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THE NEW ZEALAND LABOUR PARTY AND THE RISE OF 'ROGERNOMICS'  
1981-1984.

A thesis presented in partial fulfilment  
of the requirements for the degree of Master of Arts  
In Sociology at Massey University.

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1987.

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## ABSTRACT

This thesis is an attempt to account for the emergence of the set of economic policies now known as 'Rogernomics' in the Labour Party after 1981. It will be argued that the crucial issue in economic policy debates in the Labour Party between 1981 and 1984 was the issue of participation in the formulation and implementation of the economic policies of a future Labour government. Many in the Labour Party were committed to fostering a broad national consensus and sense of collective purpose and wished to do this by means of a negotiated agreement between government, employers, and trade unions. This meant in effect sharing governmental power with employers and unions and this corporatist intention was seen as a way of democratising the society.

Those in the caucus who were involved in the consideration of economic policy matters were also in general committed to restructuring the New Zealand economy. It was realised that this would involve high social costs in terms of living standards, unemployment, and disruption to traditional patterns of employment and residence.

It is argued that these two commitments, to both broad participation and restructuring were contradictory for an economic policy involving high social costs could not have received the prior and informed consent of the nation as a whole or of the organisations of labour that were deemed to represent a large section of the nation.

It is argued that this contradiction led to the collapse of the corporatist tendency in the caucus and that this was the crucial strategic opportunity for Roger Douglas and the policy of market led restructuring. 'Rogernomics' is seen to be in general an elitist doctrine which seeks to narrow the range of participants in, and influences on, the formulation and implementation of economic policy.

This empirical study of the rise of 'Rogernomics' is taken to validate a general theoretical point: that in times of economic stagnation the restoration of a capitalist economy is incompatible with the expansion of opportunities for democratic participation in the formulation and implementation of the policies of the state.

## **ACKNOWLEDGEMENTS**

I would like to thank my supervisors Steve Maharey, Professor Ian Shirley, and Mike O'Brien for their time, effort, and considerable patience in the period it has taken to write this thesis. I would like also to record my gratitude to Rachel Barrowman, W.H.Oliver, and Wiebe Zwaga for proofreading and criticising the final draft.

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