course, that it was difficult to pursue the pushy strategy in the context of a projected Coalition. We could not invite Helen Clark to address the Party Conference and at the same time slag her off with the vituperative abandon of yesteryear. But there was a propagandistic line that we could have pursued, and which we did not pursue with sufficient vigour. With respect to Labour our constant refrain should have been 'Yes', 'But' and 'Moreover': 'YES, that's a good policy [when it was a good policy], BUT it does not go far enough [which given Labour's limpness it almost never did] and MOREOVER, in order to pay for what we really need, we must be prepared to raise taxes [which Labour, of course, were unwilling to do to any significant degree]. Laila Harre saw the need for this kind of propaganda (it is pretty much the theme of her maiden speech), but in retrospect it seems to me that Anderton had begun to ease up on the ideological pressure. We weren't winning by winning and we weren't winning by losing either. We were beginning to just lose though it took a while for this to become clear.

### **BLACK SEPTEMBER**

Despite my reservations, I remained a true believer in the Alliance cause until September '99. Then came a bolt from the blue. A new tax policy was proposed (admittedly as one option among others) that was LESS progressive than Labour's! Rather than raising income tax we were to finance our policies with a range of indirect taxes: a Land Tax, a Stamp Duty, Tariffs, a Pollution Tax and a Gaming Duty. (Though for some bizarre reason, capital gains tax, a tried and true measure widely employed in other countries, was left off the list.) This came as some surprise. During the policy round of 1998 we had been told to take existing (1996) policy as a template and to update and improve it in the light of altered circumstances. Though tinkering was to be tolerated, the wheel of Alliance Policy was not to be re-invented. Since I generally approved of the 1996 taxation policy I was content to leave the detailed revisions to others. Instead I masterminded a propaganda campaign in the letters pages of the Otago Daily Times, defending the general principle of progressive income tax. The new policy made a mockery of my

propaganda. Furthermore it had been arrived at in an undemocratic manner. I don't mean that it had been arrived at unconstitutionally. The people concerned were exercising powers that had been duly delegated by Council. But such a major shift in fiscal policy should have been debated at Conference, not foisted on the Party a few weeks out from the Election. I was outraged and along with some others in the NLP, I mounted a vigorous resistance emailing every Party member whose address I could find. After a brisk fight (brisk because we had an election campaign to run) the income tax policy was amended to something more (though not much more) progressive than Labour's - 39 cents in the dollar for income of over \$60,000, 43 cents in the dollar for income of over \$75,000 and 49 cents in the dollar for income of over \$100,000. But since these measures would only affect a tiny percentage of the population and anyway were to be bargained away in the course of the Coalition talks, they were little more than cosmetic, a sop to the consciences of squeamish social democrats. Progressive income tax as laid down in the 1996 Manifesto had gone by the board. I very nearly resigned. But the local candidate begged me to stay on, threatening never to speak to me again if National got back in. I thought he rather overestimated my powers as a campaign manager, but I allowed myself to be persuaded. The chief thing was to get National out, and I felt that I had to do my bit even if that bit was not as momentous as my comrade seemed to think. So I buckled down to work and in the press of events even managed to recover some part of my political enthusiasm. But my faith in the Alliance had been badly shaken and I was beginning to wonder whether this was a party I wanted to belong to. My parents, writing from England, advised me to quit.

Why was the policy such a slap in the face? Partly because of the undemocratic process but mainly because of the revisionist substance. By going soft on progressive taxation we were going soft on the goal of redistribution. True, the compromise policy would finance a range of benefits for the poor which would mitigate the effects of inequality. But what we were planning for was still a very unequal society. And although the new tax policy was honest in one sense, in another it was not. It was honest because it would probably raise the wherewithal to pay for our election promises, though these had been trimmed back from the promises of 1996. But it was

dishonest too because it fed the illusion that lies at the heart of Labour's post-New-Right ideology - that you can somehow fund a decent society without the middle classes having to pay more tax. You can't. So far from forcing Labour to the Left in an effort to outbid us, Labour was forcing us to the Right in an effort to outbid them. We were giving up on the second track of the two-track strategy, sacrificing our long term goals for the sake of middle-class votes.

We did not get them anyway. The idea was to curry favour with middle class voters supposedly put off by the radical tax policies of 1993 and 1996. But nobody noticed how much less progressive we had become. We took as much stick as if we had stuck with the policies of 1996. Thus we derived no benefit from our equivocal behaviour. We experienced no surge in middle-class support. For all the good it did us, we might as well have stuck to our principles

#### **DEFEAT IN VICTORY**

I had mixed feelings about the 1999 Election. I was delighted that National were out, disappointed by our poor performance nationwide, but pleased that we were in, albeit as the very junior partners in a Labour-led Coalition. I had no illusions about the likely policies of the new Government. With less than 8% of the vote and Cullen in command of the finance portfolio I knew we were condemned to Labour's fiscal policy. Which meant that only minor improvements were to be expected in the areas of Health, Education and Welfare. We were therefore wise to not to take the relevant ministries. Given the funding constraints imposed by Cullen's strategy we would only have disappointed our followers. Better by far to let Labour take the blame! And better for us to concentrate on those portfolios where we might do a bit of good! I felt about Helen Clark much the way Francis Bacon felt about his cousin Sir Robert Cecil - 'He was no fit counsellor to make your Majesty's affairs any better, but yet he was fit to stop them getting worse'. Still, minor improvements are much to be preferred to steady deterioration which is what we could have expected under Shipley. I was happy to see the superannuitants getting a boost and income related rents were a real boon to State House tenants. Moreover, I much preferred the STYLE of the new

administration. It was good to have a Prime Minister who, whatever her faults, always managed to talk like a grown-up. Indeed in the first couple of months I was almost euphoric. For the experience of New Right politics is a bit like banging your head against a wall - it's great when it stops.

### **MANAGED COMPETITION?**

I was pleased too by what I understood of the Coalition Agreement. For it seemed to make room for the kind of parliamentary tactics that I approved, tactics which corresponded to my broader conception of our political strategy. Though each party has to support the Government on issues of confidence and supply, they can agree to disagree on points of party principle. It is anticipated that such disagreements will be few, but there is a wide difference between 'few' and 'non-existent'. Since the two parties are licensed to vote against one another, the Coalition Agreement provides the framework for a managed competition. Much of the time we should argue for our agenda behind closed doors. The constant and very public wrangling between National and New Zealand First brought MMP into disrepute and I don't think we should repeat their mistake. But where private persuasion fails, we should SOMETIMES be prepared to oppose Labour in public. I don't just mean that we should vote against Labour's measures (which is what we have done from time to time) - I mean that we should put up measures of our own which would force Labour to vote against US. These must be incompatible with Labour's post-New-Right ideology but likely to appeal to Labour voters (who are mostly social democrats at heart) thus making it embarrassing for Labour to vote them down. Let me stress that I don't want to convert the Coalition into a perpetual bun-fight, which, I quite agree, would put off the punters. As the Coalition Document expects, these disagreements should be few - say a maximum of four per annum. But though they should be seldom there must be some. For without such public contests we would be effectively giving up on the second track of the two track strategy. And since the first track has long since been abandoned, this means giving up on the Counter-revolution.

Something of the sort just had to be our plan - or so I naively assumed. Then Anderton came to town. He paid a trip to Dunedin to thank the party

faithful for their efforts. I asked him how many public disputes he planned to have with Labour. - two, three or perhaps four per annum? His answer was 'as few as possible and preferably none at all'.

This came as some surprise. Obviously Anderton disagreed with my strategy, a fact which became even more apparent at Conference 2000 when he told me to get a life. Evidently the tactics he preferred were the tactics he has pursued: no policy initiatives from the Alliance unless sanctioned by the Coalition, arguments to be kept behind closed doors, and loyal cooperation with Labour except on one or two points of principle. The reward for this Softly, Softly approach would appear to be twofold: goodwill and hence influence within the Coalition plus one or two Big Concessions, flagship policies which can subsequently be marketed as triumphs for the Alliance - the Ministry of Economic Development, a People's Bank and perhaps (if we are lucky and very very good) Paid Parental Leave.

### **REPRESSIVE TOLERANCE**

Why does Anderton prefer the Softly, Softly approach? The short answer is that I don't know. For bizarre as it may sound, the matter has never been properly debated. Hence Anderton has never had to defend his tactics. The 2000 Conference was an exercise in repressive tolerance at which the repression was rather more evident than the tolerance. The burning issue of the day was the conduct of the Coalition and our relationship with Labour. Did we spend half a day debating the topic? No. In fact we hardly debated it at all. On Saturday night there was an after-dinner joke debate - 'Opposition was more fun' - which obscured the issue in a haze of frivolity, but the panel on the future of the Alliance somehow got postponed until the very end, after I and many others had left. Professor Jim Flynn, in an Old Testament speech, (enhanced by his Old Testament appearance - bearded and slightly frayed) argued that formal coalition lowers the visibility of the Alliance and that another spell of invisibility might just finish us off. Did we really want it written on our tombstones that we had killed the democratic Left? This was undoubtedly strong stuff, pointing up the chief problem with Anderton's Softly, Softly approach. But since the leader did not favour Flynn with a reply, his views on this topic have to be inferred.

**RATIONAL RECONSTRUCTION...**

What follows is a rational reconstruction based partly on Anderton's speeches and partly on political gossip. This is the best I can do for Softly, Softly, though I admit that Anderton himself might do better.

1. We may have done badly at the last election but we would have done a lot worse if we had not shown ourselves willing to take responsibility. And taking responsibility meant doing a coalition deal with Labour. Look what happened in 1996 when we priced ourselves out of the political marriage market. We would have lost a lot more votes in 1999 had we turned in a repeat performance.
2. The Alliance cannot survive, let alone reverse the New Right Revolution, without MMP. To save MMP we had to show it was compatible with stable government which meant not rocking the boat. Hence Softly, Softly. 'Managed Competition' would have put off the punters and might still do so if we tried it now.
3. We have not given up pushing Labour to the Left - it is just that we are doing it in private. But you can't persuade someone of the error of their post-New-Right ways and then crow about it afterwards - not if you want to persuade them a second time, that is. And you certainly can't do it if you go in for the kind of political grandstanding that Pigden recommends. What Pigden proposes is that we sacrifice reality to appearance. He prefers political point-scoring to successful persuasion.
4. The good that we can do is dependent on Labour's goodwill and that good includes the People's Bank. Does Pigden really want to put that at risk for the sake of a sequence of empty gestures?
5. As members of the Government we are bound by Collective Responsibility. Ostentatious dissent of the kind Pigden proposes is therefore not an option. But there is nothing to stop the extra-

parliamentary Party from pressurizing the Government. Indeed, that might strengthen the hand of MPs when negotiating with their Labour colleagues. Reversing the New Right Revolution is not the sole responsibility of the Parliamentary Party. We also need active campaigning on the part the Party at large.

### **... AND DECONSTRUCTION**

I shall tackle these arguments in turn.

1. This is an argument for Coalition not for Softly, Softly. Even so, it is not very convincing. After all, the 'irresponsible' Greens got over 5% and have been rising in the polls ever since, despite the fact that there was no Coalition deal in the offing. It seemed to be enough that they would keep National out and were prepared to cooperate with Labour. Now it is true that at the Election they might have benefited from the 'illogical vote'. There seems to be a segment of the New Zealand voting public which hates all politicians of whatever stripe. Faced with an election, what they would really like to vote for is a politician who is not a politician. Since there are no politicians who are not politicians, nobody fits this oxymoronic bill, and they have to go for the next best thing - politicians who do not LOOK like politicians. The sheer eccentricity of some of the leading Greens may have given them an apolitical appearance whilst the fact that they had just come up for air after being submerged in the Alliance made them look like new - and therefore apolitical - arrivals on the New Zealand political scene. But nothing - not even red braces and dreadlocks - can stop you looking like a politician once you start engaging in politics, so the illogical vote tends to drop off fairly smartly. Yet the Greens despite their 'irresponsibility' have continued to flourish whilst the supposedly 'responsible' Alliance continues to decline. As for 1996, I have said my say already. It was not so much our excessively principled stand on coalitions that torpedoed us, as the well-kept secret of our emergency back-up policy. If the electorate had known about THAT we would not have seemed so intransigent.

2. It is true that the Alliance cannot survive without MMP, and true too that our conduct as a Coalition partner has helped to save it. But we were not the

only ones. The Greens too have done their bit by demonstrating that you can fly your own flag and extract concessions without bringing down a minority government. They may be rather irritating, but they have helped to show that MMP can work. So although it was essential to save MMP, this does not entail the choice of Softly, Softly. One or two decorous disputes need not have brought the system into disrepute. And even if Softly, Softly WAS necessary to save MMP, this does not entail that it is necessary NOW. For as the polls prove, MMP has been saved. We can now reap the benefits, one of which is supposed to be a tolerance for political pluralism.

3. I don't want to claim that private persuasion never works but I do deny that private persuasion alone will reverse the New Right Revolution. Sometimes our ministers may modify Government policy but the modifications we have achieved so far have mostly been pretty minor. Thus we may have cut the interest rate on student loans, but the loans scheme itself continues to be a fixture along with the fees which make it a necessity. So long as Cullen's fiscal regime remains in place, the Coalition will continue to be a post-New-Right Government despite the best efforts of the Alliance ministers. This being so, it is idle to pretend that we are fulfilling our historic mission by pushing Labour to the Left. Cullen's recent budget makes a mockery of such claims. But that is just the half of it. By keeping mum about our differences with Labour we are rendering ourselves ideologically invisible and depriving the electorate of a reason to vote for us. We may be doing good in a quiet sort of way but although Doing Good by Stealth may win us favour in the all-seeing eyes of God, it won't win us any brownie points with an electorate which is not blessed with omniscience. The problem is sometimes discussed in terms of product-differentiation - how can we differentiate our product from Labour's if our identity is submerged in the Coalition? The answer is that product-differentiation is impossible if you are peddling the same product, which, at the legislative, and even the political level, is precisely what we are doing. If we want the electorate to distinguish us from Labour we must do something distinctive such as putting up different legislation. The legislation won't be passed but that is immaterial. For without that legislation we are little more than a clique chiselling for petty advantages in the context of a Post-New-Right regime.

4. It may be that by getting uppity we will forfeit Labour's goodwill and with it the People's Bank. But since getting uppity is vital for our political survival, this is a price that we should be prepared to pay. Besides I just can't get excited about the People's Bank. I don't mean that it is not a Good Idea - it probably is. But if you had told me twelve years ago that this would be the Big Kahuna, the political pot of gold at the end of the twelve-year rainbow - well, I probably would not have bothered to get out of bed. Compared with restoring social democracy or even just surviving, the People's Bank is pretty small potatoes, and we should not let the one get in the way of the other. I'm a little more enthusiastic about Paid Parental Leave, but the way things are going at the moment, we probably won't get that anyway.

5. The great thing about the Coalition Agreement is that it frees us from the tyranny of collective responsibility. Our MPs and even our ministers are licensed (on occasion) to speak and vote against the Government. But so far this has been a negative right - the right to oppose what Labour has proposed. I want to convert it into a positive right - the right to propose what Labour is likely to oppose. As for the idea that the extra-parliamentary party should take the lead in pushing the Alliance program, this is a bit like electing a dog and being asked to bark yourself. The whole point of getting people into Parliament is that THEY should become the public voice of the Party. As God and every activist knows, it is hard enough work getting them elected. It is too much to ask that we do their work for them as well. Besides, extra-parliamentary agitation is not likely to be noticed unless our parliamentarians take the lead. Then, to be sure, it might do some good, if we mobilize support for Alliance legislation. But for that idea to work, such legislation is needed. Extra-parliamentary agitation can be a support, but not a substitute, for parliamentary self-assertion.

**WHAT IS TO BE DONE?**

If the Alliance is to escape from the electoral slough of despond we must amend our parliamentary tactics. And that includes amending the tactics of the Party Leader.

A) We should propose our own legislation from time to time, even if our Labour colleagues are unlikely to go along with it. These schemes should be costed with the proviso that IF they are passed, the relevant revenue raising policies should be tacked on to the next budget.

B) It is not the Leader's business to defend the Coalition Government when the problems are largely due to Labour's fiscal policy. The 'poor card' fiasco provides a case in point. Annette King could not find the 14 million dollars needed to give the working poor the same rights to subsidized healthcare as their unemployed counterparts. The reason she was in this embarrassing fix was that Cullen had not given her enough money to pay for a decent Health System. (She was compared by one commentator to a person digging for loose change down the back of the sofa.) I was astonished to hear Anderton making excuses for the Government with feeble remarks about other schemes for dealing with the problem of poverty. He should either have said nothing at all, leaving the defence of the indefensible to the Labour ministers, or else made it plain that if we had been in charge of the Finance portfolio this would never have happened.

C) We should revive the practice of an Alternative Budget. I accept that we can neither vote against nor amend the Coalition Budget, but that does not mean that we cannot SPEAK against it. The next time that Cullen presents his budget, the Leader should rise and, after stating categorically that as loyal Coalition Partners we honour-bound to vote for it, he should make it clear that it is on fiscal policy that we profoundly differ from Labour, before going on to explain how we would do it better.

D) We should not be too eager to go into coalition with Labour the next time around. We should make it a condition that we win at least as

many votes as we did last time. If we enter into a coalition with less than 7% of the vote, we will be even more impotent and invisible than we have been in this Parliament. Instead we should promise to support Labour as a minority Government whilst feeling free to criticize them from the cross-benches. The Greens have made a go of it - why not we?

But the fact is that I don't expect any of this to happen. Instead we shall probably persist in Doing Good By Stealth - keeping quiet in public in order to keep in with Labour for the sake of the of good that we can do in the here and now. This is strategically wrong since it means giving up on the Counter-revolution and a tactical disaster since the public won't vote for an ideologically invisible party. I said at the start that I had differences with the leadership. Time will tell whether they are irreconcilable.

#### **AU REVOIR TO ALL THAT**

When I first planned this article I intended it to be a 'Goodbye to All That', an unfond farewell to the Alliance. But I have softened a bit since then. Now it is an 'au revoir' rather than an 'adieu', and a tentative 'au revoir' at that. I am not resigning or even signing off as an activist. I am still attending meetings and even delivering the occasional leaflet. Dismal as it is, the Alliance is still the best of the available bets for a principled social democrat. There is still some hope that the Party will get up the gumption to take a more independent line in Parliament. This would be tactically wise, as well as the principled thing to do, since otherwise we are faced with the threat of electoral oblivion. But I cannot campaign for a party that seems to have given up on the goals that I believe in. So for now I am going to take Jim Anderton's advice. I am going to get a life.

Charles Pigden