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By Doug Myers

The New Zealand Centre for Political Debate

## Ten Years Adrift

Although I've been back briefly over the summer for the past 4 years, New Zealand hardly makes the front pages of the Anglo-American print media I'm addicted to, and inevitably one loses contact. I'm conscious of that and also Tom Stoppard's line about Russia that one must be careful about becoming a spurious expert about any place just because it has an airport.

In a talk at the University of Auckland last November I spoke of the New Zealand to which I rather reluctantly returned in 1965: smug, colonial, the extensive barriers to contact with the rest of the world. Life was highly institutionalised; individual expression was subsumed by unions, business, trade and sporting associations.

Discourse between groups was limited and lacking in spontaneity. Competition was artificial and people seemed content. And yet gradually over the next 20 years our options were foreclosed, our disengagement from the rest of the world became a trap and people came to see life, as we'd known it, had run its course. Few understood why, other than UK entry into the EEC, nor what was in store.

In 1984 I'd recently bought into Lion, when New Zealand, jolted by crisis, embarked on a political programme that allowed the country to rejoin the world a freer and more secure place. Threats and opportunities were transformed, many companies took advantage of the new freedoms, some did not cope well, and others lost the plot.

The Roundtable had recently been established, based on foreign models of chief executives' organisations. I was offered my predecessor's place and willingly accepted, interested to sit with older men, no

women, but at the time I didn't see it offering anything especially different - a group established to put forward the interests of Big Business. Big business in those collusive days, with some good reason, was not a popular place to be.

Rather like Americans, I believe New Zealanders can tolerate wealth so long as it's discrete and self-effacing and won in competitive markets; it's the combination of money, power and privilege that's unacceptable.

The 'old model' of self interested lobbying was out, no doubt like the fall of the Berlin Wall, everyone was scrambling for new stabilities. There were, I believe, only two groups to handle these changes well, not surprisingly both supported the Government's free market thrust; Federated Farmers under Peter Elworthy and the Roundtable under Sir Ron Trotter and Roger Kerr.

Without the support of groups like the Roundtable outside Parliament New Zealand's comprehensive reform programme may well have foundered so that alone well justified the Roundtable's existence. After all, there's nothing inevitable about history; individuals do make a difference.

Argentina and Uruguay are great examples of wealthy, temperate, agricultural based economies that didn't make it. For reasons similar to New Zealand Government propensity to give their citizens more than the country could afford.

My memory is that there was a feeling New Zealand was undergoing a revolution, that it was exhilarating and that, if sensible and robust policies were developed, the Government would be supportive

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of promoting them. Ministers were open and collaborative about 180° from where things are now. When a decent domestic history is written of the last Century I'm sure 1984 will be seen as a seminal event.

For nearly 10 years New Zealand was an exciting place to be, witnessing and participating in an extraordinary surge of thinking and activity from a country that had largely written itself out of the world script.

With Ruth Richardson's ouster after the 1993 election the scene changed, few further reforms got implemented, and those that did like producer board reform and ACC took an eternity to materialise. Our frustrations grew, and perhaps we made them a bit too obvious at times. In hindsight, it shows the necessity for political leadership; without it momentum was lost.

While a lot has been made, in a self-serving way by the Prime Minister, of New Zealand's reform fatigue, I personally don't subscribe to it. Leadership and clearly articulated vision by the National Party could well have continued to attract electoral support.

Another major accomplishment over the period has been the welding together of the wealth creating forces in the country. Previously they were polarised and manipulated by some politicians and it has been helpful in giving a shared sense of purpose.

It has been a tough, largely thankless task, faced with an apathetic and often hostile media and until recently low quality, timid leadership by the National Party.

In the past couple of years I've spent most of my time in countries with hopeless, nakedly corrupt Governments. Given New Zealand's high standards of political probity it makes one wonder why so many lacking any sense of vision, are even attracted to politics here.

I've now been resident in the UK for four years my overall impression is how good life is for most people here. I misread the sustainability of the Douglas/Richardson reforms, although I don't believe the country can continue to run on autopilot forever.

To read the Herald it's of a contented,

multicultural, high tax paying society, at peace with itself, untroubled by the outside world, generally satisfied with its institutions and optimistic about themselves and the country. And yet, high emigration rates continue, a Labour Government presiding over a buoyant economy barely scrapes back into power indicates that not all is rosy in spite of the Herald's lobotomising attempts to portray it as such.

After the UK there seems to be a high degree of intolerance for views outside the mainstream, a lack of grace and humour in public debate, and a lack of knowledge and interest in the world outside New Zealand.

Certainly productivity trends are a worry, although here the Herald is constructive. Cover to cover in 10 minutes max, the only broadsheet surely that can cover the world in 3 pages, with one third at least devoted to ads. The major debate in the Herald since my return has been whether or not Exotic's should be retained in Queen Street. Why this issue uniquely should be allowed to challenge their normal PC line I'm not sure, although it may be tied to a report denying that council had tried to execute their decision over the holidays, the cereal king said that in fact they'd been 'talking trees' for 8-9 months.

My take is that like the UK, New Zealand is driven by a small clique of the like minded judiciary, media, unions, bureaucracy.

They're tinkering with the economy which they don't understand, and while they've been in power long enough for the envy thing to have abated, there's no philosophy, no vision, no charm, little contact with average Kiwis, the Government seems consumed with social initiatives of little attraction to their rather conservative constituency.

The third way, which was so keenly promoted, must be the shortest-lived political philosophy in thousands of years of human thought.

While creating a political breakthrough is difficult with a media as absorbed in sub Marxist themes and allied so naturally to resentment politics, the absence of any consistent historical adherence to liberal conservative policies makes it particularly tough here. Why change from the Government you've got unless different, more attractive policies

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are created and clearly articulated? The trouble in New Zealand is that the National Party has not been the party of reform, nor has it ever been especially interested in promoting freedom, rather a soft porn version of socialism.

A recent leader in the Times deplored the appointment of David Cameron, seeing it as an attempt to go for style rather than substance, and worse the Mandelson/Campbell spin, whereas Blair had adopted much that was good from Thatcher. The writer went on to say he saw the remorseless growth of public expenditure and lack of commensurate improvement in productivity in health and education especially, to be the next political battleground and that Cameron had clearly established himself with all the wrong positions old Labour in fact.

In subsequent articles the writer has gone on to promote the view that for the Tories to base their approach on aping Labour, even if the polls show them to be popular positions will remove the policy tensions required for successful democracies. He can foresee a drift to 1960's/1970's consensus politics or worse replicate the inertia that's taken hold in Europe. He said Cameron had adopted Labour's position on high taxes, rising public expenditure, anti elitist education and health, totally Government financed, which effectively rules out any serious debate on the role or size of Government.

The Cameron Tories too are mindful of Bush's compassionate conservatism, forgetting that by pretending to be what he wasn't he's become hostage to every special interest group and uniquely has failed to veto even one financial bill.

I think these concerns are valid, Don Brash is the first National Party leader to articulate policies that clearly differentiate the party from Labour and gave the confidence he'd affect them. The first Orewa speech showed the electoral impact of addressing contentious issues clearly and giving leadership.

I would hope that the Labour party could rethink its directions.

Mike Moore has recently said; "Isn't it good the last two Governments have not changed the fundamental reforms of the '80's?" despite the earlier rhetoric about "failed policies". Labour could easily adopt more reforms and policies like Labour parties in the UK and Australia. It has taken decisions to scrap the

carbon tax and reduce business taxation, but only under duress it has a long way to go.

If Labour persists with the same lack of doctrine, flexibility, capability in media manipulation, how else does the National Party win other than by clearly identifying themselves with policies the Government cannot/will not replicate. I don't believe a losing party will reverse its fortunes merely by adopting policies and slogans of the party that keeps beating them.

And surely there is an enormous list to choose from: mal performing public institutions, an over-extended welfare state, all the silly social agenda and mindless PC that is consuming the country.

As well on the economic front it's hard to think of any area, be it over-taxation, labour or economic policies that aren't going to be destructive of enterprise over time.

In the UK post the July bombings, multiculturalism all the moral equivalence stuff - is being bashed around. There's a new assertiveness of Britishness, traditional values of justice and freedom, the very reasons in fact that attract migrants to our societies. There's also a much greater appreciation than in New Zealand of the importance of being prepared to defend and fight for values so different from those around us,

rather than turn from traditional allies that we've worked with successfully in the past.

Our Government shows confidence in the UN and other multi national agencies in defiance of their repeated inability to act decisively. What one writer describes as regulationism is their guiding philosophy and a willingness to try every silly idea to help the poor either at home or overseas rather than follow the tried and true.

So, overall New Zealand seems in remarkably good shape to me.

The country is well-positioned post the 1984 reforms, low skilled secondary industry has largely gone, and the country has extensive natural resources, high-grade temperate agriculture.

Europe being eclipsed after 500 years hegemony, the agriculture protection policy imploding, the growth of China, these are the big developments and they're all positive for New Zealand. In fact, after ten years drift one can only believe that supportive rather than destructive Government policies would propel New Zealand into the top half of the OECD pretty easily.

New Zealand's advantage is our size and for all

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the Left's social divisiveness the remarkable homogeneity that exists amongst New Zealanders, together with an extraordinary degree of social integrity and trust.

Our problem, it seems to me, if it is such, arises from the ease of life, and a media unwilling to keep the current Government in line or to focus the community on the inevitable impact on our place in the world of current policies. The contrast with Australia is striking.

There much of the media is far more pro-reform, conscious of the need for Australia to stay competitive and dynamic, and so are the community and political parties in general.

Here the absorption with domestic life, a Government determined to shelter citizens from being in control of their own lives, enhances the probability that over time the country will drift into another crisis or just gradually lose competitiveness as we did in the decades prior to 1984.

Our role as I see it is to keep the faith, to raise the awkward and difficult issues, to keep them before the public, media and politicians. It's a role many find unappealing, and it doesn't lead to popularity, but it is necessary and it does work. At least next time we'll know what to do.

*In 1982 Douglas Myers became Managing Director of Lion Breweries Ltd, which merged with L.D. Nathan & Co Ltd in 1988 to form Lion Nathan Ltd. Mr Myers became Chief Executive Officer of the merged company.*

*In January 1991 Mr Myers became Chairman of the New Zealand Business Roundtable, and in that year he was made a Commander of the Order of the British Empire for services to business management. He now spends most of his time in the UK.*

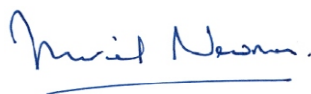
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Regards



Muriel Newman  
(founder & director of NZCPD)