

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

Formation, Durability and Susceptibility

Coalition Traits that Affected New Zealand's MMP Governments of 1996-2002

A dissertation presented in fulfilment of the requirements for the
degree of

Doctor of Philosophy in Public Policy

Massey University
Albany Campus, North Shore City, New Zealand

Grant Marc Gillon

2007

Abstract

This thesis explores the relevant impact of three influences - policy, personality and opportunity - on New Zealand governments since 1996. The Mixed Member Proportional electoral system (MMP) was adopted by New Zealand for the 1996 general election. The various coalition government arrangements since then have been analysed using a series of case studies of identified events during coalitions' crucial pre-election, formation, duration and termination stages. The roles assumed by, or perceived of, small parties have been important as have the actions of the pivotal party in each government.

My interest in this topic springs from my service as an Alliance MP. I was an Alliance party list Member of Parliament during the 45th and 46th Parliaments (1996-2002). Systems theory was relied upon as the methodology with which to study relevant political processes. Key informant interviews and participant observation were the main research methods.

This research investigates the traits, apparent in the coalitions formed from 1996 until 2002, which contributed to each government's continuation or termination. Each stage reflected the parties' competing interests as argued by theorists such as Muller and Strøm. Wolfgang Muller and Kaare Strøm knitted together theoretical approaches and concluded that politicians are motivated by competing goals. This seminal work provides the theoretical guideline for explaining events in New Zealand and was adopted as a framework to develop this research.

Coalitions faced policy shocks, adverse polls and other critical events during the three coalition governments included in this study. Politicians adapted the formal and informal constraints. In this way, they attempted to strengthen the attributes of both the Parliaments and Cabinet to ensure that they were robust enough to withstand adverse incidents. Politicians' ambitions fluctuated between seeking office, policy objectives or electoral support depending upon the circumstances of the time. Stable and durable coalitions, as desired by the 1986 Royal Commission on the Electoral System, were those where the relevant parties' leadership enjoyed positive relationships with each other.

However, parties could not be considered to be unitary actors. Intra-party relationships were important factors. Intra-party dissension contributed to inter-party conflict and vice versa. Governments that were terminated earlier than constitutionally required suffered from deteriorating intra-party and/or inter-party relationships. The crucial component identified as an important consideration for the success or otherwise of any coalition government can be summed up as that pertaining to ‘relationship issues’ as affected by policy, personality and opportunity.

Acknowledgments

This is a key informant, interview based thesis and I would have been unable to conduct the research without the willingness and openness of my former parliamentary colleagues. Serving and former MPs from all parties as well as officials gave time to answer questions during reasonably lengthy interviews in a forthright and informative manner. I want to take this opportunity to convey my thanks to them as well as to the MPs and academics from Eire, England and Scotland who arranged and rearranged their crammed schedules so as to be able to contribute to my research. The efficient assistance of staff in New Zealand House, London and the Office of the Clerk Houses of the Oireachtas in suggesting and arranging interviews is much appreciated. Many thanks.

These interviews, conducted in Eire and Britain, were carried out during an event packed tour with my mother, Joan, in 2004. Mum and I raced around England and Scotland cramming tourist sights in with interview appointments. Stress levels rose on several occasions as late or rescheduled interviews required speedy dashes to the airport to meet flights or roundabouts appeared that did not feature on our out-dated touring map. However, I am grateful to Mum for her company, understanding and forbearance during this time of haste, malfunctioning tape recorders and chaotic airport hassles. As a treasured bonus, this study provided me with the opportunity to spend additional time with Dad during the last weeks of his illness as I sorted interview scripts on the table as my bemused father looked on. I suspect that Mum and my late Dad, Paul, were never quite sure what I was up to taking time out to study however they were always supportive and understanding of the often rushed cups of coffee as I dashed from one deadline to another.

This full-time study would not have been possible if it were not for the support that I received from colleagues and staff at the School of Social and Cultural Studies, Massey University. Further, I appreciate the confidence that the University placed in me with the granting of a three-year scholarship that allowed me to study full-time. The Graduate Research Committee also provided regular grants and assistance to present a number of papers at New Zealand and international conferences. Of special note was the

professional assistance that I received from three special people: Maggie Hefer, Leanne Menzies and Joy Oehlers. Maggie for her assistance in steering me through the School of Social and Cultural Studies' procedures and also along with Leanne for helping me with the tables in this thesis. And, Joy for her tireless and supportive manner in suggesting suitable references, proofing as well as her training in various programmes and databases such as 'Endnote' and 'Web of Science'.

One of the evolutions of PhD study is the transformation that takes place between students and University staff. I will forever appreciate the friendships that I have developed with many staff at Massey's School of Social and Cultural Studies. In particular, I have enjoyed working alongside respected academics who entrusted me with teaching and tutoring classes. This experience not only provided me with additional income but also helped hone my academic skills.

In addition, I am indebted to the patience and perseverance of my supervisors. I was lucky to have received the wisdom, insights, acumen and knowledge of four supervisors. Dr Raymond Miller of the University of Auckland first discussed possible PhD topics with me shortly after my leaving Parliament. Although, I have tentatively considered several potential topics I have returned to the concepts that Raymond first broached back in 2002. Raymond's particular expertise in New Zealand small parties provided me with crucial insight and expertise. I have been privileged to have Prof. Marilyn Waring accept me as a student for both my Masters and PhD studies and Marilyn and Raymond steered me through the difficult first two years. Marilyn's parliamentary background coupled with her academic astuteness and research expertise provided an essential blend that often created a delightful synergy as we explored concepts and ideas together. I am especially grateful that Marilyn agreed to stay on as a second supervisor after leaving Massey for her new position at AUT providing me with that important link through all the years of my study. It was at this point that realising both of my supervisors were employed by two different universities and neither of which was the university of my enrolment. It must have been difficult for my two new supervisors, Dr. Grant Duncan and Assoc. Prof. Michael Belgrave to pick up the topic and guide me through the final stages after not being involved initially. However, both fortuitously brought particular skills in theoretical concepts and thesis design that I

desperately needed at the time. Thank you, Marilyn, Raymond, Grant and Michael for your commitment, forbearance and often time consuming guidance.

I have already mentioned two members of my family but I want to introduce you to some more. This thesis is dedicated to my children, John, Paula and Conrad, and particularly to my wife and partner, Kirsty. My family gave up a lot when I served in Parliament and continued to sacrifice family time when I began my university studies. My family's support allowed me to study full-time instead of dragging the work out over many years. This was a major factor in my completion. Not only did Kirsty have to work harder and longer to pay the bills, she spent many hours alone as I shut myself away typing on the computer. Many a meal time was missed or hurried and leisure time forgone as thesis time encroached. These stolen hours can never be replaced. Not only was there never a complaint but Kirsty read, proofed and corrected this thesis several times. Kirsty also noted relevant articles in the newspapers, magazines and on television that contributed to my gaining a greater understanding of the topic. John, Paula and Conrad all have an insightful and deep understanding of politics and often contributed, probably unknowingly, to my studies with their discussions and comments. They also expertly steered me through the complications of Microsoft Word which was an appreciated bonus. With all the help that I received from outside the home I would never have been able to start, let alone complete this study without the continuous and proactive support of Kirsty and my family.

Contents

ABSTRACT	I
ACKNOWLEDGMENTS	III
CONTENTS	VI
FIGURES	IX
TABLES	X
GLOSSARY	XI
CHAPTER 1: INTRODUCTION	1
The Political Context Leading Up to the Period of Study	2
The Researcher	3
The Research	4
Chapter Plan	8
CHAPTER 2: POLITICAL MOTIVES OF POLITICIANS FOR COALITIONS	13
Definition of Government	15
Office-seeking Motives and Coalition Formation	16
Policy-Seeking Motives and Coalition Formation	21
Vote-seeking Motives	31
Summary	33
CHAPTER 3: COALITION RESTRAINTS, CONSTRAINTS AND ATTRIBUTES	35
Coalition Attributes and Government Duration	35
Cabinet Attributes	37
Party System	42
Terminations	46
Discussion	55
Summary	57

CHAPTER 4: PRE-ELECTION COALITIONS	59
Defining Pre-election Coalitions	59
Value of Analysing Pre-election Coalitions	60
Conclusion	63
CHAPTER 5: METHODOLOGY AND METHODS	64
Methodology	64
Research Methods	73
Ethical Considerations	84
Limitations of the Research	85
Summary	86
CHAPTER 6: THE LEAD-UP TO MMP –1993-1996	87
Preliminary Sparring	88
Conclusion	94
CHAPTER 7: CHANGING PROCESSES, ATTRIBUTES AND ATTITUDES	96
The Legislature	98
The Executive	119
Conclusions	134
CHAPTER 8: PRE-ELECTION MANOEUVRING	138
The 1996 National-NZ First Government	139
The Alliance and Labour Parties in 1996	143
The Labour-Alliance Dance of 1999	145
The Labour-Progressive Coalition Minority Government- 1999-2002	156
2005 Election Campaign	160
Conclusion	163
CHAPTER 9: FORMING COALITION GOVERNMENTS	167
National-NZ First Coalition 1996	167
Labour-Alliance Coalition 1999	180
Labour-Progressive Coalition 2002	190

Overview of the 2005 Election	203
Conclusion	210
CHAPTER 10: COALITION TERMINATIONS	212
The National-NZ First Coalition of 1996-98	212
The Labour-Alliance Coalition of 1999-2002	217
Concluding Discussion	231
CHAPTER 11: CONCLUSIONS AND ANALYSIS	236
The Political System	236
New Zealand's Coalition Governments	236
People or Policy	247
The 'Missing' Link	248
APPENDIX A: LIST OF INTERVIEWEES	252
United Kingdom and Eire Interview Schedule	252
NZ Interview Schedule	254
APPENDIX B: QUESTIONNAIRE (EXAMPLE)	260
Sample Questionnaire	260
APPENDIX C: INFORMATION SHEET (EXAMPLE)	264
Information Sheet	264
APPENDIX D: CONSENT FORM (EXAMPLE)	267
Consent Form	267
REFERENCE LIST	269

Figures

Figure 1 The Structure of Policy Systems.....	67
Figure 2 Billboards in Wellington Central.....	154
Figure 3 The Alliance’s advertisement	155

Tables

Table 1 Post 1996 Options for Government	168
Table 2 Uni-Dimensional Party Positioning in 1996	175
Table 3 Party Positioning on a Left-Right Scale in 1999	181
Table 4 Post-1999 Coalition Possibilities	183
Table 5 Party Positioning on Economic Scales in 2002	190
Table 6 Post-2002 Coalition Possibilities	192

Glossary

Advocacy Coalitions

Wallis and Dollery (1997) discussed a concept of "advocacy coalitions" where networks of individuals or groups "engaged on a particular policy quest". They argued that the members of an advocacy coalition network were bound together by shared policy ambitions.

Act

Act New Zealand Party. More information on Act can be found on their website <http://www.act.org.nz>

Alliance

The Alliance Party. More information on the Alliance can be found on the party's website <http://www.alliance.org.nz>

APL

Autonomous policy leaders have a passionate commitment to using a particular policy to make a difference rather than vote or office seeking (Wallis & Dollery, 1997).

CD

The Christian Democrat Party.

Connected (coalitions)

A coalition is connected if its members are ideologically adjacent in a one-dimensional policy space (Axelrod, 1970; Crombez, 1996).

Consociational (societies)

These are pluralist societies such as Austria, Belgium and the Netherlands. They are pluralist societies, divided by cleavages but exhibit co-operation among the elites (Crombez, 1996).

Democratic Party

The NZ Democratic Party. The NZ Democratic Party joined the Alliance and remained with Jim Anderton's Progressive Party for the 2002 election. Following that election the party decided to become a separate party again. More information on the NZ Democratic Party can be found at <http://www.democrats.org.nz>. See also Social Credit.

Deterministic

The philosophy that all events, including human actions are fully determined by preceding events and so freedom of choice is illusory (*Collins concise dictionary*, 1995).

Electoral Coalition

An electoral coalition is a formal pre-election arrangement between parties. Sona Golder (2005) devised a definition of electoral coalitions as “a collection of parties that do not compete independently in an election either because they publicly agree to coordinate their campaigns, run joint candidates or joint lists, or govern together following the election” (p. 652).

Equilibrium

A coalition is in equilibrium if there is no other alternative that can govern and guarantee its members no less than the current situation. This means that the parties in equilibrium cannot find a more satisfactory alternative arrangement (M. Taylor & Herman, 1971).

FPP

First Past the Post. The non-proportional system of electoral voting that preceded the adoption of MMP in New Zealand.

Formateur Party

The formateur party is the largest party in the governing coalition (Volden & Carrubba, 2004). A formateur is an individual who is empowered or central to forming a coalition.

Fractionalisation

Fractionalisation is an index that characterises the size and numbers of parliamentary parties. The more parties in a legislature inevitably means there are many small parties, which increases the fractionalisation of the legislature. The more fractionalised the more potential coalition partners and the greater the number of potential viable cabinets (Boston, Church, & Pearse, 2004; Grofman & van Roozendaal, 1997).

Government

Different scholars use different definitions of government. Most refer to a change in government as a change in cabinet and use the terms interchangeably. Lijphart (1984) and Dodd (1976) use the idea of a change in party composition as depicting a change in cabinet. Grofman and van Roozendaal (1997) defined a cabinet as being terminated (and hence a new cabinet or government formed) if new elections were required or if a new cabinet formation was necessary, whether or not the previous cabinet was reinstated. Browne, Gleiber, and Mashoba (1984), King, Alt, Burns and Laver (1990) and Warwick (1992b) used a similar but more detailed definition of government termination if 1) it is removed from power by its parliament; 2) it resigns; 3) its party composition or prime minister changes; or 4) an election takes place. In effect 1, 2 and 4 have similar consequences of either an election or new negotiations. Item 3 also means a reconstructed cabinet. Taylor and Herman (1971) used the definition of a government being headed by the same prime minister and relied on the support of the same party or parties in the chamber.

GE

GE is an acronym for genetic engineering (genetic modification) or a genetically engineered organism.

GM

GM (genetic modification) is an acronym for genetic engineering or a genetically engineered organism.

GMO or GMOs

GMOs is an acronym for a genetically modified organism or organisms.

Greens or Green Party

The Green Party of Aotearoa New Zealand. More information on the Greens can be found on their website <http://www.greens.org.nz>

House

The New Zealand House of Representatives, ie the Legislature.

HSNO

The *Hazardous Substances and New Organisms Bill*.

Labour

The New Zealand Labour Party. More information on the Labour Party can be found on their website <http://www.labour.org.nz>

Majority Government

A majority government occurs when a party or group of representatives controls at least half of the legislature. For example the New Zealand convention requires a vote that is greater than fifty per cent in the legislature to pass legislation. Therefore, the majority would have to comprise no less than fifty per cent plus one.

Mana Motuhake

A Māori based party formed by former Labour minister Hon. Matiu Rata. The party was a founding member of the Alliance.

Māori Party

More information on the Māori Party can be found on their website <http://www.maoriparty.com>

Minimum Winning Coalition

The withdrawal of any one party from a minimum winning coalition would bring down the government. This is a coalition that is rendered a blocking coalition or a losing coalition by the removal of any member. There is no party that is not necessary to

maintain the coalition's winning status (Crombez, 1996; Dodd, 1976; Riker, 1975, p. 40).

Minority Government

The parties that comprise the cabinet do not control a majority of seats in the legislature and so the government has to seek the support of other non-executive parties (Crombez, 1996). Laver and Shepsle (1990) used a simpler definition of, "governments whose participants do not constitute a legislative majority" (p. 885).

MMP

Mixed Member Proportional is the electoral system adopted by New Zealand in 1996. Electors cast two votes: one for a candidate and one for a party. The parliamentary make-up is composed through proportional means.

Monotonicity

An increase in the number of votes for a candidate or issue will provide an increase (but certainly not a decrease) in support for a candidate or issue. In this way there is an amalgamation of individual tastes (or values) into a social outcome (Riker, 1982).

National

The New Zealand National Party. More information on the National Party can be found on their website <http://www.national.org.nz>

NBR

The National Business Review is a weekly newspaper with content oriented towards business news.

Neutrality

Neutrality is a condition of simple majority decision-making and is also known as duality. This means that the process is neutral and does not favour, or advantage, any alternative (such as a candidate or the status quo) over another (Riker, 1982, p. 56).

NLP

NewLabour Party. Initially formed from former mainly Labour Party members and became a constituent party of the Alliance. The NLP disbanded in July 2001 and the party's website is no longer active.

NOOM

The *New Organisms and Other Matters Bill*.

NZF or NZ First

New Zealand First Party. More information on the NZ First Party can be found on their website <http://www.nzfirst.org.nz>

Oversized or Surplus Majority Government

An oversized government is defined as any coalition in which a party may leave and the remainder still comprises a majority (Crombez, 1996; Volden & Carrubba, 2004).

Payoffs

Refer to 'Side payments'.

Pivotal Systems

Pivotal systems occur when parties fight elections individually rather than in alliances with other parties (Bergman, 2003).

Pivotal Position

A pivotal position is the position that is occupied by the last member of the minimal winning coalition. This is the point where if one member is subtracted then the coalition is no longer a winning one (Riker, 1975, p. 125)

Poisson Process

The Poisson process is a statistical process. A Poisson distribution models the number of events occurring randomly in a fixed time at an average rate (NIST/Sematech, 2006).

Polarisation

Polarisation is the degree of ideological distance between parties. Generally, polarisation is the spread of parties along the ideological continuum but may also be measured by society's support for extreme or anti-system parties (Boston et al., 2004; Grofman & van Roozendaal, 1997; King et al., 1990).

Policy Horizon

This term refers to the maximum extent of policy compromise that a party is willing to accept in order to join a government and beyond those limits a party would prefer to stay in opposition (Warwick, 2000, p. 38).

Policy Viability

"The incumbent government is policy viable if its policy position is such that there is no alternative executive coalition that can put forward a credible policy position that is preferable to the incumbent government by a majority of legislators" (Laver & Budge, 1992, p. 6).

Probabilistic

A measure of a degree of confidence in the occurrence of an event measured on a scale of 0-1 where zero is impossible and 1 is certain.

Progressive

Jim Anderton's Progressive Party also called the Progressive Party for election and parliamentary purposes. The Progressives were formerly the Progressive Coalition, and Jim Anderton's Progressive Coalition. More information on the Progressive Party can be found on their website <http://www.progressive.org.nz>

RCES

The Royal Commission on the Electoral System (RCES) tabled their Report of the Royal Commission on the Electoral system in 1986. Among other things it recommended MMP as the preferred electoral system.

Registered Party

These are New Zealand's political parties that are formally registered with the Electoral Commission. The Electoral Commission is required to maintain and make available for public inspection the Register of Political Parties. The register shows for each party its name, any abbreviated name, any component parties, dates of registration of the party and any logo, details of its secretary and contact information, along with dates of amendments. The parties might or might not be represented in Parliament. For more information, see http://www.elections.org.nz/parties/registered_political_parties.html

RoC

A political party called the Right of Centre Party. It had a brief parliamentary existence just prior to the 1996 election.

Rationality Condition.

Where participants in an activity, faced with choices, choose the course of action that is deemed to provide the greatest reward (Riker, 1975, p. 15).

Side-payments

Side-payments of coalitions are payoffs and include valuable items such as money and position. Browne and Franklin (1973, p. 453) defined payoffs as resources that are distributed among coalition partners and used by them to advance their individual goals. Side payments include policy promises and flattery, affection and offers of loyalty. Side payments might also be negative and include a promise to not carry out threatening action such as expulsion from the party or loss of office.

Social Credit

Social Credit or the NZ Social Credit League was the main third party in New Zealand between 1954 and 1990. Social Credit changed its name to the NZ Democratic Party which joined with the Alliance to contest the 1993 general election. Refer the NZ Democratic Party.

Stochastic

This is a statistical approach a) (of a random variable) having a probability distribution usually with a finite variance. b) (of a process) involving a random variable the successive values of which are not interdependent (*Collins concise dictionary*, 1995).

Undifferentiatedness

This property of an electoral system is voter anonymity and equality. Undifferentiatedness is the technical condition underlying the principle of 'one person one vote'. One particular vote cannot be differentiated from another and allows for anonymity which in turn leads to equality (Riker, 1982, p. 51).

United

United refers to the party, inclusive of the various name changes, led by the Hon. Peter Dunne. More information on United can be found on their website <http://www.unitedfuture.org.nz>

Whip

The whips (the term is derived from the hunting field) are parliamentary party office-holders who ensure that the member's party's supporters are present in parliament to support or oppose a vote. Government whips are essential to ensure that the government maintains its voting majority. Whips often manage the party's parliamentary budgets and keep track of members' movements. They are also the principal communicators between parties in the House (McGee, 2005).

Zero-sum condition

The interests of the participants must be in direct conflict. This is when the sum of what the winners gain is equal to the total of what the losers lose. This assumes that the wins and losses can be quantified. In some circumstances such as total civil war and revolution, lives are forfeit. In politics the losers in the zero-sum condition apparently continue in the hope of winning in the future (Riker, 1975, pp. 15, 39 & 103).

Chapter 1: Introduction

The Royal Commission on the Electoral System (RCES) (1986) predicted that the introduction of MMP would create far reaching changes, more than just the method of voting. In fact, MMP heralded a fundamental change in the power relationship between Parliament and Government. Further, MMP governments have been predominantly coalition governments: either formal or informal. As an MP during the period under study, I was particularly interested in why some coalitions succeeded and others failed and the purpose of this research was to increase understanding of coalition governments by closely examining coalition governments in New Zealand since MMP. In doing this, I have analysed political events with regard to three parliamentary terms between 1996 and 2005. I have examined various coalition theories and located the New Zealand experience within them. I then investigated these governments and contrasted them with the theory by exploring the relevant impact of each of the three influences of policy, personality and opportunity on New Zealand governments since 1996.

No single party has been able to dominate the New Zealand Parliament since the introduction of MMP. Governments, since then, have been either majority coalitions or minority governments reliant upon third party support to retain the confidence of the House of Representatives (the House).¹ Because no single party has enjoyed a majority, governments and parties have found it necessary to employ a variety of strategies in their endeavours to achieve policy wins in the legislature. Further, successive Governments have had to build a number of processes to ensure that intra-party relationships were robust enough to withstand the usual run of crises that beset governments during their terms. Some of these mechanisms have been bewildering in their success while others have been dramatic failures.

Despite the various government constructions and the numerous predictions of failure, every Parliament since 1996 has continued until the election date announced at the

¹ “The confidence of the House underpins any government’s right to hold office. It is fundamental that a government that has lost the confidence of the House must resign or seek a general election... The confidence of the House in a government is a matter of political judgment...It has always been looked upon as fundamental to the survival of a government that it has been able to obtain the authority of Parliament to expend money, that is to obtain supply...a failure to secure parliamentary support ...demonstrates a loss of confidence in the Government” (McGee, 2005, p. 95).

convenience of the Prime Minister. Some governments have formed, survived and terminated against the predictions of much of the theoretical literature. In addition, there appeared to be other factors at play that were either not recognised or deemed irrelevant when most post-war Western European coalitions (upon which most proportional literature is based) had been analysed and discussed. The assessment of New Zealand politicians' motives has provided clues to exposing this essential "missing" ingredient. The identification of this component could have profound implications on our understanding of coalition government.

The Political Context Leading Up to the Period of Study

New Zealand is a Westminster derived democracy. Prior to 1996, New Zealand elected its parliamentary representatives through the First Past the Post (FPP) electoral system. According to Lijphart (1984, 1999), New Zealand's FPP electoral system was an almost pure form of a majoritarian democracy. Majoritarian systems encouraged two-party electoral competition resulting in single-party governments and the change of government became obvious when a majority single party government was defeated and replaced. Under FPP, single party majority governments were the norm even though coalitions were possible and had occurred in New Zealand in the past.²

By contrast, a single party was less likely to form a government in a proportional electoral system. Lijphart (1984) found that consensus based democracy was apparent in particular systems where there were either broad governing coalitions or minority cabinets. Under these systems, governments formed after post-election negotiations and trade-offs and often depended on the shifting support of legislature majorities.

Richard Mulgan (2004) argued that New Zealanders had traditionally taken a "pragmatic and non-doctrinaire attitude to the role of state" (p. 324) expecting that policy decisions would be made through consultation and negotiation with community and interest groups. However, by the late 20th century electors' confidence in their political masters had become jaundiced. The Fourth Labour Government promised to institute a Royal Commission to examine electoral matters (McRobie, 1995). This Commission reported to the House in 1986 and recommended that the electoral system

² Refer to J. Martin (2004).

be changed to one that was proportional. New Zealand adopted the MMP system following two public referenda.

The debate in the months preceding the second MMP referendum was robust but still did not fully prepare New Zealand for the events of the first MMP election and the resulting coalition process. The transition period between 1993 and 1996 is discussed as a case study in Chapter 6. Each parliamentary term has been examined in Chapters 8 to 10 as part of the case studies.

The Researcher

My interest in this topic springs from my service as a MP. I was an Alliance list Member of Parliament during the 45th and 46th Parliaments (1996-2002). During the first term, between 1996 and 1999, I was in Opposition participating in developing legislation through the select committee and other parliamentary processes. I also served as the Alliance Whip.³ Later, between 1999 and 2002 (the 46th Parliament), I was part of the Labour-Alliance Government and served as the Junior Government Whip.

A Whip's role includes the administration of the party's parliamentary organisation and budget. In addition, as a Whip, I helped oversee policy development in the House and select committees as well as debating, House strategy and voting arrangements. I was a member of the Internal Affairs and Local Government, Primary Production and Social Services Select Committees as well as being Deputy Chairperson of the Government Administration Select Committee. As the Alliance Whip, I was inevitably drawn into a number of political events which provided me with insight into many of the events included in this study. I also served as a member of the Business Committee, Cabinet Legislation Committee, MMP Review Committee, Officers of Parliament Committee, Parliamentary Services Commission, Privileges Committee and several other standing and subject select committees. More recently, I have been the President of the Progressive Party and stood (unsuccessfully) as a candidate for that party in the 2002 and 2005 general elections.

The Labour-Alliance Coalition Government of 1999-2002 was considered by many in that Government to be an outstanding success. Most of the Government's policies had

³ For more information on the role of a whip refer to David McGee's excellent publication *Parliamentary practice in New Zealand* (3rd ed.) (2005), Wellington, New Zealand: Dunmore Press.

been implemented almost without contest by either coalition partner. The Government had made rapid progress on turning back the market-led policies that had been in vogue for more than a decade – a main reason for the formation of the Alliance and a driving force for many Alliance activists. Potential policy conflicts, such as differences over a free trade deal with Singapore and the relaxing of the genetically modified organisms' policy, had been successfully contained. The respective party leaders, Helen Clark and Jim Anderton had developed an open and trusting relationship. To all observations the coalition relationship was a successful marriage and should have enjoyed many subsequent anniversaries. The fact that such a positive arrangement failed so spectacularly was the main incentive for me to embark on this course of study. The research was not driven by a need to find answers to why the Labour-Alliance coalition failed. I have my own view. But, it is important to understand coalition dynamics in a peculiarly New Zealand setting if MMP is to provide effective and stable governments for our nation.

There were limitations and advantages to my parliamentary involvement. My experiences as a Member of Parliament and my party affiliations inevitably colour my interpretation and judgment of events. Often, I know one side of a political process well out of proportion to the other. I have been fortunate to have been in a position to observe most of the parliamentary events outlined in this paper from the inside. I have been privy to certain information and insights, particularly in relation to events concerning the Alliance and the Progressive parties, not usually available in any other way. As such, these insights have undoubtedly skewed my interpretations of events. Conversely, I am vague about the internal discussions and processes of other parties as I have had less involvement with them. In addition, I have a personal bias towards the MMP electoral system. Like many other New Zealanders, I supported and campaigned for a change from the FPP system to one that was more consensual, effective and representative. These facts should be taken into account when judging the reasonableness and impartiality of my findings.

The Research

This thesis focuses upon coalition arrangements and relationships since the introduction of MMP, exploring the pre-electoral discussions between parties as well as the formation processes. The events leading to the termination of the 1996 and 1999

governments are analysed. Shifting legislative support and crises create a hazardous political environment for governments destroying some coalitions while similar events leave other governments relatively unscathed. Coalitions often lead to changing allegiances and relationships between parties in the House. For example, the larger party in a coalition might be able to seek support from parties outside the formal coalition to retain the confidence of the House. This situation occurred in 1998 when the National-NZ First coalition collapsed and National relied on supporting parties Act and United as well as several independent MPs to retain the Treasury benches. The Labour Party received support from the opposition party, National, to pass a Bill that the Government's junior partner party, the Alliance, voted against.⁴

In 2002, the Alliance imploded under the pressures of being in government even though it had been successful in winning several major policies such as establishing Kiwibank. However, the minority Labour-led coalition between 2002 and 2005 succeeded to full term relying on supporting parties to pass legislation and retain confidence and supply.

The factors that determined the success of some coalition governments and yet destroyed others were of interest in this study. This research also includes the methods and processes adopted and amended by parties attempting to ensure that their coalition arrangements survived the tensions of government. This analysis identified the main factors that were inherent in each coalition that played a role in the various stages of each government.

Theoretical framework

Governments gestated from a pre-election period during which parties either spurned, courted or ignored each other. The next stage was the formal coalition government negotiations and arrangements. The third period was that time between the formation and the dissolution of a government and is considered the duration of a government. The final period is when a government terminates. Often there has been some overlap of these stages. For example, the events leading to the termination of a government might only be recognised in hindsight. As such, it might not be easy to distinguish between the normal activities of a government in its duration and the beginning of its dissolution.

⁴ This piece of legislation was the *New Zealand/Singapore Closer Economic Partnership Act 2000*.

These four crucial episodes in the life-cycle of each government formed the basis of analysis in this study: the pre-election, formation, duration and termination stages. Each stage reflected the parties' competing interests as argued by theorists such as Downs (1957), Laver (1974), Muller and Strøm (1999) and Riker (1975). This extensive literature can be categorised into two broad areas: radically stylised formal models (such as expounded by Downs (1957)), and extensive empirical literature, usually based around experiences in Western Europe. As Muller and Strøm (1999) argued, "cross-fertilisation between these traditions has been too scarce" (p. 281). Traditional works of both categories have been well argued and provided a sound basis for study. However, Wolfgang Muller and Kaare Strøm (1999) knitted together both approaches and I found their seminal work the most compelling theoretical framework for explaining events in New Zealand.

Muller and Strøm argued that a middle road between the extremes of each of the formal and the empirical models, drawing on the lessons offered by both, had much to offer political scientists. Traditional theories of coalition governments, have proved useful, but not sufficient to fully explain some crucial events as researchers of government formations in Western European countries have been unable to predict more than about one third of post-war governments (Back & Dumont, 2004). This fact indicated to me that some component or components were missing from the traditional theories. Some additional factor needed to be identified and added to the body of theory if New Zealand's coalitions were to be understood. The theories on coalitions together with Muller and Strøm's findings are discussed in greater depth in Chapter 2.

My research perspectives and methodologies were based on the concepts of 'systems theory'. Systems theory takes a holistic approach requiring that this research is conducted in the same way. Political systems that comprised political actors and institutions operate inside a system and are affected by the political economy and culture within which they exist. In turn, the political system responds to outside influence and pressures.

Political systems cannot operate in isolation and the whole system can be viewed by the behaviour of its components. These components are affected by the behaviour of other parts of the system. The system in turn is sensitive to the social environment or community within which it operates. However, it cannot be assumed that the political

system can be analysed simply by assuming that it reflects the sum of its components. It is impossible to accurately analyse the actions of parties in isolation from each other as it is also impossible to divorce the parties' behaviour from the effects of the system. Each component affects the others as well as the system as a whole. In turn, the system responds to the activities of its component parties. Therefore, while it is important to analyse the various individual components of each political system, it is equally important to study the system holistically.

This realisation guided my choice of research method. As mentioned earlier in this introductory chapter, my service as an MP provided me with some insights into the machinations of both government and parliament. However, this view was only my perspective. A more complete understanding was necessary which I sought from a series of key informant interviews. I interviewed MPs and academics from Westminster-based democracies to gain an international understanding of coalition governments. I also interviewed 17 senior New Zealand current or former MPs and 4 senior officials and am grateful that these interviewees talked openly and honestly, providing me with their unique knowledge and perspective.

MMP provided New Zealand with more than just coalition government. The system was recommended in part to enhance democracy and provide effective government. I considered these values important adjuncts to this research. During my time as a MP I wrestled with the concept that MMP would automatically lead to enhanced democracy. Attempts have been made to describe a state's level of democracy according to a particular system's best fit with a number of identified principles (International Institute for Democracy and Electoral Assistance, 2002). Some of these criteria include measures of participation, accountability, delegation, emancipation, freedom, justice and representation (Beetham, 2002; Bergman, 2003; D. Butler, 1981; D. Butler, Penniman, & Ranney, 1981; Henderson & Bellamy, 2002; Mulgan, 2004; Schumpeter, 1943; Strøm, 2000; Strøm, Muller, & Bergman, 2003; Weiner, 1987). The RCES recommended the adoption of MMP as New Zealand's electoral system because (among other reasons) it would contribute towards fairness, participation and representation and effective governments (RCES, 1986, pp. 11-12).

The RCES (1986) considered that a proportional system using party lists (as per MMP) would result in an increase in the number of MPs from interest groups, regions, women

and ethnic minority communities. As predicted, the MMP system immediately improved the representation of women, Māori, minority groups and mix of ideologies in Parliament (Jackson, 2003, p. 80; McLeay, 2000, pp. 133-4; Mulgan, 2004). The number of Māori MPs increased from 7.1% in 1993 to 13.3% in 1996. The number of women MPs increased from 21.2% to 29.2% in the same period. The number of Pacific Island MPs more than doubled to 2.5% and the first Asian MP entered the New Zealand Parliament in 1996 (MMP Review Committee, 2001).

However, the 1998 'Study of Values Survey' (Perry & Webster, 1999, p. 92) showed that 85.4% of respondents believed the public had little control over politicians' decisions. Respondents believed that there was little government accountability to voters and successive governments had reneged on election promises. A survey conducted by the MMP Review Committee (2001) found that most respondents had a very negative view towards MMP. Although 53% of respondents considered that MMP had delivered stable government, 35% of New Zealanders believed that it had not met their expectations (MMP Review Committee, 2001).

The robustness of a democracy including the level of representation and government's stability are important issues. However, democratic concerns and the equity of representation are outside the scope of this study. Further, the focus is on Westminster-based coalition government in New Zealand which has guided my field-work, choice of interviewees and examples from other countries. This study does not evaluate the merits of other forms of democracy or government, though I have not completely ignored them. Relevant examples, especially from Western Europe, have been included when and where they directly affect our understandings of the operations of coalition governments and governmental processes. In the same way, any detailed discussion or explanation of the benefits, disadvantages or mechanics of electoral systems including MMP falls outside the scope of this thesis.⁵

Chapter Plan

The arrangement of this thesis is broadly thematic. The theoretical and methodological discussions are presented in the fore chapters followed by the case studies which are discussed in terms of the different stages of government. The first three parliamentary

⁵ More information of the mechanics of the MMP voting system and the various election results can be gained from the Electoral Commission's website <http://www.elections.org.nz>.

terms (1996-1999, 1999-2002 and 2002-2005) are analysed within these chapters. Where considered necessary for increased understanding, certain events since the 2005 election have been incorporated into the analysis. The final chapter of the thesis includes the analysis and is followed by the appendices.

Chapter 2 discusses the relevant theoretical writings and arguments that have focused on coalitions. The development of coalition theory around minority parties in proportional representation systems has been recent and largely evolved post-World War II. Commentators tended to mix the development of theory with empirical analyses of European political coalitions during this period. For that reason, both theoretical and analytical literature has been reviewed in this section. However, the framework for discussion was based on the broad life-cycle of coalition governments.

Chapter 2 also explores the main motivations that theorists have attributed to politicians' actions. Muller and Strøm's (1999) classifications have been adopted as the threads that run through each of the stages of coalition government. Muller and Strøm argued that politicians were motivated by office-seeking, policy-seeking or vote-seeking behaviour. Politicians' motives changed according to the political climate and whether a politician sought to gain office, win policy objectives or attract votes depended upon the circumstances of the time. Take the hypothetical example of a government's minority partner performing poorly in public opinion polls. That party's leadership might seek to attract increased support by resigning his or her party from the government and play a populist role in opposition. This would be a decision to forego current government office and any potential policy wins in favour of lifting electoral support and gaining potentially increased support in the next government. Such a decision would risk an early election and the party's position in the new government could be reduced.

Under a different scenario, a politician desperate for the perks and baubles of office might sacrifice a proportion of his or her party's policy in favour of a position in a coalition government. Conversely, a politician wary of provoking a powerful party membership might spurn the constraints of office in anticipation of greater policy wins through the legislature than by joining or remaining in government. However, politicians are not always free to act as they please.

Politicians are constrained by the system's rules. Most states incorporate a number of procedures into the system to either restrain or facilitate politicians' actions. Chapter 3 discusses these various constitutional, conventional and legislative constraints on politicians' behaviour.

Politicians do not wait until after an election to commence coalition negotiations. Often such intentions are signalled during an election campaign. Chapter 4 discusses the various public statements of support, or otherwise, made by politicians during the three periods of this study. The chapter explores the connection between politicians' motives after an election with their actions during the campaign period. The discussion section also includes the accuracy of relying upon such public signals for assessing or predicting politicians' true intentions.

'Systems theory' proved to be a useful methodological tool for analysing New Zealand's political process and is explored in Chapter 5. Coalitions have been classified as sub-systems of political systems and this concept guided the discussion and the analysis used in this thesis. Therefore, the methodology of 'systems theory' enabled me to analyse the New Zealand political system and the effects on that system by the actions of individual politicians and political parties. Chapter 5 also includes a description of the methods that I used to conduct this research. The study was a qualitative analysis of information gleaned from key informant interviews. This rich data was supplemented with knowledge gained from participant observations and primary documents. These methods provided sophisticated rigour to the research.

Chapter 6 provides a brief background to the events leading up to the adoption of MMP for New Zealand's first election under the new system in 1996. These events are primarily outside the scope of this research. However, the circumstances leading up to the establishment of the Royal Commission on the Electoral System (RCES), the subsequent referenda and the traditions of FPP especially influenced decision-making during the period under study. Further, many of the key political actors in the events leading up to the first MMP government also played significant roles in subsequent Parliaments.

The working procedures of these governments are investigated in Chapter 7. This chapter explores how Parliament and the Executive Council (Executive)⁶ processes have evolved in response to changing parliamentary attitudes since the introduction of the MMP electoral system. Both formal processes such as the amendments to the Cabinet collective responsibility doctrine and informal inter-party relationship processes have evolved. This chapter also evaluates the robustness of the legislative processes and the increased autonomy of select committees and assesses whether this has helped ensure the longevity of governments or increased the risk of their failing.

The case studies can be found in Chapters 8 through to 10. Chapter 8 focuses on politicians' pre-election manoeuvrings. As in all the case studies, this chapter neatly divides into the parliamentary periods under discussion including the discussions that took place during the 2005 election. Chapter 8 explores successful pre-election arrangements as well as including some discussions that did not result in any post-election government formation.

Chapter 9 is concerned with the coalition formation process and considers the process of formation of each of the Governments that were created following the 1996, 1999, 2002 and 2005 general elections. The final case study is found in Chapter 10. Two Governments, 1996 and 1999, terminated earlier than legally required. Yet, the 2002-2005 Government endured until the normally scheduled general election. The events that contributed to the dissolution of the Governments of the 1996-1999 and 1999-2002 Parliaments are explored in this chapter.

The final chapter (11) summarises the findings and reaches new conclusions that will assist political scientists to better understand the New Zealand political system under MMP. This study has contributed to a more sophisticated comprehension of politicians and parties, their motivations and activities. As a result, insights have been gained into why some governments formed as opposed to alternative arrangements, what factors contributed to their survival and what events caused them to terminate. These

⁶ Ministers are appointed to the Executive Council which tenders advice to the Governor-General. Most Ministers, but not all, are members of Cabinet which meets apart from the Executive Council. The policy decisions made by Cabinet are given legal authority by the Executive Council (Axelrod, 1970; de Swaan, 1973; Downs, 1957; Laver, 1974; Laver & Schofield, 1990; Riker, 1975; M. Taylor & Herman, 1971; Warwick, 1979).

perceptions will assist in the prediction of coalition governments and the circumstances of dissolution.

Almost all of the international theoretical discussion on coalitions has been based on post-war, Western European governments. Each country has a unique constitutional framework and historical conventions. Some of the constraints that shaped politicians' decisions in Europe had little influence in New Zealand. Conversely, Westminster traditions have imparted their own particular flavour to New Zealand's political system. I considered the inclusion of a section on the contemporary New Zealand political system for readers who might be unfamiliar with the background. Unfortunately, space prevented that addition to this work. However, I considered it useful to include tables of parliamentary representation and a timeline of relevant events in Appendices A and B. If more detail is required of the main political events than that provided within the chapters then I advise additional reading of several excellent texts. These texts include Boston, Levine, McLeay and Roberts (1996), Campbell (1993), Gustafson (1980; 1986; 1993), James and McRobie (1993), McRobie (1995), Miller (1997), Mulgan (1994), Vowles, Aimer, Catt, Lamare, and Miller, (1995), Vowles, Aimer, Banducci and Karp (1998) and of course formal reports such as the Report of the Royal Commission on the Electoral System (RECS, 1986), the Report of the Electoral Law Committee (Select Committee on the Electoral Law, 1988) and the MMP Review Committee (2001). Detailed information on the parties themselves can be found in the aforementioned texts and also on the relevant websites as identified in the Glossary.

Chapter 2: Political Motives of Politicians for Coalitions

"Power is the currency of politics" (Gamson, 1961).

Coalitions now lie at the very heart of New Zealand governments. Political parties' strategies determine their effectiveness and stability. However, politicians often conduct themselves in perplexing ways. Policy positions might be expected to form the very basis of difference (and cohesion) between political parties. Yet, parties have formed alliances with others that advocated seemingly opposing policies and still others spurned potential partners that publicly supported similar ideals. Increased insight into the reasons that lie behind politicians' actions helps in understanding and predicting the life-spans of governments. This perception enables analysis of the potential combinations of governments forming after an election, predicting forthcoming public policy and decision-making. This awareness also facilitates the recognition of events that might cause a government to fail leading to a change of public policy. Similar factors and motives assume different levels of importance depending on the phase of government and the type of political system in which it operates.

Four main stages of a government have been identified for this study: pre-election, formation, duration, and termination. The events of the general elections determined the line between the pre-election stage and the formation of a government. However, the boundary between the events of a government forming and its duration were less clear. Similarly, events that occurred during the life of a government sometimes lead to its downfall. In addition, minor events occurring during the early forming of a government might assume critical proportions later on. This was because politicians made strategic decisions during each of these phases depending upon their ambitions at the time. Such political decisions determined the type of coalition that might form, how long it might last, and what policies were enacted or decisions taken that might trigger an early collapse of a government.

A set of assumptions about the motivations of key politicians was considered fundamental to enable the prediction of any likely coalition formation and demise (de Mesquita, 2001; Laver & Budge, 1992). Three main categories of motive have been advanced to enhance the accuracy of predicting the types of coalition that might form: office-seeking, policy-seeking, and vote-seeking. These motives are the threads that weave through politicians' decision-making.

However, politicians' motives are not always readily apparent. For example, early theorists considered that politicians were motivated solely by self-interest and used this axiom as their cornerstone of political analysis (Downs, 1957, p. 28; Riker, 1975; Schumpeter, 1943, p. 282). They argued that politicians desired power for the perquisites that high office bestowed. To this end, they argued, a politician might develop populist policies solely to gain enough votes to get into power. Even if the end goal for a political leader was to be in a position to determine major government policies, they might then have to adopt office-seeking strategies to implement certain ideals and policies (de Swaan, 1973; Laver & Shepsle, 1996, p. 19).

Politicians might also act as if to reject office simply as a ruse to increase their electoral share. Parties usually maximised their own utility by choosing the best option available to them (Brechtel & Kaiser, 1999). However, Muller and Strøm (1999) argued that many politicians were motivated by ambitions other than self-interest. Politicians possessed not just office-seeking motives but also desired to achieve policy wins and may deliberately spurn office in order to achieve desired policy outcomes (de Swaan, 1973; Laver & Budge, 1992; Laver & Schofield, 1990; Strøm & Muller, 1999). At other times parties have resigned from a coalition government and rejected the perks of office over policy disputes with the major partner party. As such, politicians have to make hard decisions and their choices have depended upon the circumstances at the time (Muller & Strøm, 1999).

This chapter explores politicians' motives within the framework of a coalition's lifecycle. However, politicians operate within a complex political system, the attributes of which restrict their freedom of independent action. The make-up of their government and the constraints, imposed by any constitution and conventions as well as the party and parliamentary system, prevents autonomous action. These attributes with their inherent restraints and constraints form part of the discussion in this chapter.

Once formed, governments have the power to perform almost autonomously as long as they retained the confidence of the legislature (Laver & Shepsle, 1990, p. 887). They have the power to enact their policies often without fear of any major compromise or amendment. Therefore, the direction of a single-party majority government would normally be relatively easy to predict compared with that of a coalition. If no single party obtained an absolute majority in the legislature following an election or government defeat, then three likely outcomes were predictable: a minority government, a minimum winning coalition, or a surplus majority coalition (Crombez, 1996).⁷ Coalition governments have occurred between individuals (or groups) who had different objectives and often diverse policy goals, and so were often only temporary alliances between elections.

This examination of coalition theories ignores single-party majority governments. The concentration is on minority governments (coalition or single-party) or majority coalitions of two or more constituent political parties. An important body of research has centred on coalition governments in Western European democracies, where there has been a high incidence of proportional representation electoral systems and coalition governments since 1945.⁸ Although much of the literature reviewed in this study is based on Western European parliaments, the theories as outlined have some application to the case studies in New Zealand. However, the application has limitations. Each country possesses different traditions, constitutions and conventions. Importantly, the Western European studies have in the main drawn upon empirical data and have not included New Zealand. Therefore, the studies were useful in providing a framework rather than a rulebook for application to New Zealand. The relationship between the Western European studies and New Zealand is revisited in chapter 4.

Definition of Government

Governments in proportional democracies have formed from two or more political parties in coalition with changeable, varied and country specific formation processes. It is often obvious that governments have formed after scheduled elections and reformed

⁷ Definitions of these coalition concepts have been included in the Glossary.

⁸ There is an extensive body of work that can be drawn upon in these areas of Formation, (Austen-Smith & Banks, 1988, 1990; E. Browne & Frensdreis, 1980; Grofman & van Roozendaal, 1997; Laver & Shepsle, 1990, 1996; M. Taylor & Herman, 1971; Warwick, 1992b, 2000, 2001), Duration, (Boston et al., 2004; Dodd, 1976; Grofman & van Roozendaal, 1997; King et al., 1990; Warwick, 1994), and Termination (Hinsh & Ordeshook, 1970).

between elections. However, prime ministers have been replaced and ministers have been rotated during the course of a parliamentary term. Therefore, the question arises as to whether a new government is deemed to have formed upon a change of prime minister or coalition partner. These potential variations in government constructions require the determination of a precise definition of what determines a formal change of government.

An important change occurs in any government if there is a change in prime minister. Prime ministers are the most powerful members of any cabinet and a change in prime minister would often signal a change in policy emphasis or direction. However, even changes in individual ministers (as well as economic, social and international events) could refocus a government's policy direction. But changes in individual prime ministers fall into the definition of a change in government however other members of cabinet did not.

A new election would invariably change the balance of bargaining ability possessed by each political party. With political parties having different weightings in the bargaining system, any new coalition government would probably contain a cabinet whose composition differed from the previous cabinet. For the purposes of this thesis I adopted the following determinations of the events that constitute a new government. A government that is re-elected and returns to power has been deemed to be a new government (E. Browne et al., 1984; Grofman & van Roozendaal, 1997; King et al., 1990; Laver & Schofield, 1990; Warwick, 1992b). A coalition that lost any partner party or gained a new one i.e. a change in composition was also defined as constituting a new government (Laver & Schofield, 1990, p. 147). This definition proved adequate for this study and incorporated the most important government coalition changes.

Office-seeking Motives and Coalition Formation

Politicians have been accused of seeking public office solely for the perquisites that they provide. The coveted spoils included ministerial posts, government contracts, official positions, preferential treatment, patronage appointments and other payoffs or side-payments (Laver & Schofield, 1990; Muller & Strøm, 1999). While this important self-interest theme underlies many politicians' actions it has not been their only incentive. Many politicians sought public office so that they could gain a position from which they may exert influence. This section explores the theory of politicians seeking

office for its own sake and discusses the possible exceptions to the theories of self-interested ambitions.

Downs (1957) provided some important insights into the motives of politicians. He argued that the benefits desired most by politicians were “power, prestige and income” (Downs, 1957, p. 28). In Downs’ (1957) view, politicians would only develop policies to convince electors to vote for them so that the politicians could enjoy the spoils of office. These perquisites of office were considered a form of prize to be captured and divided amongst party members (Laver & Schofield, 1990, p. 40; Riker, 1975). Therefore, politicians would compete to win as large a vote as possible and so gain the most seats in parliament. This majority position would deliver the substantial, if not the total, share of the spoils of office.

Downs (1957) and Riker (1975) considered that the main objective of political parties was to win office and the way to that goal was to gain as many votes as possible. Therefore, the main incentive for parties forming coalitions, was to receive a share of the allocation of the resulting benefits. However, Riker (1975) also considered that that it was irrational for parties to chase surplus votes during the election campaign thereby wasting valuable resources.⁹ Parties only expended resources to win the minimum number of seats necessary to gain office. Valuable resources would be wasted on winning any extra seats than the minimum number required for a majority in the parliament. The more members or seats a party has the more offices and positions it could demand but, coalitions that comprised more members than the bare minimum required to form a majority meant that the spoils of office would be spread amongst surplus members and so more thinly. Competition was also fierce amongst members within parties for the perquisites. Some of the causes of intra-party disputes could be traced to factions competing for positions and this internal conflict was as strong as inter-party rivalry. Therefore, self-interested politicians sought to maximise votes only up to the size necessary for a minimum winning coalition and no more (Riker, 1975).

Following the election campaign, politicians also sought the minimum sized coalition necessary to gain or retain power. Riker (1975) described coalition formation as a

⁹ However, Hinich and Ordeshook (1988) considered that while Downs might have been confused between vote maximisation and plurality maximisation both strategies could be appropriate depending upon the circumstances. Candidates in single-member districts should maximise plurality while candidates in proportional representation systems (where there are many parties) should maximise votes.

process of self-interest and non-cooperation. "Politically rational man is the man who would rather win than lose, regardless of the particular stakes" (Riker, 1975 p. 22). Riker called this coalition formation process a zero-sum game, one in which there were always winners and losers. "In social situations similar to n-person, zero-sum games with side-payments, participants create coalitions just as large as they believe will ensure winning and no larger" (Riker, 1975, pp. 32-3). The politics of coalition was a process where political actors bargained with one another over the division of spoils and that the outcome was generally a product of wheeling and dealing (Laver & Schofield, 1990). Those politicians that formed a government won all the spoils of office and the ability to make public policy. Those who were unable to join the government missed out entirely.

Within a coalition it was expected that the trophies of office would be divided proportionally amongst the winning politicians' parties. Each party in a coalition would expect to get a share of ministerial and other posts that was proportional to the number of votes and hence seats won in the recent election (E. Browne & Franklin, 1973; Budge & Laver, 1986; Gamson, 1961; Laver & Schofield, 1990; Warwick, 2001). Gamson (1961) argued, "Any participant will expect others to demand from a coalition a share of the payoff proportional to the amount of resources which they contribute to a coalition" (p. 382). For example, a political party that contributed 40% of the votes to a coalition would expect 40% of the cabinet seats, office positions and resources that arose from the arrangement. Therefore, any participant would maximise their payoff by selecting the smallest necessary coalition that maximised their share.

Pay-offs, Portfolios and Policies

Membership of a government coalition was usually rewarded by policy influence through the allocation of cabinet portfolios. Politicians desired cabinet portfolios for two main reasons: the personal benefits attached to the office, and the control that it provided them over policy-making decisions. Only cabinet binds the government, therefore, the more portfolios that a party gained the more influence it had on government policy. The type of portfolio was also important as was the total number of posts held.

Members of the coalition negotiated to retain a measure of control over future policy decisions and to pursue a range of ambitions (Gamson, 1961). However, theorists have had difficulty in assessing the qualitative desirability of portfolios and their allocation (Laver & Schofield, 1990, p. 181-6). Politicians have valued certain portfolios differently owing to personal interest areas. Important cabinet portfolios could influence a party's potential electoral prospects and therefore its future size and resources (de Mesquita, 2001). Therefore, parties rated particular portfolios as more desirable than others because they held the key to advancing valued policy goals. In addition, smaller parties sometimes gained slightly more than their predicted percentage of cabinet seats and portfolios (Laver & Schofield, 1990, p. 172). Parties that received proportionally lower valued posts ('bonus' ministries') gained fewer of the important portfolios (E. Browne & Franklin, 1973, p. 468). Conversely, those parties that retained more of the higher valued portfolios gained fewer 'bonus' ministries.

While politicians themselves rated different portfolios as holding different status, there has been a general consensus on the status of the major portfolios. For example, the prime ministerial position is rated very highly and this status is usually closely followed by foreign affairs, finance and perhaps defence portfolios. Other large spending policy portfolios, for example health, education, welfare and business or development, have been rated towards the middle, while less important portfolios such as fisheries or sport could be rated as having lower status.

Parliamentary size seemed to have played a minor role in negotiations over the control of key portfolios (Carmignani, 2001). Sometimes smaller parties have been able to secure important portfolios and as a result affect the policy decision-making process in their favour. However, the numerical make-up of the coalition was usually important. The larger party has often had the upper hand in two-party coalitions. However, in three or more party groupings the largest party has not always determined the policy outcome (Morelli, 1999).

The incoming government's portfolio allocations could not be considered solely as the rewards of forming a coalition. The plausibility of the proposals alternative to those offered by the incumbent government has been central to the coalition bargaining process (Laver & Shepsle, 1990, p. 874). The overall credibility of the government also depended upon the results of negotiations between parties. This standing has depended

upon the actual allocation of cabinet portfolios. Cabinet ministers have been assigned particular portfolios along with the responsibility for the related policy development. The credibility of a government proposal depended upon the ideals and policies of the particular party nominated for the relevant portfolio (Laver & Shepsle, 1990, p. 876). Each minister works to move government policy closer to his or her own position (Laver & Shepsle, 1990, p. 874). Therefore, the policy promise of a party and government has been credible only if particular ministers received the relevant portfolios. For example, a party that had campaigned strongly on reducing hospital waiting lists during the previous election would be unable to deliver on its promises if it did not gain the health portfolio. Also, a government's credibility in securing trade liberalisation agreements would be damaged if a minister that had campaigned on a platform of increasing tariffs was appointed as Minister for Trade. In this way, the portfolio allocation process regulated the government's policy and contributed to the credibility of the coalition partners.

Policy changes are also achieved through the ministerial control of government departments. No single party could control all of the portfolios in a coalition (Warwick, 2000). However, the party that controlled the largest number of portfolios dominated the policy-making process. Any distribution of portfolios, no matter how proportional, could not guarantee that the coalition government's actual policy would develop as agreed between the partners. One reason is that not all government policy decisions are required to go before cabinet for joint approval. In many cases, minor but important policy decisions have been able to be made by the relevant minister. Such policies not requiring cabinet approval have allowed smaller parties to maximise policy gains in those areas. Further, in controlling the majority of portfolios the major party could move the policy point closer to its own ideal position on issues that were outside of the agreement (Warwick, 2000). This has been achieved by policy decisions taken within government departments without the requirement for them to go before cabinet. Junior coalition partners might be totally unaware of such departmental decisions. However, the largest, most dominant party would win any policy debates on major matters that required a vote in cabinet.

If the primary motives of politicians were the perks and baubles of office, as argued by Downs and Riker, then one would expect to see empirical evidence of this in the types

of coalitions formed. We should see more minimum-winning coalitions than either minority or majority surplus coalitions. Instead, researchers have found that minimum-winning coalitions have been less frequent and no more durable in post-1945, Western European democracies than other forms of government (Grofman & van Roozendaal, 1997; Volden & Carrubba, 2004; Warwick, 1998). Also, minority coalitions have proven to be more common in New Zealand since 1996 when proportional representation was introduced. Research on Western European parliaments (since 1945) showed that politicians are not entirely motivated by self-interest. In the same way that it would be naïve to believe that no politicians entered parliament for self-interest, it would also be ingenuous to think that politicians were only interested in policy issues. The two goals are not incompatible. In their empirical studies both Gamson (1961) and Warwick (2001) found that the resulting declared government policy closely reflected the calculated, weighted, mean position of the individual coalition parties' policy positions. This finding suggests that politicians, far from being solely self-interested, have been just as mindful of their policy goals.

Policy-Seeking Motives and Coalition Formation

“Parties formulate policies in order to win elections, rather than win elections in order to formulate policies.” (Downs, 1957, p. 28)

In contrast to the arguments of Downs (1957) and Riker (1975), empirical evidence has indicated that most politicians aim for policy wins as well as high office (de Swaan, 1973; Laver & Budge, 1992; Laver & Schofield, 1990; Strøm & Muller, 1999). Parties chose partners with policies similar to their own, attempting to minimise the government's policy range and so be in a better position to implement their own policy. In fact, policy positions might be expected to form the very basis of difference (as well as compatibility) between political parties. This desire for control of the policy agenda has led to the formation of three main types of coalition government: surplus majority, minimum-winning, and minority coalition (Laver & Shepsle, 1990). Unless voters provided a single party with a parliamentary majority then political outcomes were not so much the result of electors' choices than the often secret negotiations and bargaining processes of the parties involved (Laver & Schofield, 1990; Warwick, 2001). A party might also strengthen its bargaining position around the cabinet table if it had a strong showing at a recent election, but generally the portfolio distribution and policy payoffs

were allocated on a proportional basis according to the parties' results at the recent election (Gamson, 1961; Warwick, 2001). Electors would often allow for these potential coalition trade-offs when casting their votes.

Parties usually formed coalitions with others whose policy positions were reasonably compatible. If the policies were measured on a linear scale then compatible parties would be located closely together. This distance has been calculated as the degree of policy compatibility with another party. The policy distance calculated across several policies determined an overall compatibility and this effect determined a party's willingness to join or leave a coalition (Warwick, 2000, p. 38). Sometimes, parties declined to join a government because the proposed policy position was outside of its policy boundary position and it was unwilling to concede policy. Parties might also leave coalitions if a government's policy shifted beyond their horizon.

Parties could naturally form coalitions based on their position along unitary or multi-dimensional policy spaces. New Zealand, under FPP experienced bipolar governments that alternated between two main parties: National and Labour. This uni-dimensional party system was divided along economic based ideological lines. MMP was predicted to change from this left-right system alternating between two main parties to one that comprised two bipolar coalition alignments (Brechtel & Kaiser, 1999). The small parties were predicted to naturally line up alongside either of the two main parties along ideological grounds. This uni-dimensional cleavage was forecast to continue to occur along traditional left-right economic lines (Brechtel & Kaiser, 1999). Right leaning parties such as Act would line up with National and left leaning parties with Labour. However, in a multi-dimensional policy space, parties would align with others on an issue-by-issue basis depending on the similarity of their policy. A party such as the Greens might support National on some economic measures but vote with the Labour party on environmental policies.

It would be highly unusual for potential coalition parties to agree on all policy issues no matter how close they might find themselves on a theoretical ideological scale. If parties always agreed with one another then there was little reason for them to remain separate entities. If the policy distance was uni-dimensional then the effect would be illustrated by a sharp drop off in the chances of joining a government instead of a gradual decline. However, parties that violently disagree on a few issues might still manage to form a

coalition. If viewed three dimensionally, instead of uni-dimensionally, some areas of the parties' policies would intersect. On these occasions, a government's total policy package was assessed rather than the focus being on single issues. Multi-dimensional issue preferences appeared to be the determining factors for potential coalition membership rather than single issues (Laver & Shepsle, 1996). Parties might be willing to compromise on some issues but there comes a point where a party would not accept further compromises in order to join a government. This point is the 'policy horizon' (Warwick, 2000).¹⁰ This is because the multi-dimensional issue preferences are bounded by 'policy horizons'.

Policy horizons have been considered to be important because of parties' needs to please voters. The electors might punish parties for unpopular policies and conversely reward parties for popular programmes. If a party compromised heavily on policy then that party's supporters would feel that they had been betrayed. Therefore, parties would not usually consider joining a government whose policies were beyond their policy horizons as such an action could prove detrimental at the next election. Warwick (2000, p. 56) showed that a party tended to stay out of government unless the degree of policy compromise was small. If a main negotiating party became increasingly policy accommodating to a potential partner, that potential partner would be increasingly comforted that it was not likely to breach its own "policy horizon" and so become more office-seeking (Warwick, 2000).

Politicians often considered the implications of the potential policies of the forming government, and party leaders attempted to predict the policy direction one or other future partner party might take when in government (Laver & Budge, 1992). A judgment was then made as to the likely detrimental (or beneficial) electoral effects of being associated with such a government and policy direction. The policy dimensions inhabited by each party, as well as the institutional constraints of the particular political system, were all factors considered when contemplating the coalition outcome.

Policy ambitions provide an important incentive for coalition negotiators because parties make promises to the electorate during an election campaign and upon entering government become mindful of the next election. Often, the electorate will punish

¹⁰ This issue is explained later in this chapter. A definition of 'policy horizons' has been included in the Glossary.

parties that appear to be impotent over policy decisions (either in or out of government) or if they are perceived to break their electoral promises. Therefore, every party had an ideal policy position point. Policy bargaining during coalition negotiations occurred within desired policy parameters in attempts to minimise the policy distance between the party's ideal policy position and the final government policy position. Laver and Schofield (1990, p. 187) suggested that each party's policy payoff was inversely related to the distance between the party's and coalition government's predicted policy. This meant that the greater the policy difference between a particular party and the government policy then the lower the policy payoff received by that party. A party's desire to join a coalition reduced as the distance between the party's policies and the potential government's policies increased (Warwick, 1998). Actually determining these points of difference could be quite difficult in practice because of the lack of accurate and simple data on policy positions adopted by coalition cabinets (Laver & Schofield, 1990). As a result, government policy outputs were notoriously hard to monitor, and compare, to the final negotiated agreements (Laver & Schofield, 1990).

Governments, in unstable political systems, have formed in the centre where there were more intersections at their policy horizons. Warwick (2000) examined policy positions and left-right ideological positions and found that parties tended to confine their coalition participation to governments proposing policies that fell within "set distances of their own policy stances" (Warwick, 2000, p. 55). Coalitions comprised parties that were closer together on policy and ideology and at a distance from their rivals' policy horizons might also be expected to survive longer. Conversely, the chance of a party joining a coalition decreased, at a relatively smooth rate, as the distance increased between that party's policy point and that of the formateur party (Warwick, 2000). However, parties whose policy horizons encompassed the government's position almost always joined the government (Warwick, 2000, p. 56).

Parties joining coalitions expected to enjoy official positions and policy gains. However, parties were also concerned that being a member of coalition government might actually reduce their future electoral chances (Warwick, 2000). This situation was especially dire for junior parties in coalitions and there appeared to be a direct link between coalition formation and a party's 'eye' to the next election (Warwick, 2000). This detrimental effect was because of the burden of bearing government policy if the

policy was too far from a party's ideal point causing the weaker partner(s) of a coalition to face criticism from their own activists as well as the electors. The high cost of policy compromise could be calculated by the squared distance between a party's ideal point and the policy point of the government (Warwick, 2000). Although, all parties in a legislature were assumed to bear some cost of government policy, Warwick's empirical study showed that policy cost was normally only borne by government parties. In attempting to overcome this constraint, some governments have relaxed the concept of collective cabinet responsibility. Individual parties within a coalition might be allowed to take the credit for their policy initiatives but distance themselves from others (Muller & Strøm, 1999, p. 289). Two examples illustrate these points.

Some Examples

In the early 1980s, the German Free Democrat Party (FDP) had no problem communicating to the public its particular influence on government policy. The FDP has occupied a pivotal position in German politics and prevented large parties achieving unpopular overall majorities (Poguntke, 1999). The party has been able to moderate its respective coalition partner. In adopting this particular strategy the FDP has defined itself as mainly centrist and so had not developed a strong independent identity. In 1982, the Government faced increasing dissent over employment proposals, nuclear power and nuclear missile deployment in the Federal Republic. The FDP was then able to position itself as an opposition within government. The voters evaluated the performance of the FDP on its accomplishments in that role and in turn the FDP used this public understanding as a election strategy. When the coalition with the Social Democrat Party (SPD) became unworkable, the FDP defected and campaigned as part of a new coalition.

In contrast, the Irish Labour Party was completely bound by Cabinet collective responsibility and was unable to publicly differentiate between its own positions and the unpopular policies of its partner during the 1980s. Labour and the larger Fine Gael Party won a clear majority at the November 1982 Irish general election. The economic difficulties that brought down the previous government continued well into the coalition's term. Labour started to lose its independent identity, a problem suffered by many small parties that form an alliance with a much larger one. The Labour Party suffered from the "unpalatable choice between perpetual socialist opposition" (Marsh &

Mitchell, 1999, p. 48) and the loss of its identity within a coalition. The electorate began to consider a vote for Labour to be a vote for Fine Gael, and it was difficult to sustain the logic to vote for Labour. Fine Gael developed an increasing monetarist tone and Labour found it hard to retain support on the basis that it was moderating the excesses of a Fine Gael dominated Cabinet. The longer Labour remained in government the greater its electoral support dwindled. In 1987, Labour Ministers eventually resigned from Cabinet over proposed cuts to health, social welfare and education. This move provided the Party with a campaign platform at the subsequent election. This episode reflected the Labour Party's rejection of office in seeking electoral support.

Summary

Policy distance matters for government formation in two main ways: policy-compatible parties tend to want to join the government, and it affects the size of the government (Warwick, 1998). If parties are ideologically close to the formateur party then they have tended to want to join the coalition or support the government. If the latter occurs then coalitions are able to exist as minority governments. Governments located close to the centre are able to play the opposition parties against each other. However, it might be strategically desirable to include more parties than absolutely necessary inside a majority coalition.

Minimum Winning Coalitions

A viable coalition is one which is the best alternative to any other possible coalition composition. This form of coalition is considered to be in equilibrium. This equilibrium would be enhanced by the coalition being formed from parties that were closer in a policy and ideological sense than the other parties in the parliament. A potential coalition with the most compatible partners possessed the smallest ideological range within the same dimension. Axelrod (1970) predicted that parties preferred 'minimum connected winning coalitions' which were formed from parties that were similar in philosophy.¹¹ This 'connectedness' refers to the degree of ideological compatibility. A coalition is 'connected' if its members are ideologically adjacent (that is, minimum connected) in a linear sense. Coalitions also had to be minimum winning otherwise the coalition would no longer be considered as connected (Axelrod, 1970).

¹¹ For a definition of Minimum Connected Winning coalitions please refer to the Glossary.

Majority Coalitions

A surplus party (sometimes called dummy parties) is one that is extra to the bare minority required to form a coalition. They might be included in the coalition even though they might not be essential to the coalition formation and would draw on scarce resources (Back, 2003; Laver & Shepsle, 1990, p. 885; Warwick, 1998). These phenomena occurred for two main reasons. Majority coalitions provide governments with greater security than other forms of coalition (M. Taylor & Herman, 1971). A party could potentially leave the surplus majority coalition and the government would still be able to survive (Back, 2003; Volden & Carrubba, 2004). Therefore, a surplus majority coalition might form even though it provided fewer benefits for each political actor in the system. Policy-seeking politicians might anticipate that a majority coalition would be required to ensure the passage of particular legislation. In a majority coalition, a dissenting party could leave the coalition and vote against the policy. Yet the remaining coalition partners would retain sufficient parliamentary strength to ensure the legislation's passage. A further reason for inclusion might be a high level of public expectation that the surplus party would form part of the government. Therefore, the party was included otherwise the government might suffer a loss of credibility and therefore fewer votes at the next election. The cost of this safeguard was the sharing of cabinet portfolios and other perquisites of office with an additional party or parties.

Minority Government

Minority coalition governments could be considered to be more unstable than other forms of coalition. Governments formed of minority coalitions included fewer members of parliament than the parties outside the government including the formal opposition. Minority coalitions do not enjoy a majority in the legislature and opposition parties could bind together to defeat the government just for the sake of gaining office and sharing the prize. However, minority governments depend upon the support of parties not included in the formal coalition or cabinet and, rely on inherent deep schisms between the opposition parties for their formation and continuance (Laver & Budge, 1992; Warwick, 2001). The most obvious source of such divisions came from differing party policies. These rifts ensured that no viable majority opposition coalition could arise in the legislature that would support an alternative government's programme. The situation only occurred on occasions when the opposition parties valued their

independent policy positions over the temptations of office. Minority coalition governments have relied on this strategy for their continuing survival.

Once the office-seeking motives of politicians had been set aside and policy-seeking motives taken into account, minority governments became viable on the basis of developing policy acceptable to the majority of the legislature (Laver & Budge, 1992). 'Policy viability' can be described as follows, "The incumbent government is policy viable if its policy position is such that there is no alternative executive coalition that can put forward a credible policy position that is preferable to the incumbent government by a majority of legislators" (Laver & Budge, 1992, p. 6).

Minority governments are not as weak as their numerical strength might first indicate. Minority governments, especially those seen to be aligned to the political centre, had crucial positional institutional weapons that enabled them significant legislative control (Tsebelis, 1999). This was because a party at the centre of a political system could lean slightly one way or another to find support from different parts of the political spectrum for various items of legislation. The important result of this positioning was retaining the control of the government's agenda.

Some parties appeared content to stay out of government if institutional mechanisms, such as powerful select committees, were available allowing them to influence policy from the opposition (Back, 2003). Governments could enter into long-term agreements on a range of policy issues, in exchange for non-government party support on confidence and supply (Warwick, 2001). Governments might also negotiate policy concessions with supporting parties on an issue-by-issue basis to gain majority support for a particular Bill and may offer policy concessions to placate the concerns of opposition parties (Warwick, 2001). These situations have occurred when governments wished to publicly project a more consensual approach to policy-making or bind in the opposition parties to controversial legislation.

Policy Disputes

It has been difficult for parties to publicly disagree on policy once a coalition has been formed. The larger party retains a majority in cabinet and might overwhelm the junior partner on government policy. As the government term progresses it becomes increasingly difficult, if not impossible, for the junior coalition partner to substantially

alter policy. Even detailed coalition agreements could not foresee all the necessary policy positions that might confront a government and parties that dissent from government policy have few options available to them. These constraints have caused friction between partners in coalitions.

Dissenting parties from within the coalition might threaten to withdraw and expose the government to potential dismissal or an early election. However, the situation seldom occurred because if any partner, especially the junior partner in a coalition, refused to accept a particular policy proposal then the other partner in the government was free to gain support from other parties on the floor of parliament (Strøm, 2000; Tsebelis, 1995, 1999). Credible veto players must have both the opportunity and motive to exercise a veto (Strøm, 2000). Not all parties were in the position to seriously threaten a coalition and the threat to bring down a government could be enacted only once (Laver & Schofield, 1990). A surplus coalition could resist the pressures of a minor partner that was not essential to retaining majority support in the legislature. Similarly, a government might not be threatened by the larger partner if the availability of alternative potential coalition partners was uncertain. Therefore, there were strong incentives for all coalition partners to observe the niceties of consensus politics (Strøm, 2000).

The stability of a coalition often required tacit neutrality on matters that went beyond the government's immediate goals (Gamson, 1961). In fact, any minor party that precipitated an election ran the risk of losing votes. The National-NZ First coalition recognised that NZ First's policy on a compulsory superannuation scheme would create deep divisions within the government. Therefore the two parties agreed that ministers could take sides on the debate. But, the emotion stirred up during the debate contributed increased tensions within the government. The coalition eventually dissolved over differences of opinion over another policy, the sale of Wellington Airport. The Labour-Alliance coalition of 1999-2002 addressed the potential problem of differentiation over policies by amending the concept of Cabinet collective responsibility. The amendments allowed for a process where one party of a coalition was able to disagree with the government position. Government parties, especially smaller partners have developed mechanisms such as Cabinet collectivity and coalition agreements (addressed later in this chapter) to maintain policy agreements made during negotiations for the life of a

government and to avoid disputes escalating to the point that the coalition might fail. This issue is dealt with in greater detail in Chapter 8.

On occasion, governments might also be forced to turn to the opposition for support. The vote on the Report of the New Zealand Foreign Affairs and Trade Committee on the Agreement between New Zealand and Singapore on a Closer Economic Partnership was a good example of this type of strategy. The Government's junior coalition partner, the Alliance, and its usual supporting party, the Greens both voted against the agreement. The senior Government partner party, the Labour Party, was able to pass the report in the House with the support of the major opposition party, National (and the United Party) (*New Zealand Parliamentary Debates (NZPD)*, 2000b, p. 6357). With the support of the two largest parties in the House, the Report not only passed but it obtained a closer appearance of consensus than if the passage was with only the Government parties' support.

The underlying assumption of representative parliamentary democracy theory was that government policy was in some sense related to the popular elected membership of the government. Elected members of a government carried out their election promises by making a difference to government policy and parties in a coalition have used their control of a policy portfolio to influence government policy in a desired direction (Austen-Smith & Banks, 1990; Laver & Shepsle, 1990, 1996).¹² However, prospective partners to any coalition had to agree to joint policies before they were able to take office. This reduced the possibility that any party would be able to implement all the policies of its election programme (Laver & Budge, 1992). Members of the coalition might disagree on certain policies or values. On these occasions the alliances might be based on the pursuit of power itself with an understanding that some contentious policy decisions were best left undecided. There would be a danger that after negotiations had been finalised the contentious issues could be readdressed by a cabinet in which the smaller partner was out-voted.

Policy seeking parties sought to "maximise ... impact on public policy" (Muller & Strøm, 1999, p. 7) and are motivated less by the material rewards of office. Those parties sought to minimise the policy range between themselves and their potential

¹² Although Austen-Smith and Banks (1988) in earlier research had treated portfolios as a form of payoff currency, they later treated portfolio allocation less as currency but as an important and direct link to changing government policy.

coalition partners. Coalitions with parties that had vastly different policies required greater compromise from parties than they might tolerate. Coalitions consisting of parties spatially adjacent or connected were considered to be more successful than those that were further apart (Muller & Strøm, 1999).

Vote-seeking Motives

The value of a vote lay in its use as a form of currency to obtain either office or policy objectives or both. Vote-seeking is considered to be instrumental because votes themselves do not possess any intrinsic value (Downs, 1957, p. 28; Strøm & Muller, 1999). Politicians needed to maximise votes to achieve their goals. The more votes that a party won the more negotiating power it possessed and the more chance it had of forming a coalition. Therefore, politicians would have to consider the impact of any pre-election signalling on their potential vote.

Downs (1957) argued that parties only campaigned in order to win positions in the government. The votes gained were used instrumentally to achieve office. Downs (1957) also dismissed politicians' policy centred motives and he considered that policies were only campaign tools designed to win elections and gain office. The more votes that a party won, the more bargaining power it acquired when forming a coalition. The more members or seats a party had the more positions it could demand. However, Riker (1975) considered that a party only sought enough votes to cross an electoral threshold. Any extra resources, expended on gaining more votes than required to gain an absolute majority, yielded diminishing marginal returns.

Democracy depends upon effective delegation from voters to parliament and this political recognition of public opinion has been a critical feature of democracy (Lupia & Strøm, 1995). Government parties possess a substantial amount of agenda control which enabled the government members to provide for their constituents (Baron, 1998). Political ambition for continued agenda control provides an incentive to remain in the government. This loop influences coalition formation and as a result, politicians' actions. Two overlapping games have been observed simultaneously occurring in parliamentary bargaining: one based on the results of the last election, and the second was in anticipation of the next election (Lupia & Strøm, 1995). The first game became prominent immediately after the previous election and then receded in favour of the second goal as the forthcoming election approached.

One might expect to see such levels of self-interest prevail in coalition negotiations. But parties are not usually motivated by only a single goal at any one time (Strøm & Muller, 1999). The pursuit of office might compromise policy goals. Single-minded policy objectives might hinder a party's ability to form a coalition and some policy areas might conflict with a party's office pursuits during an election. Highly volatile elections encourage vote-seeking behaviour perhaps to the point of sacrificing or hiding unpopular policies. Popular policies would attract an increased electoral share which could lead to public office and the deliverance of the party's policies. Conversely, party leaders might dilute some of their more extreme policies to attract coalition partners more easily.

The less competitive or volatile the election the more politicians and parties focus on retaining specific policy areas that are cherished by activists. Parties seen on the extreme of a uni-dimensional policy line would find that their hard core activists preferred to stay out of government, rather than compromise policy positions. As a result, those same hard-line policies could prove to be unattractive to the general public and so the party might attract fewer electoral votes. Further, parties entering government might have to make unpopular decisions that would cost that party votes at the next election forcing parties and their leaders to continually balance the goals of policy, office and electoral votes in their decision-making.

The level of public financing of political parties has also influenced political leaders' relationship with party activists. Party leaders need activists for voluntary labour. In countries where there is a low level of public funding, parties rely on members and supporters to deliver leaflets, erect signs, door knock and generally campaign. As a result, party leaders are more mindful of their members' concerns and policy desires. If a country had a high level of public financing for campaign activities such as, printing, advertising and message delivery costs, then party leaders would be less inclined to rely on the volunteer work of the party's membership. In these situations a politician would be less policy focused and concentrate more on increasing the vote share to obtain office (Muller & Strøm, 1999).

The 1996 election period provided an example of several parties pursuing different goals. NZ First's position as the third largest party provided it with immense leverage after the 1996 general election. It was the only party to be able to form a coalition with

either National without the requirement of a third party to provide a majority. NZ First's actions after the 1996 election indicated that the party had changed its goals. Before the election, NZ First had exhibited clear vote seeking motives. NZ First refused to clearly state its preferred coalition partner. The public was confused and so NZ First attracted votes from both Labour-leaning and National-leaning supporters. Both groups believed that NZ First was going to join with their preferred party. After the election, NZ First was the partner of choice for both National and Labour. Although NZ First members extracted a high proportion of ministerial positions out of the negotiations the party's focus was on policy wins. The coalition agreement with National and the discussions with Labour indicated strong policy-centred goals. At the same time, National was prepared to sacrifice policy to regain the Treasury benches. The 1996 formation process was a clear indication of parties pursuing different goals at various times and NZ First changing goals once one set had been met. NZ First was motivated by winning votes during the election campaign and subsequently focused primarily on policy wins once its appetite for office had been sated.

Summary

Vote-seeking is instrumental because votes themselves do not possess any intrinsic value (Downs, 1957, p. 28; Strøm & Muller, 1999). The value of a vote lay in its use as a form of currency to obtain either office or policy objectives or both and the more votes that a party has won the more negotiating power it possessed. So, politicians need to maximise votes to achieve their goals. However, the primary objectives of politicians have not always been clear. Downs (1957, p. 30) considered that politicians were primarily office-seekers and policy positions were developed as tools to increase their share of the votes and win elections. But, the large number of minority coalitions that have formed indicates that policy-seeking is considered just as important as office, sometimes more so. Often different parties to an arrangement had different motives for forming the coalition. In the case of National in 1996, it was office-seeking yet NZ First was motivated by policy wins. NZ First considered that delivering important policy to its supporters would negate the adverse effects of the party forming an unpopular coalition. In effect, NZ First's policy-seeking was also a strategy to seek votes in the next election. In a similar manner, the FDP in Germany relinquished office as it was seen to restrict the party's ability to make policy.

If politicians were to be influential in policy decision-making they needed to gain office which would in turn assist them to win votes. Politicians gain profile while they are in office but this very public recognition makes it easier for the public to allocate blame for unpopular government decisions. As the scheduled time for elections nears parties might consider their office or policy objectives as less important. A party that was mindful that its time in government had lost them electorate support might decide to give up the office and leave the coalition. Likewise, a party might consider that any potential extra policy that it might win, if it remained in government in the short time to the election, would not be worth the risk of losing further electorate support causing the party's focus to change to vote-seeking activities (Downs, 1957; Muller & Strøm, 1999).

Chapter 3: Coalition Restraints, Constraints and Attributes

“Coalition politics is one of constraints, in which it is quite definitely not the case that everything is possible.” (Strøm, Budge, & Laver, 1994, p. 307).

This section discusses the various structural factors that affect coalitions. Politicians’ motives, especially when applied to government formation, cannot be considered in isolation from institutional influences (Strøm et al., 1994). In theory all coalition composition options are available to politicians, but in the real world party leaders do not freely barter for government partners. Coalition formation is usually a numbers game and the most obvious restriction upon party leaders is the size of their party following an election. No matter what the desires of the politicians, a party that lacked electoral strength might not be considered a viable coalition partner.

Politicians might like to make all the decisions themselves according to their short or long-term goals. However, politicians’ ambitions and choices are constrained by a number of conventions, rules and boundaries (Seyd, 2002).

Coalition Attributes and Government Duration

One of the criticisms levelled at coalition governments was that they were unstable and lead to early dissolutions. In a study of twelve Western European countries by Laver and Schofield (1990), the variations of cabinet stability within individual countries revealed little relationship between the sizes of coalitions and cabinet stability. They argued that there were indications that additional factors particular, to each country, affected cabinet stability. In addition to the numerical features of a coalition, these special features had to be considered to gain a meaningful interpretation of coalition politics (Laver & Schofield, 1990, p. 197).

Those constraints on coalition bargaining are the restrictions on the set of feasible cabinet coalitions that are beyond the short-term control of the actors (Strøm et al., 1994). Negotiating parties face a number of constraints and one of the most restrictive

has been the group of institutional structures including electoral systems, constitutions and legislation (Back, 2003; Strøm et al., 1994). Country specific institutional structures often influenced different coalition outcomes for each nation. Such formal rules are often specific and sometimes legally binding. But, formal constraints are not the only hindrance to politicians' goals as any options are reduced by historic decisions.

Government formation processes have been subject to a range of informal and often traditional rules; conventions that are often less specific and perhaps not legally enforceable. These informal rules include cabinet conventions such as those concerning the actions of caretaker governments as well as policy and public promises and agreements. Cabinets have been known to amend cabinet rules and operating manuals. Therefore, the main sanctions for breaching informal rules are political rather than legal. These or similar institutional features constrained the way coalitions formed and how governments acted during their term.

A number of factors influenced how long a coalition would last after it had been formed. Every coalition government was comprised a number of inherent structural characteristics or attributes. In order to understand what it has taken for a cabinet to survive it has been important to understand how it was formed, what attributes it possessed, and the types of circumstances that could force it to be replaced (events) (King et al., 1990; Laver & Shepsle, 1998). The institutional features of a political system shape its government structures. Although the specific attributes of a cabinet have not directly determined its stability they have influenced a cabinet's ability to withstand critical events (E. Browne, Frendreis, & Gleiber, 1986; King et al., 1990). The structures of a coalition government provide a starting point to assess inherent cohesiveness or durability (E. Browne et al., 1986; Strøm, Browne, Frendreis, & Gleiber, 1988; Warwick, 1992b, 1994).

Coalition government attributes could be divided into three main areas: cabinet attributes, the convention and rules of government formation and dissolution, and the party system (Boston et al., 2004; Grofman & van Roozendaal, 1997; King et al., 1990; Warwick, 1994). These attributes are important factors impacting upon the formation, duration and termination of governments.

Cabinet Attributes ¹³

Members and Status of Coalition

A coalition's components or attributes are indicators of a government's strengths and hence its durability. Internal and external shocks and crises that affected a government's stability are potential risks for early coalition failure. The inherent structure of a coalition contributes to its ability to with-stand such critical events. Therefore, an understanding of a coalition's attributes assists in the analysis of a government's durability. Politicians often adopt strategies in response to events and at some stage might have considered terminating a coalition arrangement earlier than constitutionally or legally required (Austen-Smith & Banks, 1988; Baron, 1991; Boston et al., 2004; Dodd, 1976; Laver & Shepsle, 1990; Lupia & Strøm, 1995; Riker, 1975). Observations of the strategic interaction between, and possibly within parties, provide an additional window on coalition dynamics.

Coalition partners need to work together to ensure the smooth implementation of government policies. The various personalities of the political actors within a coalition affect the relationships within a government and it is more likely that dissension would occur between two formal coalition partners than within a single party in government. Such tension increases if the government is a minority government and has to win legislative support from parties formally outside of the coalition (Boston et al., 2004). This increasing strain often occurred if the senior coalition partner complied with a policy-amendment request from a supporting party, in order to pass the legislation, when the formal junior coalition partner had already opposed the same policy change. A similar conflict would develop if the senior partner refused to agree to a legislative amendment proposed by the junior partner and yet, in order to secure the Bill's passage, later agreed to the same change from a party outside of the coalition. Similar inter-party tension could also increase if the coalition was a surplus majority coalition that included more than two partners. The original basis of a coalition arrangement has usually been formalised in a coalition agreement. However, even these written understandings have failed to predict all the necessary policy decisions and crises that beset governments.

¹³ A more detailed discussion of New Zealand's various institutional constraints can be found in McGee (2005) and Joseph (2001).

Therefore, coalition agreements could not be relied upon to fully negate all the anticipated difficulties of coalition governments.

Coalition Agreements

The bargaining power of a small coalition party is severely reduced once the coalition negotiations have been completed primarily because every vote in cabinet (except perhaps that of the prime minister, who can set the agenda) is treated equally. A small partner, possessing fewer votes in cabinet, would always lose if cabinet decisions were subject to a formal vote. Therefore, parties usually relied upon goodwill and the debating skills of its senior ministers around the cabinet table. However, parties negotiate formal (but not legally binding) coalition agreements to provide a framework of agreement on policy direction and coalition processes. As a result, agreements have also been designed to constrain the incoming cabinet from deviating government policy and direction from the negotiated agreements (Saalfeld, 2000). These coalition agreements also serve to reduce the reliance on other informal means of brokering deals on every issue during the life of a government.

Coalition agreements have served as both inter-party and intra-party commitment and information devices (Strøm & Muller, 2000). Any opportunistic and disputed changes would require public explanations coupled with any accompanied electoral cost. The agreements also signalled planned policy programmes to the parties' members and supporters. Supporters have been able to gauge the level of compromise and progress made on their party's policies. Therefore, protracted coalition bargaining might not be tedious negotiations between parties but more a show to impress a party's supporters (Laver & Schofield, 1990). As such, a long bargaining process might reflect difficult intra-party discussions rather than inter-party negotiations. However, a long period of coalition negotiation has been usually indicative of a complex bargaining environment and conflicting policy positions which later could lead to inter-party conflict (Grofman & van Roozendaal, 1994; King et al., 1990; Laver & Schofield, 1990).

Coalition agreements have usually included both policy and process issues. But, usually coalition agreements tended to emphasise one of two main aspects: policy or procedures. Policy focused agreements have focused mainly on policy directions and have been quite specific in certain areas. Policy based agreements were common in

most post-1945 Western European countries, but Austria, and to some extent Portugal and Denmark, devoted a considerable amount of detail to procedural issues (Saalfeld, 2000). In New Zealand, the National-NZ First coalition agreement signed in 1996 was heavily policy based but the Labour-Alliance agreement of 1999 was mainly process based. Agreements on procedure have served as the coalitions 'constitution' and often concentrated on the process of decision-making and conflict resolution. Coalition agreements also acted as 'road maps' to coalition partners through the term in office, assisting direction in decision-making. However, not all eventualities could be predicted in an agreement that was drafted at the beginning of a government's term of office. These unforeseen events and crises have contributed to coalition disagreements and this aspect is explored later in this chapter.

Ideological Connectedness

Governments have been observed to better withstand crises if they were ideologically connected (Laver & Schofield, 1990). An ideologically connected coalition was one that had more in common than any other feasible government formation. Therefore, ideologically compact coalitions were more easily able to form because they were more easily able to reach agreement on policies. They also anticipated that they were more likely to withstand the strains imposed upon those governments that needed to take unanticipated and difficult policy decisions.

Parties possessed ideal policy points and policy horizons and government membership was usually delimited by party-specific horizons or thresholds (Warwick, 2000). The ideal point has been described as the policy position most desired by a party or the very best policy outcome desired by the party (Warwick, 2000). However, policy compromise is usually the price parties paid to join coalition governments. As we have seen earlier in this chapter, most politicians and parties were only willing to sacrifice a certain amount of policy. At a certain point, parties stopped compromising and preferred to go into opposition (Warwick, 2000). A party's policy horizon is the maximum point at which it was willing to compromise policy.

Party positions can be compared to the policy position of the government by means of the squared distance between the party's policy stance (ideal point) and the policy position of the government (Warwick, 2000). The tendency for a party to join a

government reduces relatively consistently as the policy distance between its ideal point and that of the main government party (formateur) increased. However, if parties' policy horizons were broad then policy considerations became less important. On these occasions, other factors such as public office assumed greater significance for politicians. This was because parties gained marginal policy difference from joining alternative coalition arrangements.

A coalition that was in equilibrium, was minimum connected, and had little conflict of interest. There would be widespread agreement, between potential coalition partners, on the government's ideological thrust and the resulting policies. The coalition agreement would have required little compromise by partners who had been able to readily agree to a common policy platform. Therefore, the coalition was more likely to form and importantly to survive (Axelrod, 1970; de Swaan, 1973; M. Taylor & Herman, 1971; Warwick, 2000). This was because parties' policy thresholds overlapped each other and alternative coalition arrangements could not offer any better policy position to either party.

Cabinet Formation Process

An incumbent party was usually well placed to control the coalition formation process. Their strength can be attributed to two main reasons: governing parties were usually well resourced compared to non-government parties and, by their very situation occupied a pivotal negotiating position (Back, 2003). Incumbents often attempted to minimise their potential government's policy range and so be better able to implement the main party's policy. Therefore, such incumbent pivotal parties might attempt to choose coalition partners that possessed similar policies to their own.

As mentioned earlier, smaller parties negotiating strength was greatest prior to the signing of a coalition agreement. However, it was in the interests of all parties (to the coalition) to try and make the relationship work. A long negotiating period might indicate that a large amount of time, energy and even money had been invested in the coalition relationship and any dissolution or non-agreement would see this resource wasted (Strøm et al., 1988). Any new government would incur a similar high cost of reforming and there was little guarantee of achieving an increase in policy wins.

The Investiture vote

By international standards, New Zealand has a very permissive process of government formation (Boston, 2006). One institutional constraint in some countries, is the requirement or otherwise of incoming governments to survive an investiture vote of confidence. This vote creates a higher barrier for minority governments than exists in those states that do not require one. Similarly, the involvement of a formateur in government formation reduces the power of party leaders when deciding upon their preferred options. Boston (2006) identified four different categories of investiture votes based upon positive and negative formation rules: positive investiture by absolute majority, positive investiture by relative majority, survival of an investiture vote unless there was an absolute majority opposed to the government, and states where an investiture vote was not required. For example, investiture rules in Greece, Ireland and Italy require any incoming government to gain a relative majority approval from the legislature prior to taking office. Absolute majority support is required in the investiture vote of any incoming German and Spanish governments. Such an investiture vote is not required in Austria, Denmark, Finland and Norway or in many Westminster based democracies.

Governments in most Westminster based democracies could remain in office until defeated by a vote of no-confidence. Where the positive investiture vote implied that governments were endorsed by a majority, the negative investiture implied that the government was tolerated or preferred to any other option by a majority of the parties in the legislature. This position has become more common in New Zealand. Minority coalition governments since 1999 have enjoyed the support of parties such as the Greens, United and NZ First. These parties have seemingly preferred the minority government available over the option offered by other opposition parties but not all of the supporting parties have continuously or unconditionally provided confidence and supply. Further information on the confidence votes for incoming governments, as applicable to New Zealand, can be found in McGee (2005).

Party System

Influence of Parties and Electoral Systems

Many Western European (post-1945) constitutions fail to mention parties at all resulting in an aura of vagueness around the role of political parties in those democracies (Muller, 2000). However, most post-1945 Western European democracies have used political parties instrumentally to try and overcome the disadvantages of delegation and accountability. Strøm and Muller (1999) observed a number of important roles for parties. When in government, parties organised policy-making, acted as mechanisms through which voters could have their voices heard, and acted as gatekeepers for the recruitment of political personnel. As a result, political parties have become increasingly regarded as the primary institutional tools of liaison between society and government, essential for practising democracy in the modern state (Klingermann, Hofferbert, & Budge, 1994; Muller, 2000).

The type of electoral system is an important consideration when assessing the constraints and attributes of coalitions. However, this study focuses on proportional systems only and parliamentary proportional systems in particular. Electoral systems are important as they are the first stage of converting votes into the benefits of office. A responsive (proportional) electoral system, such as MMP, “provides incentives for politicians to pursue votes” (Muller & Strøm, 1999, p. 287). The more unpredictable the system in converting votes to seats the less party leaders focus on chasing votes.

Public membership of political parties appears to have declined in recent years. Party activity and party worth had been declining, in the Western European countries studied by Strøm and Muller (1999), and was therefore viewed as less important. Nevertheless, in the face of declining loyalties parties are still critical to democratic processes. Although governments implement policies, they are party developed policies. This link gains greater importance under a coalition government that is required to merge constituent parties’ ideologies, policies and philosophies. As such, parties gained their expected utility from satisfying a number of objectives, rather than focusing on single goals (Back, 2003).

Political parties are seen as the most important of political institutions because of the value they provide to political actors (Strøm & Muller, 1999). Political parties recruit

politicians and all political and government leaders are elected on a party slate of some form. Democracy is the process by which voters delegate decision-making power to representatives and parties provide the main organisational process to facilitate that delegation (Strøm & Muller, 1999). Muller (2000) argued that political parties were essential for ensuring the democratic accountability of MPs and therefore reducing the problems of MPs voting contrary to their election manifestos (a moral hazard). Party discipline over individual MPs strengthened the ability of voters to influence policy making.

The influence of parties over their respective members reduced after they gained government. As a result the party's role in the delegation process between voter and individual ministers becomes unclear. Members often consider that their position is one of being a government minister or parliamentarian rather than a party member. Further, some constitutions prohibit the interference of MPs and ministers from outside agencies which could include political parties. Therefore, the party's control over an individual MP resides in the political repercussions of the party selection or other processes. A further reason for the lack of clarity in the delegation process between the electors and individual government members lies in the very nature of the individual's position. The party and individual members might lose their particular identity as the term progresses. One reason for this is that voters increasingly viewed the government as the nation's government rather than as a party based government (Strøm & Muller, 1999). Therefore, governments become seen as representing all the people of a country rather than as solely a construct of a particular political party. This broad view was likely to be reinforced by individual ministers gaining high profiles as government ministers, rather than party members. While opposition members gain profile for their parties, government members often gain coverage for the government. As a result the particular identity of the government parties become increasingly indistinct. This loss of identity has been particularly noticed with smaller partners in a coalition. However, the large party might be targeted by the opposition, as a party rather than a government, as the election approaches. The main opposition party could adopt the strategy of blaming unpopular government decisions on the larger government party in an attempt to win voter support from them as their main opponent.

While the relationship between government parties and their members was unclear, the role of parties in the delegation between ministers and officials was usually quite certain. David McGee¹⁴ considered that it was the adoption of the MMP electoral system that triggered the formal recognition of party government in Parliament's Standing Orders. Since 1996 most parliamentary votes have been taken as 'party' rather than individual votes.

Although parties are important aspects of the political system and the broad democratic process, it was the party system characteristics that impacted most on coalition governments. Four main party system characteristics influenced the complexity of coalition formation negotiations: fractionalisation, polarisation, electoral volatility, and party responsiveness (to the electorate).

Fractionalisation

The degree of fractionalisation impacts upon a cabinet's durability (Dodd, 1976; Grofman & van Roozendaal, 1997; Lijphart, 1984; M. Taylor & Herman, 1971). A legislature can be described as highly fractionalised if it comprises a large number of small parties. Therefore, the more parties the greater the variety of potential coalition arrangements and, the larger the number of potential options, the more complex the bargaining environment. Grofman and van Roozendaal (1997) considered that highly fractionalised coalitions were less durable governments. Conversely, the more fractionalised and polarised the opposition then the more durable the coalition (Laver & Schofield, 1990, pp. 150-1). Minimum-winning coalitions have been deemed more durable than minority coalitions because the opposition was able to 'gang-up' against a minority government. However, minority coalitions prove durable if the opposition was highly polarised and so unable to agree on issues or able to work together.

Polarisation

Polarisation is a similar concept to fractionalisation. Where fractionalisation refers to the number of parties in a legislature, polarisation refers to the number of ideological or policy divisions. A society that is deeply divided on more than one issue dimension might produce a polarised parliament. This would be illustrated by a large number of

¹⁴Clerk of the House, David McGee QC, was interviewed for this research on the 6th April 2005. Unless otherwise referenced, all quotes or comments attributed to McGee arose from this interview. Refer Appendix A: List of Interviewees.

parties spread along an ideological continuum and the degree of public support enjoyed by extremist or anti-system parties could be used as a measure of polarisation (Boston et al., 2004). Polarisation is usually negatively correlated with cabinet duration (Grofman & van Roozendaal, 1997; King et al., 1990; Warwick, 1992a).¹⁵ Less fractionalised and less polarised party systems provide more conducive, simplified bargaining environments (Laver & Schofield, 1990). Being more stable, fewer opportunities existed for power upsets caused by fluctuations in the coalition's equilibrium.

A party's position along the policy space has an effect on its opportunities with parties at the extremes of a policy or ideological continuum and its likelihood of attaining its goals (Muller & Strøm, 1999). Conversely, pivotal parties enjoyed enhanced opportunities to maximise both their office and their policy goals (Muller & Strøm, 1999). For example, between 1949 and 1998 the centrist German Free Democrats (FDP) was only excluded from government twice. The FDP has occupied a pivotal position in the party system for much of the Federal Republic's history and it was always able to claim a greater portfolio share than its electoral strength would indicate (Poguntke, 1999). As the party's internal ideologies shifted, the party resigned from government and selected an alternative coalition partner.

Electoral Volatility and Party Responsiveness

Vote-seeking behaviour has been most often observed around election time. Parties have been more likely to indulge in trying to raise their share of the votes the closer a scheduled election date nears and during the election campaign itself. Smaller coalition partners usually had a greater incentive to terminate coalition arrangements in volatile electorates (Grofman & van Roozendaal, 1997). This might be because they were more vulnerable to adverse public reaction to the government's policies (Warwick, 2000, 2001). On the other hand, larger parties were more willing to risk having to seek new partners and reach alternative coalition or support arrangements. Such behaviour has been a direct cause of government terminations and this next section discusses vote-seeking behaviour in terms of government dissolution.

¹⁵ The term anti-system party is still one of the most used to describe a party or group that exerts a radical form of opposition. For the purposes of this study I have used Giovanni Capocchia's (2002, p. 12-13) 'positive' definition of the 'anti-system party' as a party seeking a standard of perfection derived from its commitment to an imaginary rather than real civil society. Israel's 'New Force' Party was discussed in this article as an example of an anti-system party.

Terminations

Early coalition failure affects government policy. Most governments have faced serious political events, such as scandal, wars and economic shocks, but not all of them have proved critical in themselves causing the coalition to collapse. It was the political actors' reaction to those events that was critical if the politicians' turned difficult political events into crises (Lupia & Strøm, 1995). However, simply linking government dissolution to extraneous events does not fully explain all circumstances (Strøm et al., 1988). Politicians might take the opportunity of a crisis to pursue selfish motives. For example, a party that had been languishing in the polls might dissolve the government in the pursuit of electoral goals. But, there are additional factors involved. The attributes of a government help determine its susceptibility to crises with different governments more susceptible to particular categories of shock than others (Laver & Shepsle, 1998). Both those factors (of categories of shock and government attributes) have influenced politicians' decision-making (King et al., 1990).

Termination theories neatly divide into three main arguments: coalition attributes, (Laver & Schofield, 1990; Lijphart, 1984; Powell, 1982; Warwick, 1979) events-based causes (E. Browne et al., 1986; E. Browne et al., 1984), and a unified approach of both the attributes and events-based theories (Dodd, 1984; King et al., 1990; Laver & Shepsle, 1998; Warwick, 1994). Government's attributes (as previously outlined in this chapter) and critical events are discussed in the context of political motivations and their effects on government durability.

Attributes and Events

In terms of politics, it was not so important which governments would form but which ones actually lasted long enough to be able to implement their policies (Warwick, 1979). The structural attributes of a government were considered to provide "a baseline of inherent cohesiveness" (Strøm et al., 1988, p. 931) for durability and the degree of risk for a government's early termination has been explained as being dependent upon the cabinet's inherent structural attributes (Grofman & van Roozendaal, 1997; Warwick, 1979, 1992b). These attributes might be the type of political system, allocation of ministerial posts, the level of fragmentation or the status of the cabinet, other institutional features as well as the ease of use of confidence (and no-confidence) motions (Baron, 1998). Another consideration is the length of time that a government

had enjoyed power. A cabinet's duration can be measured in days, weeks, months or years and is the historical tenure associated with its time in government. Many theorists have found a close fit between a cabinet's longevity and its durability (E. Browne et al., 1986). In particular, coalitions which take longer to form after an election indicated a complex bargaining system and an increased probability of early failure (King et al., 1990).

Browne, Frensdreis, and Gleiber (1986) dismissed the concept that cabinets which were most likely to form were also more likely to endure and considered the relationship between a government's attributes and its durability was statistically and causally weak. They expanded the theory, included the idea of a random critical event, unrelated to the formation process and found that it was the specific cabinet attributes that allowed governments to withstand critical events rather than the attributes themselves being the determinants of durability (E. Browne et al., 1986). The stronger the coalition then the better able it was to withstand shocks that might otherwise cause its collapse.

Events based theories also failed to take into account the reality that certain types of cabinets possessed an inherent stability while others were unstable (King et al., 1990). Research based on a large number of Western European multi-party governments showed that terminations often arose from a series of critical events rather than a single isolated crisis (Grofman & van Roozendaal, 1997). A stochastic, specifically a Poisson process, model of coalition dissolution was offered to predict the events (E. Browne et al., 1986; E. Browne et al., 1984; Cioffi-Revilla, 1984). However, it has proved difficult to predict the exact point at which a coalition might fail because the precise events that led to its dissolution were usually unanticipated and often considered unimportant at the time (E. Browne et al., 1986; E. Browne et al., 1984). Such crises included scandals, deaths of a prime minister, economic predicaments, and coalition disagreements. They had been difficult to define and measure and so each event was treated as a random variable. In addition, the extent of the vulnerability of a cabinet to unexpected events depended upon the exact nature and timing of the shocks (Laver & Shepsle, 1998). Some events had led to particular cabinets to fail and yet others survived similar problems (Grofman & van Roozendaal, 1994; Grofman & van Roozendaal, 1997).

A 'hazards approach' theory combined the insights attempting to settle the dispute between the events approach advocates (E. Browne & Frensdreis, 1980; Cioffi-Revilla,

1984) and the advocates of the structural attributes approach (Strøm et al., 1988; Warwick, 1992b, 1994). King, Alt, Burns and Laver (1990) considered that the rational choice theorists had not fully developed a micro-political theory of cabinet durability. They developed a prediction model that included two parts: relevant information, and a stochastic model.

The first part of King, Alt, Burns and Laver's (1990) theory incorporated all the known items of relevant information about the new government. These included the attributes of the political system, party system, particular cabinet and features of its formation process that might impact on its stability. The second part, a stochastic model, measured confidence in the prediction and was designed to account for any missing information. They also used duration counts rather than event counts in their modelling. In addition, the modelling included any limitations imposed upon government duration by constitutionally required inter-election periods.

King, Alt, Burns and Laver (1990) found that the attributes of a political system varied from country to country. The inherent coalition structures exacerbated or dissipated the impact of critical events or external shocks that occurred during the life of a government (Dodd, 1984, p. 156-7; King et al., 1990). The coalition structures had some impact on determining the stability of a coalition government, how it formed, how it developed policy and how it was able to withstand adverse crises or shocks. But factors, other than just attributes, contributed to a coalition's durability.

A government's ability to adjust or adequately respond to crises, often affected coalition cohesion and stability (Baron, 1998). This durability was unrelated to the length of tenure unless there was a causal linkage between the structural attributes and the timing of a critical event. Strøm, Browne, Frenreis and Gleiber (1988) argued that the tenure of cabinets then became reliant upon a series of actor decisions. Each event prompted political actors to reassess the value of continuing in the coalition arrangement. At some stage a potentially terminal event might impose a demand that one or more actors rejected.

Boston et al. (2004) considered that there could be a point in a coalition where the rewards of both office and policy became outweighed by the costs. An event might impose a policy or other demand that one or more politicians rejected or a party might

calculate the potential loss of voter support from unpopular government policies. Such situations became more critical closer to an election if parties sought to minimise electoral losses and pursued votes. Such a party then faced deciding whether to risk continuing in government against its future chances of gaining office. The party might strategically terminate the coalition in order to further its electoral opportunities and at that point, the event was deemed terminal and the cabinet dissolved. In these cases, politicians played a considerable role in determining which events became critical and even terminal (Lupia & Strøm, 1995).

Political actors assessed the impact of critical events and made choices depending upon their goals at the time as the motives of political actors changed in accordance with opportunities and adverse conditions. Subsequently, political reactions then determined the stability and viability of the government as each event prompted political actors to reassess the value of continuing in the coalition arrangement (Grofman & van Roozendaal, 1994; Lupia & Strøm, 1995). Government failure has been identified as the result of considered and calculated political decisions in response to electoral considerations (Lupia & Strøm, 1995; Strøm et al., 1988).

It is important to understand the ambitions of political actors when faced with critical events. But, such analysis has not been easy as politicians' actions changed as their goals adjusted. Similar game-theory arguments, offered for formation and continuation of cabinets, could be applied to terminations (Grofman & van Roozendaal, 1997). Political actors made rational choices when faced with crises as to whether or not they should continue with the status quo. Political actors considered whether to terminate a coalition based on their expectation of electoral gains. However, any perceived electoral advantage did not necessarily or automatically trigger government dissolution (Lupia & Strøm, 1995).

Two factors were important in assessing politicians' considerations of coalition dissolution: timing and reaction. The timing of an event, in relation to the electoral cycle, determined whether the event would lead to coalition dissolution or otherwise. Further, it was the reaction of political actors to those events that made the situation critical (Grofman & van Roozendaal, 1997; Laver & Shepsle, 1996; Lupia & Strøm, 1995).

Particular cabinets might be more durable in the face of some shocks but more susceptible to others. These unexpected events could be either external to the country or from inside the government. Such shocks can be identified as fitting into four broad categories: Public opinion shocks, policy shocks, agenda shocks, and decision rule shocks.

Public Opinion Shocks

Public opinion or poll shocks have been destabilising events (Laver & Shepsle, 1998; Lupia & Strøm, 1995). Crucial events might change the electorate's expectations and consequently the level of support for politicians and such electoral volatility would, in turn, affect a coalition's durability (King et al., 1990; Laver & Schofield, 1990). An electorate that is deemed highly volatile is one in which large numbers of voters switch allegiance between or during elections (King et al., 1990). This change, often measured in public opinion polling, has been manifested in either sharp increases or sudden slumps in support. The causative events such as scandals, wars, unpopular government announcements and economic shocks might not be critical in themselves but became meaningful if they impacted upon legislative and electoral goals.

Party leaders having detected the potential of a large number of defecting supporters could become increasingly anxious between elections. These political actors, usually pivotal politicians such as party leaders, possessed the ability to adjust their strategies in such a way as to create a new government equilibrium (Laver & Shepsle, 1998). Some actors might continue with a coalition or renegotiate their position rather than seek termination (Lupia & Strøm, 1995).

Poll shocks could be positive events for parties but still cause crises. A political event could cause an upward swing in public opinion and still cause politicians to reassess their situation. Party leaders expecting large increases in voter support might be tempted to trigger an early election in an effort to increase their parliamentary membership. Political actors could evaluate their power in the current coalition compared with their expected seat gains following a new election. Consequently, their potential power could be enhanced in the future coalition.

If political actors considered, after a public opinion shock, that any potential electoral gains would continue for some time then they might decide against an immediate

cabinet dissolution (Laver & Shepsle, 1998; Warwick, 1992b). They might “bank” their public opinion gains for a potentially more appropriate future time in anticipation of an extended period in office. The anticipation of favourable electoral results, depicted in the polls, provided the political actors with a “bargaining chip” (Lupia & Strøm, 1995). However, political actors also evaluated any electoral cost for causing an early election. These costs might be a voter back-lash or actual resource costs associated with running an election campaign and policy loss or other costs associated with new coalition negotiations. In these ways the transaction costs of staying in a coalition were balanced against the potential outcome (gains or losses) from a new election (Laver & Shepsle, 1998).

Small shocks only adversely affected coalitions that were close to a seat distribution threshold. To be critical, public opinion shocks needed to be severe enough to change the composition of the government rather than just small gains or losses of seats in the legislature (Laver & Shepsle, 1998). The opposition was rarely in a position to bring down a government even at times when the opposition enjoyed high opinion polls. Only a prime minister’s party is usually powerful enough to directly force an early election. Because they were already a majority party in a government, they might seek dissolution as an answer to other problems rather than electoral gains. One such problem might be to rid themselves of a coalition partner in order to control new key portfolios in a reformed government (Laver & Shepsle, 1998).

Policy Shocks

Political parties and politicians acted as agents for their constituencies and parties. This arrangement induced policy preference points for each party. Unexpected issues such as war or currency runs could compel governments to take emergency measures and radically adjust their policy. Party members or the public might then violently react to the policy change. In this way, external events might cause shocks that unsettled party positions in key policy areas. Internal party tension would mount and those stresses might eventually lead to a collapse of the coalition.

Agenda Shocks

Agenda shocks were similar to policy shocks. Whereas policy shocks were changes to a party’s public policy position, agenda shocks transformed a policy’s overall relative

importance. Policies possessed different degrees of importance to politicians. A policy might be very important to one party, but the same policy was less desired by another. Therefore, a policy was often given a different value by each party.

A government's policy programme might change even without necessarily changing a government but by reshuffles of cabinet portfolios (Laver & Shepsle, 1990). Such changes could have been brought about by adjustments to the make-up of the coalition, resignations, retirements or changes to ministerial portfolios. Internal adjustments to politician's party seniority could affect changes in portfolios or spokesperson-roles illustrating the importance of intra-party politics to policy positions (discussed later in this chapter).

Policy positions were also vulnerable to the entry of new parties and exit of old ones from the political system. Laver and Shepsle (1998) used the example of a social democratic party giving a higher weight to economic issues than to moral ones. A religious party might do the reverse. An agenda shock would come about if for example, a supreme court delivers a liberal ruling on abortion. The religious party would consider it a larger issue than the social democratic party. The individual party positions on abortion had not changed but the religious party would perceive a widening gap between them and the social democratic party on that policy. If the two parties were in a coalition then the perceived differences might create an incentive to terminate the arrangement.

Decision Rule Shocks

Decision rule shocks are rare but could occur if an unexpected but necessary constitutional decision arose during the life of a government (Laver & Shepsle, 1998). This could occur if a constitutional change was controversial and required a qualified majority. A government might be destabilised if it was not able to gain the required majority for amendment and the change was necessary for it to continue in office. Laver and Shepsle (1998) also used the example of unexpected emergence or disappearance of maverick anti-system parties or independents in a parliament. This would occur if the support of these anti-system parties was required for constitutional change and yet such support was not forthcoming. The actions of these parties would create decision-rule shocks to the system because of their unknown or extreme voting patterns. However,

decision-rule shocks would be unusual in countries such as New Zealand that do not have written constitutions.

Rising Hazards Events

The term 'rising hazard event' refers to the compounding effect of shocks and crises upon governments. Warwick (2001) expected government announcements made shortly after the elections to approximate policy declarations made during election campaigns. However, governments might deem it necessary to adjust their publicised policy stances in order to accommodate adverse economic conditions.

Warwick (2001) examined this particular type of coalition policy effect: the tendency for government announcements to be more "right wing" than the mean positions of the individual component coalition parties. This seemed to occur when governments became preoccupied with normal government administrative matters that might not have been part of an election campaign. Warwick's discussion of this phenomenon concluded that the general left-wing interpretation of these events would focus on accusations of the influence of big business over the government. A right-wing analysis of the same phenomena might be that governments over time are forced to face economic reality and adopt increasingly realistic policies. Warwick (2001) identified a general tendency towards a rightward bias in most governments' policies that appeared to be proportional to the time elapsed between the previous election and the formation of the government. This effect produced a rising hazard especially to left-wing governments as supporters became increasingly concerned about the implementation of right-wing policies.

Policy failures and errors of judgment tended to compound in the minds of voters (Warwick, 1992b). Because instability was viewed as unpopular, governments in the early period after formation made stronger attempts to hold coalitions together. In the same way, electors were more forgiving of new governments and often granted them a 'honeymoon' period (E. Browne et al., 1986). Therefore, new governments faced with shocks enjoyed greater support, less opposition and increased stability than later in their period of government.

The longer a government was in power then the more likely it was to fail (Laver & Shepsle, 1998; Warwick, 1992b; 1994). As the government term progressed, the

accumulation of public ill will caused parties to consider defection as a viable option. The opportunity cost for coalition termination reduced the closer to the next scheduled general election leading to an increased likelihood of early coalition collapse towards the end of a government's term in office (Lupia & Strøm, 1995).

However, Boston et al. (2004) dismissed the notion of a rising hazard rate risk to a government's survival. Dissolution appeared to be more complex and the threat to a government of being replaced was constant or comparatively flat. Boston et al. (2004) considered that rising hazards appeared to contribute to an increased risk of legislature dissolution rather than government replacement.

Intra-party Issues

Although most theories treated parties as unitary actors, several policy positions could be generated within a single party.¹⁶ For example, a split within a party over a well-documented policy dispute between two or more pivotal politicians could result in a reshuffle of ministerial posts. These changes could then lead to a modification of government policy.

Leaders strive to get into Cabinet and control portfolios as attaining a high position was often considered the pinnacle of a political career. Laver was more blunt about politicians' desire when he argued that "people get involved in politics to further their own personal objectives" (Laver, 1997, p. 1). However, above all else, party leaders desire to remain in leadership positions. Laver and Schofield (1990) maintained that this desire dominated all else and policy positioning was fundamentally instrumental to achieving this goal. Party leaders might be required to trade-off policy during an election to gain voter support and later during coalition negotiations to secure seats around the cabinet table (Strøm & Muller, 1999). On occasion, leaders sacrificed policy preferences, and even their colleagues' careers, to placate potential coalition partners thereby risking antagonising their party membership. Such policy compromises might cause intra-party strife that could resurface at party conferences and other functions. The greater the diversity of views within a party the deeper the potential for intra-party politics and leaders have little control over any faction that establishes credible alternative policy positions within the party (Laver & Shepsle, 1996). Therefore, a party

¹⁶ See Baron (1991, p. 138) for an example of parties being viewed as unitary actors.

whose leadership did not recognise any internal ideological diversity would find itself in a weaker position than one that admitted such differences in the “ideal point amongst its senior politicians” (Laver & Shepsle, 1996, p. 256).

Jonathon Boston et al. (2004) considered that dissent was the main cause of New Zealand’s coalition terminations. This dissent could be between either coalition partners or the government and other supporting parties. In the case of the National-NZ First coalition, a succession of small non-terminal events caused tension between the coalition partners (Boston et al., 2004). These events devalued the “worth of the relationship in the eyes of the respective parties” (Boston et al., 2004, p. 598). However, Boston also built on the coalition theories and proposed an additional consideration for coalition failure. Boston, in applying the ‘unified’ approach of coalition theory, found that it did not fully explain the eventual demise of the 1996-98 New Zealand coalition government. Boston et al., (2004, p. 601) considered that the added, “attribute of intra-party instability does help to account for the durability of the coalition”. If parties suffered from intra-party instability then they were not ideologically connected within themselves. In addition, the consideration of intra-party actors challenged the key assumption of the minimum winning coalition model that treated parties as set piece unitary actors.

Discussion

All coalitions possessed attributes that constrained political actors’ decision-making. The structure of each government provided it with a level of resistance to both external and internal shocks. Coalition parties whose policies were closely aligned and enjoyed close personal and professional relations were more durable than those who formed a government simply out of convenience. Such attributes helped determine a politician’s reactions to adverse events such as poll or policy shocks. However, all governments seemed to face critical periods when in office and it was the way politicians reacted to those times that determined the durability or otherwise of the coalition.

It was not just random and unpredictable events that shocked governments and caused coalition terminations. It was also the timing of an event, in relation to the electoral cycle, that determined whether the event led to coalition dissolution or not (Lupia & Strøm, 1995). Politicians’ reactions, based on electoral motivations, to those events

were crucial elements in whether or not the event became critical (Lupia & Strøm, 1995).

There has been a reluctance to accept that one coalition theory fits all political systems (Laver & Schofield, 1990). This was because political systems in different countries were complex and varied. Even when theories of motivating factors focused on key components of coalition politics, the range of inherent, systematic and institutional variables could not be ignored. Coalition theorists have needed to assess the important facts of political life. Special political features, including constitutional constraints, inherent in each country placed real constraints upon coalition bargaining processes as well as providing a measure of protection for incumbent governments. The real world of coalition politics included real constraints that many empirical coalition theories have tended to ignore (Laver & Schofield, 1990). Those particular models that addressed either winning coalitions or policy diversity have concentrated on attempting to isolate the determining factor rather than the range of behaviours within the system. The key to predicting and analysing coalition arrangements lay with utilising coalition theories of politicians' motivations moderated by the particularities of the political system under discussion.

The consistent theme running through all of the foregoing discussion was the premise that political ambition impacted upon the various stages of a coalition government's political lifecycle. Muller and Strøm (1999) considered that no single theory of political motivation successfully described all of the actual events that they had studied and found that politicians were confronted by numerous "hard and critical choices during the span of a government" (p. 279). These goals or motives were identified as office-seeking, policy-seeking and vote-seeking and neatly wove the three concepts into one theory. Likewise, Hanna Back (2003) argued that parties gained their expected utility from satisfying a number of objectives, rather than focusing on single goals. But, as Elklit (1999) found in his study "the three party objectives are closely – and causally – connected, offering a case of multicollinearity" (p. 83). However, it is difficult to extract the precise influence of the inter-relationship of each objective. It is likewise just as difficult to analyse the effect of each goal and party behaviour. As Elklit (1999) pointed out, this difficulty was due to both theoretical and empirical problems.

Different motivations compelled politicians to pursue different goals at different stages of an election cycle. Politicians wished to influence government policy and so sought office in order to effect policy change and votes became instrumental in gaining that position. However, many of those choices provided politicians with a dilemma. Choosing one path might result in a loss of objective in another area. Either office or policy wins might be the sole objective of politicians or they might pursue one or another as a means to other goals.

Sometimes, the parties have to confront conflicting aims and are unable to pursue them simultaneously. When these tensions occurred politicians had to make hard choices and trade some goals off. Back's (2003) modelling showed that parties gained their expected utility from satisfying a number of objectives, rather than just one, and such ambitions might be advanced constantly and concurrently. Therefore, the decisions made by politicians in pursuit of their ambitions have a dramatic affect on the stability and decisiveness and hence the effectiveness of government.

Even though governments need a majority of support in the legislature, Muller and Strøm (1999) recognised that politics was not purely a matter of arithmetic. Institutional features of the political system were found, by Back (2003), to have influenced a party's choices when it was negotiating coalitions. Also, political decisions incorporated a large measure of the human element. Of course, politicians needed to consider their ability to form a majority coalition or to gain sufficient legislature support to be able to govern and party leaders were also forced by their parties to consider potential policy ramifications before agreeing to government formation. Parties are by their very nature comprised members and individuals and they could not be considered unitary actors.

Summary

This chapter has provided a brief overview of Muller and Strøm's (1999) theories of the motivations of leaders and party members, when decisions were made about forming or terminating coalitions. These were paramount drivers that lay behind key political events in New Zealand. These goals are apparent as important ingredients in assisting the understanding of the reasons why some coalitions formed and others did not, and why some governments were effective and others failed. However, these theories did not provide direct insight, but rather inferred politicians' actions. In addition, the case studies indicated that there was still a missing component or several components that

restricted a full understanding of events. The purpose of this study was to identify additional influences that imposed upon party leaders' decision-making processes. The resolution of this puzzle would have profound implications for our understanding of coalition governments.

Some understanding of politicians' motives and desires can be gleaned before a government has even been formed. These often surface during the electoral campaign and are discussed in the next chapter.

Chapter 4: Pre-election Coalitions

Pacts made before an election are relatively good indicators of subsequent government formation (Bale, Boston, & Church, 2005). Such pre-election arrangements or electoral coalitions have ranged from highly formalised accords to loose agreements. These covenants might include non-aggression deals and announcements of post-election working arrangements. However, little discussion has been published on the reasons why politicians form electoral pacts. But, politicians have exhibited similar motivations for making pre-election agreements as they have shown for forming or dissolving governments. Therefore, it made sense to include this section following the discussion on the formal theoretical studies of government.

Ideologies enabled ready identification of each party's broad policy positions and also indicated the level of compatibility between parties. If a politician's sole interest was in gaining office, as argued by Riker (1975) and Downs (1957), then publicly stated ideological positions might be seen solely as branding exercises developed for the election and subsequent coalition building processes. Riker (1975) argued that coalition builders were simultaneously engaged in both clarifying positions and producing ambiguities. Parties' policy positions needed to be clear to potential allies but also enabled the same parties a degree of manoeuvrability. The policy positions might also be kept deliberately vague to attract a broad range of voters. The more resources parties invested in the pre-election process, the greater the incentive to ensure that the agreement worked after the election. This imbued a sense of path dependency into the consequent actions.

Defining Pre-election Coalitions

Golder (2005) defined electoral coalitions as "a collection of parties that do not compete independently in an election either because they publicly agree to coordinate their campaigns, run joint candidates or joint lists, or govern together following the election" (p. 651). The second criterion was that members of a pre-election agreement were prevented from campaigning as independent identities. Golder included in this category those parties that had quite loose election strategies recognising that election strategies

could appear in a number of different guises. For example, parties that announced an intention to form a coalition after the election were deemed to have agreed to a joint election strategy. Two common links were identified between the different forms of pre-election arrangements: the coordination of party strategies is made public, and parties “never compete in elections as truly independent entities” (Golder, 2005, p. 652).

Value of Analysing Pre-election Coalitions

Voters in a proportional electoral system are increasingly choosing a government composition rather than a single party (Aimer & Vowles, 2004). The public expectation can affect the way electors cast their vote in both current and subsequent elections and the case studies (following this chapter) indicate that the public did interpret intention from party leaders’ statements about their coalition intentions.

Politicians not only make public declarations about desired coalition partners, they have also identified very clearly those parties with which they reject or condemn. While pre-coalition announcements about arrangements could have a positive influence on the post-election government formation potential, the impact of the less formal but nonetheless equally deliberate public utterances is less clear.

Path dependency theory is a useful tool for assessing how pre-electoral accommodations and discussions translate into post-election arrangements (Bale et al., 2005). However, there were no pre-election pacts prior to the 1996 general election and the subsequent coalition between National and NZ First could not have been predicted using path dependency theories; a point readily acknowledged by Bale et al., (2005). Similarly, Muller and Strøm’s (1999) arguments, centred on office-seeking, policy-seeking and vote-seeking motives for forming inter-party arrangements, provided an acceptable theoretical base for analysing why such events occurred. However, neither the path dependency nor the Muller and Strøm theories fully test the reliability of signals party leaders might send to the electorate. Golder’s definition has been used in the following case studies, to assess whether pre-coalition announcements could be interpreted as electoral coalitions.

Electoral Coalitions as Signalling Devices

Golder (2005) identified three main reasons why pre-election arrangements are treated as signalling devices:

1. to signal the ability and willingness to form an effective government coalition,
2. to signal the actual identity of a potential government as transparently as possible, and
3. to signal the relevant parties' desires to party members and voters to enable them to have a greater role in government (rather than just preferred party selection).

There have been several examples of parties signalling to voters that they were willing to form an effective and reliable government. The most illustrative examples appeared in democracies where one party had enjoyed a considerable period in government. In Sweden, the Social Democrats had consistently won elections until defeated by the 'bourgeois coalition' of the Liberal, Conservative and Centre parties in 1976 which remained in power until 1985 (Laver & Schofield, 1990; Stephens, 1996). This three-party coalition was able to convince the Swedish voters that they were capable of forming an effective government.

Indirect signalling occurred during the 2003 Scottish parliamentary elections. The *raison d'être* of the Scottish National Party (SNP) was independence for Scotland. Ben Seyd, in his observations of the 2003 election, considered that this was a position not countenanced by the other parties.¹⁷ So, the Liberal Democrats stated, in 2003, that they would not go into coalition with the SNP and at the same time announced that they would deal with whichever party gained the most seats. So effectively, the public was informed that the Liberal Democrats would not deal with the SNP. The Labour-Liberal Democrats coalition did not campaign as a coalition in the 2003 election. The parties campaigned separately, but there was a widespread understanding that they would again form a coalition. Labour obtained virtually all its seats from the constituencies and the Liberal Democrats won virtually all their seats from the list. There was not a formal

¹⁷ Dr. Ben Seyd is Lecturer in Politics and was interviewed for this research in London on the 8th June 2004. Ben was a Senior Research Fellow at the Constitution Unit, School of Public Policy, UCL at the time of this interview. His principal areas of research interest are in political attitudes and political behaviour, specifically on public attitudes to, and behaviour around, political institutions. He has published various analyses of the impact of constitutional reform in Britain - particularly devolution and electoral reform - on levels of electoral engagement and political confidence (<http://www.kent.ac.uk/politics/aboutus/staff/academic/seyd.htm>). Please refer to Appendix A: List of Interviewees.

electoral coalition but the existing coalition history of working together was supplemented by the realities of the election system. In addition informal pre-election signals were conveyed to the voting public that the two parties would continue to work together in a coalition after the election.

Parties often signalled the identity of potential coalition governments. Those parties sometimes declared their preferred partners as well as those parties with which they would not form an alliance. The intention of those signals was to accurately and unambiguously identify post-election governments to voters. In 2002, in Eire, the Progressive Democrats, on a slightly reduced vote, increased the number of seats because they received vote transfers from the Fianna Fail (major government party). As explained by Professor Laver,¹⁸ the two parties had entered the election as a proto-coalition. As a result each party recommended that their supporters transfer lower vote preferences to the coalition partner. In this way, signalling encouraged supporters to vote for their preferred government make-up as well as their choice of party.

Golder's (2005) final aspect of the signalling argument was that party leaders encouraged voters to have a greater say in the composition of the government. If voters were unaware of potential coalition partners and only voted for individual parties, then they left the formation process entirely in the hands of the parties. Signalling of potential coalition partners has been one way of assisting voters to 'own' the election outcome.

The value to parties of pre-election coalitions lay in the potential to gain a greater share of the votes. The value to voters of announcing pre-election arrangements lay in the reliability that such signalling, if successful, translated into a post-election government. Politicians' involved in such pre-election signalling were constrained by the realities of politics because electoral institutions "play an important role in explaining pre-electoral coalitions" (Golder, 2005, p. 659). However, pre-electoral coalitions are not just a function of electoral rules as there were costs to such arrangements. Electoral coalitions required party leaders to make concessions on policy and office in a similar way as coalition governments' arrangements demanded (Golder, 2005).

¹⁸ Professor Laver was interviewed for this research in Dublin on the 15th June 2004. Michael Laver was a Full Professor in the Department of Political Science at Trinity College, Dublin Eire at the time of this interview. Refer Appendix A: List of Interviewees

Conclusion

This chapter concludes the theory section of this research. The coalition theories discussed in previous chapters provide a useful framework for analysing the New Zealand experience. Golder's work indicated that politicians have exhibited similar motivations for making pre-election agreements as they have shown for forming or dissolving governments. This is because politicians, with an eye to government, see the pre-election period as an important part of the formation process. They use this time to signal their intentions to their own members, other parties and the public. The next chapter provides an outline of the methodological approach to applying the coalition theories to New Zealand's political system. The approach taken, 'systems theory' was used as a way of interpreting the position of coalitions and parties within the political structure. This approach led to the development of the appropriate methods used to conduct and analyse the research.

Chapter 5: Methodology and Methods

Methodology

The key to successful analysis is identifying the appropriate methodology and subsequent research methods for the particular study. Research methodology refers to the steps involved in a given approach (McNab, 2002). This scientific method is not a fixed procedure but more a philosophical way of approaching a research problem and includes the preparation of “operational definitions, forming hypotheses and theories and applying the appropriate method of data analysis” (McNab, 2002, p. 5). This research study relied upon ‘systems theory’ as the basis for methodological analysis of the New Zealand political system.

Applicability of Systems Theory to Political Systems

‘Systems theory’ is an appropriate methodology for analysing political coalitions. Systems are “internally interdependent and externally [relatively] autonomous” (Cortes et al., 1974, p. 6), but recognise and respond to external environmental stressors (Cortes, Przeworski, & Sprague, 1974; Luhmann, 1995). During his studies of society, Parra-Luna (2000) identified four criteria in determining whether the concept of a system could be universally applied: 1) systems are basic components and attributes, 2) these components are all related through various mechanisms of communication, interrelationships and connections, 3) the particular relationships are ordered and structured but with a degree of uncertainty and randomness, and 4) the system operates within a certain area but the boundaries are indistinct because no system can be fully closed off from the external environment.

The combination of all these factors allows a determination of a specific phenomenon to be isolated and analysed. A political system fulfils all of Parra-Luna’s criteria. The basic components of a political system include the parties, politicians, official, institutions, traditions, values and all the tangible facilities of a political process. The political actors communicate with each other and the public using a variety of institutionalised methods and the media. The institutions, conventions, statutes, regulations, orders and beliefs all provide structured ways in which the system is ordered. At the same time, the actions of

politicians are unpredictable, providing varying degrees of uncertainty within the structure. Finally, the political process might seem at times to be aloof and distant from the rest of society. However, it is responsive in varying degrees to the pressures imposed upon it by external stimulants such as the media, elections, polls, submissions and public opinion. As such, the political system is readily identified as a formal system and 'systems theory' can be used as a methodological tool.

What is 'Systems Theory'?

'Systems theory' regards "society consisting not as individuals and institutions but of systems and sub-systems" (Harrington, 2005, p. 329). These all relate to each other in complex ways and one of society's systems is the political system. "A political system is a goal-setting, self-transforming and creatively adaptive system" (D. Easton, 1965, p. 132). Coalitions are political systems because they exhibit systemic properties and are groupings that retain their own identities, properties and autonomy (Guisu & Malitza, 1980).

[A system] consists of human beings who are capable of anticipating, evaluating, and acting constructively to prevent disturbances in the system's environment. In light of their goals, they may seek to correct any disturbances that might be expected to occasion stress (D. Easton, 1965, p. 132).

Coalitions can be studied as sub-systems of the New Zealand political system as they interact as well as providing the linkages for system organisation (Friedman, 1970). Therefore, 'systems theory' permits meaningful exploration of political coalitions, and the ways that the coalition's actors interact. The component parts of coalitions can be studied by investigating the political system itself and the way each component influences and impacts upon the whole of government which in turn is a sub-set of society. As such 'systems theory' can be used to answer the broad question of "how and why does this system as a whole function as it does?" (Patton, 2002, p. 119).

The Meaning of 'Systems Theory'

David Easton is credited with initially applying 'systems theory' to political analysis (Considine, 2005, p. 45). The political system was likened to an organism that

continuously and dynamically reacted to its environment (D. Easton, 1965). However, Considine (2005, p. 46) viewed Easton's concepts as too rigid for explaining policy events because a natural system response to external events is problematic and not specific enough. Further, the idea that systems seek their own survival assumes that the political system is animated. Considine (2005, p. 47) argued that systems do not themselves have goals, thoughts and strategies. Actors within systems might struggle to preserve peculiar aspects of inherent interest but their endeavours are often in vain.

Considine (2005) considered that systems were actually the result of "patterns of interrelationships between actors" (p. 47) and the activities of individual actors impinged on the spheres of other political components. The results did not spring from chance encounters between ignorant actors but, patterns emerged as a result of both internal and external conflicts, struggles and debates and it would be a mistake to assume that systems operated in states of harmony or balance as they were often in conflict, upheaval and disorder (Considine, 2005, p. 47).

This view is at least in part supported by Hill (1997) who rejected the concept of the policy process as a "black box from which policies emerge" (p. 36). Systems theory helps explain the concept that policy development and political activity is conducted within patterned, institutionalised activity rather than chaos. Political actors are mindful of history and tradition and operate within a system that is not at an individual level, nor is it at the macro level of society. The actors as well as the system are affected by the socio-economic, physical and political environment within which they operate. Further, it is possible to analyse a political system without "abiding by all the requirements of system's analysis proper" (Sartori, 1976, p. 43). However, if this methodology is to be used as a lens for analysis then the political system must consist of at least two minimum criteria: (1) the system displays properties that are additional to those of its component elements and, (2) the system results from, and consists of, patterned interactions and interconnections of its components (Sartori, 1976, p. 43). The implication is that the interactions provide the boundaries of the system.

A political system includes parties that relate to each other and the other institutions of the system. In turn, each party is a "microcosm of its own and a miniature political system" (Sartori, 1976, p. 44). As such, 'systems theory' assists this particular research

by providing a “middle-level generalisation” (Considine, 2005, p. 48) for analysing the political system.

The Process Used

One of the main criticisms of social analysis is that each discipline studies a phenomenon in isolation of other events. Parra-Luna (2000) describes this approach as analysing a tree and ignoring the forest in its entirety. However, ‘systems theory’ avoids this criticism by taking a holistic perspective. This emphasis on holism is as both a methodology and as an ontology (Warren, Taylor, Davidson, & Goodrich, 1992). As Patton (2002) argued “a system is a whole that is both greater than and different from its parts” (p. 120). Just because institutions, actors and social activity are intertwined does not mean that they are completely absorbed into each other so much that their individual properties can be disregarded (Layder, 1993). Therefore, the component parts cannot be studied independently and separately from the whole as a viable method of understanding the greater system (Gharajedaghi & Ackoff, 1985).

The whole is viewed as being shaped by the behaviour of the parts and the components behave according to the behaviour of other parts. As Warren (1992) argued, “the world is seen as a great organisation rather than merely a collection of particles” (p. 2). One part’s activities lead to changes amongst other parts and a distortion of the whole system (Patton, 2002). For example, the behaviour of one party in a coalition affects the actions of the other party or parties in alliance and those reactions in turn impact both upon the government (and perhaps the legislature and the nation) and the original party. Similarly, the behaviour of a single politician within a party also affects other politicians and the party itself which in turn impacts upon the coalition and the government. Also, each politician, party, and the government communicates with, responds to, and is aware of, the external public constituency.

‘Systems theory’, through a holistic emphasis, enables the researcher to escape from the limitations of linear modes of reasoning and causality (Hill, 1997; Hopper, 1988). The organisation under study is more than its elements as the synergy of the whole enables the components to do things which they could not accomplish separately. The constituent parts are also less than their combined structure as the elements organised in a system are restrained from doing many things that they might realise as separate

entities. In a combined organisation, or coalition, they are more constrained than if they were unorganized (Fisher, 1988). Therefore, 'systems theory' requires that the system be studied as a whole and not taken apart as "the function and meaning of the parts are lost when separated from the whole" (Patton, 2002, p. 120). However, the system's components need to be identified and understood so as to be able to analyse their impact upon the whole.

The Characteristics of Systems

Considine (1994) identified four main features of a policy system that are useful tools to assist in studying political systems: the institutions, political actors, political economy, and the policy culture (refer Figure.1). Policy development processes involve an interaction between the institutions, politicians and other actors, the political economy or available resources and the traditional or historical policy culture. 'Systems theory' is characterised by the study of the interrelationships of these main components.

Institutions

Institutions usually provide certainty, guidance and continuity for the political system. In his discussion on the political policy system, Considine (1994) identified five types of governmental or official institutions: executives and legislatures, legislation, elections, budgets and inter-governmental structures. Institutions develop over time as rules and regulations become entrenched and serve two main purposes. They are practical tools to solve problems, but institutions also establish priorities and values and apply theory into simple practice. Therefore, the government's institutions control authority and resources and impose heavily on policy development.

Institutions are the keepers of past practice and applying them to current circumstances, providing advantage to some and constraint to others. Institutions provide the regulated structure through which all political actors and policy proposals must conform becoming a brake on change but at the same time facilitating it. Statutes, parliaments, cabinet, ministries and bureaucracies are examples of institutions that apply strict rules and penalties that must be adhered to by successful actors. In New Zealand the MMP system provides an institutional framework to enable political parties to promote their policies, enter Parliament and operate when in government. However, institutionalised practices can lead to unintended consequences and non-rational decision-making.

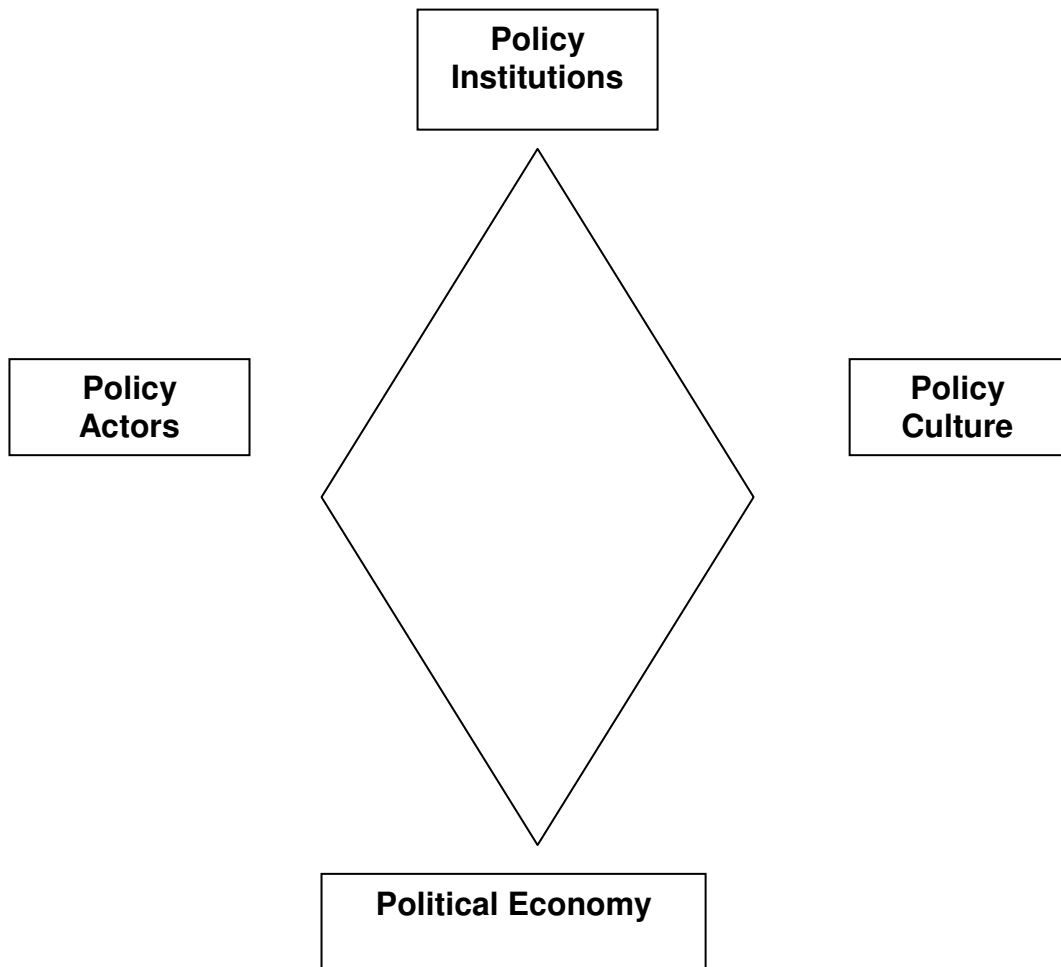


Figure 1 The Structure of Policy Systems

Note. Figure from *Making public policy: Institutions, actors, strategies* (p. 9) by M. Considine, 1994, Cambridge, United Kingdom: Polity Press.

Mindful of this effect, political actors engage in trying to change conventions as well as being guided and constrained by them. An example of this occurred during the 1999 to 2002 coalition Government. Cabinet recognised that the convention of Cabinet collective responsibility could be too rigid a concept for a coalition and might lead to unintended crises. Cabinet amended the Cabinet Manual to allow for ‘agreement to disagree’ while still retaining the basis of collective decision-making (see Chapter 9). Institutions provide the mechanism enabling participation by the political actors.

Political Actors

The New Zealand political system includes various actors. The list of actor categories is almost endless but includes the individuals, interest groups, ministers, other politicians, political parties, government agencies, business corporations, retailers, non-government organisations (NGOs), workers, religious, ethnic or gender groups, special communities, superannuitants and young people whose activities impact upon policy and legislative processes. Individuals and groups usually have to compromise and the end policy and legislation is the result of negotiated conflict and positioning. The political system actually depends on the contributions and relationships of all those involved. These groups and individuals interrelate and work together until a policy emerges and they often network between themselves. These networks might represent the service or the delivery side of the policy and will often communicate existing and new ideas about what they value in the policy system (M. Considine, 1994). Policy-makers are those key actors, politicians or bureaucrats who control those institutions that approve any new policy programme.

Political Economy

As well as political actors and institutions, political systems will also contain two other main components: a political economy and a political culture. The political economy has been described as existing in a “material realm” and the political culture an “intellectual realm” (M. Considine, 1994, p. 8). Considine argued that these two ‘realms’ overlap, impact and intersect each other. The term ‘political economy’ is used to describe the complete range of mechanisms used to provide for society as a whole. In this instance, the political economy is the material side of any policy system. The term is used to refer to the particular distribution of office positions, roles and the access to and distribution of resources within the political system (M. Considine, 1994).

Resources include labour, knowledge, property and technology. These are more than just the issues at stake with their own intrinsic value. Resources are also the mechanisms that can deliver other benefits and can ensure a policy win or success. Considine (1994) saw policy systems as the means for “generation, organization and distribution of resources” (pp. 30-1). This was because the systems determined the type of policy adopted, how much money will be spent on the policy, how it is distributed

and to whom. Often it is this allocation and distribution of resources in support of a particular policy that actually determined its success or otherwise.

Small parties in a coalition government are more likely to win policy positions than larger parties outside of government. This is because the insider party possesses greater resources in the form of agreements, ministerial posts and a share of governmental resources. But, political actors with limited resources and knowledge often have to rely on value judgments in order to argue their case.

Political Culture

Political systems recognise certain conventions that dictate behaviour, and vice versa. These conventions or customs are an important part of a system's culture as they are the traditions by which society remembers what it has learned about itself. In contemporary political science, institutions and political behaviour are considered to have evolved and continue to do so through a form of "efficient historical process" (March & Olsen, 1984). Sometimes this assumption of historical efficiency is not explicit. Customs are implanted over a period of time by a combination of coerced activity and status recognition that include economic systems and regulations.

Political systems comprise their own unique characteristics, set of values, ideologies and traditions of interaction. These can be described as the political culture or the intellectual dimension of the particular system. Perceived problems and solutions are also value laden and these values help to explain policy and the role of a particular policy. In particular, values have been used to measure performance. Often values are "defined in terms of outcomes and can be described in operational terms (Parra-Luna, 2000, p. 29). In policy making the values may be overt and acknowledged or may be hidden.

Ideologies are abstractions and cannot be tested in the same way as values. Ideologies might be used as evidence and the basis for power however when examined such claims often prove to be arbitrary (Parra-Luna, 2000). Parra-Luna (2000) argued that throughout history, intellectual justifications based on ideological positions such as fascism, communism tended to make selective use of evidence. However, ideological claims used to justify policy decisions are only as robust as the evidence provided to support them.

History has not always been an efficient determinant of policy as historical processes have been slow in reacting to changes in society. Also, transient phenomena might be less predictable and subject to the effects of the societal environment with which it interacts. Moreover, action often depends on individual decision-makers' values as much as historical norms (March & Olsen, 1984). Policy judgments and decisions are also based upon values particularly in areas where knowledge is limited. Therefore, no political process has a unique optimum that is guaranteed to be achieved just because it has done so in the past.

However, systems and values “operate together in a “complimentary manner” (Parra-Luna, 2000, p. 18). Successful interpretation requires the linking of the organisation's systems with the values and ideologies of the component individuals. Systems methodologies have proven weak in connecting with individuals. Values based theories find difficulty in connecting with the system and an integration of both perspectives provides an effective tool for analysis. Such an approach has particular application to political systems where politicians' actions, values and ideologies cannot be separated from the system itself.

The Aim of 'Systems Theory'

The aim of 'systems theory' is to understand the ways in which individual components affect the whole political system. Complete understanding cannot be gained from simply analysing the system as a complete unit. Neither will any study be successful that takes a system apart and assesses the activities of separate components. What is important is the impact that components' activities and their interactions and intercommunications have on the system. For example, the workings of an animate creature cannot be determined by the study of its heart or its lungs or its muscle structure alone. Neither would a study of each separate cardio-vascular, pulmonary or other system provide a complete answer. The creature lives and breathes through the interaction of all its bodily systems and organs operating individually and yet at the same time in concert. The body might appear to be in a state of chaos and yet the only time that it might (erroneously) be seen as harmonious was when it is dead. If a system was deconstructed it would lose its essential properties (Gharajedaghi & Ackoff, 1985). It is the understanding of the operation of the whole, through the analysis of the

interaction and communication of the component parts, that is the aim of 'systems theory'

Methodology - Conclusions

'Systems theory' provides the framework for this study of the way in which New Zealand politicians operate. The New Zealand political system is comprised many components. This is especially so since the introduction of the MMP electoral system and subsequent coalition arrangements. 'Systems theory' provides insight into understanding the political system. The political system influences each inherent component but is itself affected by the actions of its parts. It was impossible to gain a complete understanding of a political system without recognising the institutional constraints, assessing key events and analysing the motivations and choices taken by its actors. The precise way to understanding the complexities of the interactions of the coalitions and their functions was to study the inter-relationships of political structures within the system. As such, the study of its integral parts, the institutional constraints and framework as well as the politicians themselves, led to increased understanding of the processes of interdependence and organisation of the political system.

This study focuses on one aspect of the system, that of the role of coalition partners and their contribution to the stability of government. This understanding was achieved by analysing the views and actions of the political actors themselves.

Where systems theory guided my philosophical approach to the study, key informant interviews formed the basis of the mechanics of the research. The next section on research methods outlines how these interviews were conducted. The following section also describes how the information gleaned from these semi-structured interviews was tested against my personal observations and relevant primary and secondary documentation.

Research Methods

This research employed qualitative research methods which involved nonstatistical inquiry techniques and processes used to gather data about the phenomena under study (McNab, 2002). Quantitative research methods traditionally involve deductive theory testing, a positivist approach often involving numbers, statistics and measurements. However, qualitative research methods, particularly of narration and observation, are

especially appropriate for social research. Qualitative research is more inductive often involving the researcher's interaction with the people or groups under study. Observations as well as interpretations are recorded (McNab, 2002). Qualitative research methods can be used systematically in a way that ensures that they are uniquely suited to political research. As Maykut and Morehouse (1994) succinctly put it, "the goal of qualitative research is to discover patterns which emerge after close observation, careful documentation, and thoughtful analysis of the research topic" (p. 20).

More specifically, qualitative analysis places emphasis on understanding by analysing viewpoints, actions and documentation. This form of research can "give rise to reliable, precise and valid social research" (Layder, 1993, p. 41).

This research relied heavily on key informant interviews, a research method that I deliberately chose for a number of reasons. Primarily, interviews meshed nicely with my contribution as a participant observer¹⁹. However, the method was also very different from much of the research upon which traditional coalition theory has been based. Important studies of coalition formations and terminations focussed on Western European parliaments since 1945. Even those, apart from a few significant exceptions, have been either the early works of Riker (1975), Dodd (1976) or de Swaan (1973) or have been country specific projects (Laver & Schofield, 1990). Also, much of the discussion, even in recent volumes, has been based primarily on historical analysis. Although these works provided me with essential theoretical background to this study, I recognised some startling differences between New Zealand and the Western European examples. Those differences meant that even the later international journal articles published on coalitions had to be treated as useful guides rather than specifically appropriate for New Zealand conditions.

The differences between the international literature and the New Zealand experiences were primarily, but not solely, related to the institutional differences between the countries. For example, New Zealand has a three year parliamentary term. Only Sweden has a three year term, out of the twenty Western European countries that have been most studied. Thirteen countries such as Austria, Belgium, France, Germany and Ireland have four year terms. The remainder, including Britain and Iceland have five year terms (Laver & Schofield, 1990). Other differences included the role of a head of state as a

¹⁹ Please refer to pages 4 and page 80 for more details on this role.

formateur, the use of confidence votes and the ability of a government to dissolve parliament. The basic differences between parliaments and the types of head of state (whether a monarchist or presidential system) also contributed to the difficulties of comparison between those studies and New Zealand. In short, there is a huge diversity. Every country had different constitution, historical and cultural components. Such institutional differences have also been recognised as creating difficulties for students of Western European coalition governments (Laver & Shepsle, 1996).

Researchers have developed models and attempted to assess political circumstances according to those models which were important tools enabling the wide range of institutional and historical variations to be held constant. The models were also seen as an essential prerequisite for systematic and empirical research and such work was mainly conducted prior to New Zealand adopting MMP (Laver & Schofield, 1990; Laver & Shepsle, 1996; Muller & Strøm, 1999). Therefore, the New Zealand experience was not included in this research. Even if it had been, the New Zealand coalition data would have been swamped by the extensive Western European country data. Therefore, the coalition theory that pervaded most international literature was useful only as a guide to understanding the New Zealand MMP coalition experience.

Other important differences in the research needed to be considered. Most of the Western European studies have been developed using country specific case studies. Often the focus has been on the response of political parties to changes in their political environment (Muller & Strøm, 1999). This research has usually consisted of empirical studies using archival or soft interview data. In some cases, this evidence has been combined with hard statistical evidence. The Western European studies have been carried out with little or no direct input from politicians or political officials. The conclusions that have been drawn allowed the authors to generalise about coalitions.

Mindful of the differences between Western European countries and New Zealand I decided to gather New Zealand specific data. I recognised that key informant interviews could contribute to a greater understanding of this country's experience. These interviews were with carefully selected respondents. Triangulation techniques using participant observation and primary resources were used to provide greater rigor.

Participant Observation

The research in this case was a mix of personal observations made at the time and information gleaned from discussions with people during the period under study rather than participant fieldwork conducted specifically for the purpose of this research. This type of observation is described as “participant-as-observer” where the researcher becomes part of the field of study and cannot be separated from it (Burns, 1997). Therefore, it is better to accept the researcher’s involvement as part of the subject to be researched (Checkland & Scholes, 1999). In this case, the usual observations and note-taking undertaken by a researcher were not carried out during the time I was in Parliament²⁰. That is not to say that notes were not taken; they were. However, the notes and documents written at the time and perused for this study were documented for a different purpose to that as a researcher. As such my perspective, if I had entered the House with the objectives of a “participant-as-observer” researcher, would undoubtedly have been vastly different from that of a full participant in the proceedings of Parliament. The period I spent in Parliament was as a full participant and was not undertaken for the purposes of study. Neither was the observation undertaken as part of any researcher. Therefore, my contribution to this thesis should be viewed as not only retrospective but also subjective.

Political Experience

I was an Alliance list Member of Parliament during the 45th and 46th Parliaments (1996-2002). During the first term between 1996 and 1999 I was the Alliance Whip in opposition, participating in developing legislation through select committee and parliamentary processes and I served on a number of select committees including the Primary Production Select Committee. I was part of the Government during the 46th Parliament from 1999 to 2002 and served as the Junior Government Whip. In the Whip’s role, I helped oversee policy development in the House and select committees as well as speaking and voting arrangements. I also served on the Business Committee, Cabinet Legislation Committee, Parliamentary Services Commission, Officers of

²⁰ Although I have called this ‘participant observation’, this aspect of the research is based upon retrospective and subjective recollections of events from when I was in Parliament. I had not entered the parliamentary environment for the purposes of active research. In a strict sense this observation could be considered autobiographical. However, no personal observations have been used in this thesis unless they have been checked for accuracy against primary documentation or arose during the key informant interviews.

Parliament Committee, Privileges Committee and several other standing and subject select committees. More recently, I was President of the Progressive Party for most of the 2002-2005 parliamentary term and (unsuccessfully) stood as a candidate for that party in the 2005 election. I have used my personal knowledge and experiences in the course of this study. Some of these experiences have been reinforced from my notes and official documents of the time. However, some of my observations have also been recalled from memory.

Semi-structured Interviews

This study used semi-structured key informant interviews in a general inductive approach. The key informants were people who have detailed knowledge or experience of the subject under exploration. I explored the general and specific understandings that officials had concerning the roles, stakeholders influence and particular events in the New Zealand parliamentary system over the time under review. This assisted me in establishing as to whether or not MMP had met commentators' expectations of constitutional change. I also explored the role of 'minor-parties' in opposition and in government, formal and informal support of the government as well as their effectiveness in those roles.

Sampling

Purposive sampling was used in this study. Representative sampling is designed to secure efficiency in the research and it achieves this by providing for the selection of only a part of a population without the need to research every individual case (Bauer & Gaskell, 2000). This research was not required to be representative of all views and so the selection of respondents was not random. This list included people both within New Zealand and overseas. It was necessary to select respondents who exhibited certain characteristics.

People of interest included those involved with coalition processes in New Zealand and overseas. The primary focus was on New Zealand MPs or those who had worked closely with New Zealand MPs during the 1996 to 2002 parliamentary periods. I was also interested in developing an international dimension to the study. To achieve this, I focused on academics and MPs who worked or studied in Westminster based

parliamentary systems. A list of potential interviewees was compiled. This included people who fitted my requirements and was subjected to a further screening process.

The New Zealand list was reduced to include respondents who had held senior positions in each of the main and smaller parties. I was particularly interested in interviewees who had been involved in some way with the coalition, Cabinet or other parliamentary processes. I was less interested in senior policy specialists. I then included officials such as the Clerk of the House and the Speaker as well as the former Cabinet Secretary and some Chiefs of Staff of the various parties. Some interview participants were intimately involved with a political party, others were public officials but it was important to ensure that the New Zealand participants had played a significant role in the political process during the 1996 to the current parliamentary period. The study focused on views formulated and held by the politicians and officials involved. It was not necessary to balance the list on the grounds of ethnicity, gender, age or other demographical criteria. A full list of interview participants is to be found at Appendix A: List of Interviewees.

In total, I was able to interview 27 people. Seventeen current or former Members of Parliament (New Zealand) agreed to be interviewed including a former Speaker (Hon. Douglas Kidd), the then Speaker (Hon. Jonathan Hunt), the former Secretary of Cabinet, the (then) Clerk of the House and four senior officials or party staff (refer Appendix A). Only three potential respondents refused to be interviewed or failed to reply to my communications.

I was also interested in interviewing people who had experienced coalitions in similar political systems. I narrowed my choices to Scotland (a devolved parliament) and Eire. Both of these parliaments, like New Zealand, were based on the Westminster system, enjoy proportional representation electoral systems and have coalition governments. Notwithstanding the excellent assistance that I received from the New Zealand Embassy in London, it proved difficult to firm up enough politicians to interview during an already scheduled trip to the United Kingdom and Eire. I felt the need to extend my respondent list to include academics who were studying similar coalition topics in the countries that I planned to visit.

I was grateful to be given the opportunity to interview two senior politicians from the two coalition partners in Eire and four academics from universities in Dublin, Stirling and London. HE Russell Marshall New Zealand's High Commissioner to the UK generously gave up some of his busy schedule and discussed various aspects of the political system (refer Appendix A). Unfortunately, a coalition crisis in Eire occurred on the day of my arrival in Dublin and a scheduled meeting with Kieran Coughlan, the Clerk of the Dáil and Secretary General of the Office of the Houses of the Oireachtas, was unable to take place. However, this crisis did contribute to a useful and relevant discussion with Professor Laver.

The final interviews covered all the aspects of interest and provided for a robust analysis. In the end, the actual selection of some respondents, especially the international ones, was decided by availability and necessity. Nevertheless, I was able to gain insight by the generosity of some internationally renowned academics who were kind enough to give me their time. Although I only interviewed people in the United Kingdom and Eire, I did not restrict my literature search to those countries.

Questionnaire Design

The questionnaire was designed to be a prompt for the interviews. It was not provided to the participants but was used to guide the interviewer. Different questionnaires were constructed for the international participants and the New Zealand interviewees. They were drafted prior to each interview based on the subject's role in the coalition governments under study. For example, the questions designed for participants in the 1996 to 1999 and the 1999 to 2002 governments included questions that were specific to those particular periods. Similarly questions to MPs and former MPs covered some aspects that were different from questions to officials of the same period. Not all participants received all the questions but the range of people interviewed allowed issues to be explored from a variety of view-points.

Arranging and Conducting the Interviews

The arranging and completion of the interviews were conducted without any serious problems arising. Selected subjects were initially contacted in writing by post or by email and copies of the 'Information Sheet' were attached to the interview request. The letter often contained an estimate of times and dates that I was available if the interview

was to take place outside my home city of Auckland. In all cases mutually acceptable times and dates were easily agreed upon. Generally arrangements were made by telephone or email, followed by a confirmation letter. The 'Consent Form' (refer Appendix D) was signed just prior to the interview and a follow-up 'thank you' letter was sent after the interview had been completed.

Most of the interviews were completed in the participants' own offices. All the interviewees appeared interested in the subject and all but one (who also wished the responses to remain anonymous) readily agreed to be audio-taped. I took notes as well as used two audio cassette recorders. Even this 'belts and braces' plan failed to work adequately with often at least one cassette failing to operate effectively and on two occasions both cassettes returned inadequate recording. At these times I was able to recreate the interview from tape fragments, notes and memory. The reconstructions were sent to the participants for approval. Technology proved to be the greatest headache of this exercise.

The questionnaires proved to be adequate prompts. On all occasions the participants relaxed into a dialogue that revealed interesting and unique material. Often the interviews extended over the agreed times to the advantage of my data gathering. It was often during these general discussions and anecdotal recollections that the richest data emerged.

International Interviews

The aim of this research was to compare New Zealand's experience with the international experience and to develop a theory of coalition governments that has a practical application to this country. The first stage of this research was a visit to Ireland, Scotland and England. Part of this research included visits to the Irish Parliament in Dublin and key informant interviews in Scotland and London. The purpose of these visits was to investigate coalition governments in other Westminster-style parliaments.

Limited personal resources determined that these countries were also easier to visit, to gain interviews, than other Western European countries. Countries such as France, Germany, Italy and the Scandinavian countries use a proportional system of voting and frequently experience coalition governments. A large body of data has been developed

based on the experience of these countries since the Second World War. This data has helped analysts develop extensive coalition theories. I assessed the available data and determined that sufficient work had been done to provide useful examples for the study, negating the necessity for travel. This theorising and its empirical testing have been discussed in Chapter 2. However, as stated earlier much of this research has been conducted on countries that are dissimilar to New Zealand. My focus on interviewing subjects researching Westminster-based parliamentary systems was an attempt to focus resources on gathering additional data that was as close to New Zealand's proportional system as possible.

New Zealand Interviews

The second stage of research involved studying documents in New Zealand. This included several fieldtrips to Wellington to carry out research in the Parliamentary Library, various Ministers' offices, the Office of the Clerk, Cabinet Office and other repositories of official papers. The purpose of this part of the research was to gain full analysis of the recorded information that is available from the 45th, 46th and 47th Parliaments. This included documents that related to the key political actors of the period, decisions made and processes followed or amended. The documents researched included Cabinet papers, Hansard recordings, policy position papers, coalition agreements including dispute resolution processes, Parliamentary Standing Orders amendments, Cabinet Manual amendments, select committee reports and briefing papers to incoming Ministers.

Transcribing, Coding and Analysing

The approach taken was the "General Inductive Approach" (Thomas, 2000, p. 3) to allow research findings to emerge from the raw text. This meant taking the dominant and consistent themes that emerged and codifying them rather than establishing the themes prior to the interviews and adapting responses to them. The raw data was configured into a common format and read thoroughly for familiarisation. The various categories were evaluated from the text and then the text sorted according to the categories or codes. This was done using a 'cut and paste' method. Some units or segments of text were allocated into more than one category and some text was not assigned to any category (Thomas, 2000). Sub-topics, similarities and contradictions

were considered and quotes selected that encapsulated each category. The results of this coding and selection were written up, discussed and conclusions deduced.

The research findings were greatly influenced by the interpretations made from the raw data by the researcher (myself) who coded the data (Thomas, 2000). In this particular study, the researcher is a former Member of Parliament from a small party and the results should be viewed with this in mind. Final confirmation was by an independent researcher. This person was provided a copy of the research objectives and examples of the raw text and was asked to develop categories from the text (Thomas, 2000).

Four main categories were confirmed: Pre-MMP Events (including electoral arrangements), Coalition Formation, Government Duration, and Coalition Dissolution. Two relevant sub-sections emerged that both sat within and stretched across each category. These sub-sections were government and coalition mechanisms, and issues of inter and intra-party and leadership relations. A number of additionally useful but mainly tangential themes such as changes to Cabinet, parliamentary and select committee procedures and electoral changes were woven into the categories deemed most relevant. The main categories of pre-election discussions, formation, duration and termination form the chapters of the case studies.

Primary Document Content Analysis

The historical events research method has been described as the closest thing to “intellectual detective work” (Newbold, 2003, p. 287). This method is ideal for investigating how change took place and how particular social arrangements took a particular form (Newbold, 2003). The historical research method goes beyond the public records to analyse primary sources. Using the ‘historical research’ method, I examined both published and unpublished material. In this case, the research included an analysis of personal e-mails, internal memos, briefings, reports and speeches. The evidence was evaluated in terms of its validity and relevance before it was organized and analysed (Newbold, 2003). Influencers of this evaluation included political stakeholders, the media, public opinion and critical incidents. These were unravelled and assessed as to their relative values. An important phase was the establishment of a chronology of the main relevant events within the time frame that I had selected.

The information (or content) gained from the primary sources was analysed. The information was outlined in a logical and chronological order and this was analysed for relevant themes. As with the interview material, the raw data was placed into a common format and read thoroughly for familiarisation. The emerging dominant and consistent themes were segmented into units which were then categorized. Each unit was counted as a member of a category that was practically or theoretically identified by me as being useful for the research (Bowers & Courtright, 1984). The various categories were evaluated from the text and then the text sorted into units that were allocated to the categories.

Triangulation

The research was triangulated using key informant interviews, document analysis and participant observation. The purpose of this triangulation is that the use of more than a single research method assists to test any resulting conclusions. Generalisations drawn from information gleaned from key informant interviews became more robust when confirmed using other techniques of data gathering.

Each data collection method used in qualitative research has certain advantages and disadvantages. Some researchers reported that respondents often provided answers that did not match with actual behaviour (Frankfort-Nachmias & Nachmias, 1996). In other words, a respondent's reported behaviour might not match their actual behaviour. Research findings were also affected by the type of research method used. Each data collection method contained its own specificity but this could be minimised by using a number of different data collection methods. If the findings yielded by different methods remained consistent then one could gain confidence that any deficiencies arising from using single methods are minimised (Frankfort-Nachmias & Nachmias, 1996).

This study used participant observation and primary documentation as methods of confirming the validity initially produced by the key informant interviews. Where possible both methods were used to validate interview findings. Although all three methods are valid aspects of research they all have the dual function of testing the "reliability, validity and generality of findings" (Layder, 1993, p. 121).

Ethical Considerations

This research study was based on key informant interviews, public documents and academic writings. The research also included some participant observation. Where possible statements based on participant observation were confirmed either via the interviews or by using public records. Where personal recollections are used as part of this study they have been clearly identified and, where necessary, the identification of any individual has been withheld. No aspects including the method of this research have disadvantaged or had adverse effects on any individuals, organizations, groups or communities.

The research was conducted strictly in accordance with the principle of 'informed consent'. All respondents were provided with all the available information about the study.

Interviewees were provided with an 'Information Sheet' that outlined the study and advised them of their rights when being interviewed including the right to cease at any stage. A 'Consent Form' agreeing to be interviewed and audio-taped was also signed before the interview took place. Amended forms were provided to international and New Zealand participants. Different forms were provided to contributors who were able to remain anonymous and those whose anonymity could not be guaranteed. Sample copies of both of the information and consent forms are available in Appendices C and D. These methods ensured that each interviewee was able to make a rational and informed decision about their individual participation.

Application was made to the Massey University Human Ethics Committee (MUHEC) in June 2004 for a Notification of Low Risk Research/Evaluation Involving Human Participants. The project was reviewed and judged to be low-risk, and approved by the researcher and supervisor under delegated authority from MUHEC.

All interviewees signed the 'Consent Forms' agreeing to be taped and for the tapes and transcripts to be archived. All participants were offered access to the completed research but only three requested copies of the transcript for checking. No ethical issues arose from the interviews or any other aspect of the study and all MUHEC guidelines were followed.

Limitations of the Research

Every study has its inherent limitations and this research contains several factors that render the study atypical. The main limitation pertains to my personal involvement as researcher. Further, the research is time sensitive. My background as an MP for two of the three parliamentary terms under discussion provides an inherent bias. But, my personal involvement added certain advantages that non-participant researchers would have been unable to claim.

I interviewed many of my former political colleagues from both the Government and the Opposition. It is accepted that key informants can have a vested interest in their observations. Participant observations have been provided from personal memories and notes of events and the fact that they are mainly recollections might provide a further limitation on the confidence that can be placed on the accuracy, reliability or validity of the findings of this research. The topic chosen is one that is of particular interest to me and so it is impossible to prevent some level of bias distorting the analysis of findings (Berg, 2001). There are reservations about participant observation but the triangulation of methods has assisted in reducing any inherent bias.

This research should be read mindful of the inherent limitations of the study's timeframe. The study was conducted over three parliamentary terms and involved specific parties and actors. Different coalition scenarios involving changed political actors, attributes and constraints would probably yield a variety of results; equally valid for those occasions.

However, in this context there were two main advantages that contributed to a deeper understanding of the material. The first was that as a former Member of Parliament I was able to gain access to key politicians and officials that might have been denied to other students. Secondly, I was a Member of Parliament during two of the terms under study, therefore I was able to understand the subtleties and nuances of the interview material and where necessary place it within a broader context. Also, my experiences as an MP helped me to look beyond the immediate implication of the information that was provided and sometimes probed deeper in the questioning. In addition, this research has been extensive, was triangulated and is based on material gained from many of the main political actors of the time under study. As such, this study provides a unique

contribution to our understanding of coalition government that could not have been gained from other methods.

Summary

This chapter has outlined the methodological approach of systems theory and described why a qualitative research method was chosen. It has also detailed the role of the researcher in Parliament, the use of semi-structured interviews of key informants and the use of primary documents to fill in any gaps. The next stage is the use of these tools to develop the case studies. The first chapter in this important section relies mainly on secondary data. It does not form a substantive part of the main research but is useful nonetheless. The period under study is the MMP years of 1996 to 2005. However, the parliamentary term of 1993 to 1996 was in effect a practice run for MMP. I have included this summary because that Parliament laid the framework under which future MMP parliaments were to operate.

Chapter 6: The Lead-up to MMP –1993-1996

The parliamentary term between 1993 and 1996 appeared to be a practice run for an MMP Parliament. That period was a volatile time that saw several splinter parties form and reform and the emergence of a First Past the Post coalition government. This chapter provides a brief chronological outline of the relevant political events between 1993 and the 1996 general election. Although the period in the lead up to the 1996 general election was outside this study's timeframe, I considered it important to provide a background to the events of the first MMP government. This parliamentary term provided the New Zealand Parliament and MPs with crucial experience in coalition negotiations and management. This was also a time when the established parties amended the rules of the House in preparation of the incoming system. While some MPs adjusted to MMP as a way of individual survival, others tried to ensure the superiority of the two main parties continued into the next parliamentary term. Still other politicians embraced MMP as providing a new form of consensual government.

The composition of the New Zealand Parliament elected in 1993 underscored the degree to which the country remained a textbook example of a two-party system (Boston et al., 1996). Yet, between November 1993 and the 1996 elections, there were seven different government arrangements. These seven configurations can be simplified into four separate periods of majority or minority governments. Although the National Party was the major party in each composition, it had to rely on the support of various MPs that departed from both the Labour and National parties during the 1993-96 parliamentary term. The large number of changes coupled with the fact that some MPs changed or reformed their parties several times guaranteed that this period appears confusing. However, as an immediate precursor to this study, this parliamentary term provides some important and interesting instances of multi-party arrangements in action during what was still a FPP Parliament. The different compositions of government are discussed in turn.

National narrowly won the 1993 general election with 50 MPs and became a majority single-party government. The opposition entered Parliament with Labour having 45 MPs and NZ First, two. On election night, the Alliance's two MPs, noting the close

contest and fearing a potentially unstable government promised to support the largest party on confidence and supply (TV One, 1993). Although, this support was highly conditional, it did provide National's leader, Jim Bolger, with the confidence to form a majority government that continued until the middle of 1995.²¹

Preliminary Sparring

A parliamentary form of musical chairs ensued even before the Representation Commission tabled the new electorate boundary maps in the House. The new electorate boundaries, devised in anticipation of MMP, were finalised on the 27 April 1995. However, by this time both National and Labour had each suffered the defection of an MP. Even though the new system would see an overall increase in MPs to 120 there was to be a reduction in electorate seats with the remaining number of parliamentarians drawn from the party lists. The boundary reshuffles in readiness for MMP required the National and Labour parties to accommodate their existing electorate MPs into fewer seats. This often fraught process led to some sitting MPs leaving their parties and forming new parties or blocks within the 1993-1996 Parliament (Vowles, Aimer, Banducci, & Karp, 1998). Some parties formed after the MMP referendum primarily in anticipation of gaining parliamentary seats as a result of the new system.

MPs in heavily contestable seats quickly recognised that their positions were vulnerable anticipating the overall reduction from 99 to 65 electorates. In some cases, MPs from the same party would have to compete for selection. An example of such an instance occurred on Auckland's North Shore. Sitting National MPs Peter Hilt (Glenfield) and Ian Revell (Birkenhead) would have to seek party selection as the candidate for the new, enlarged seat of Northcote. The new seat comprised all of the former Birkenhead electorate and a smaller area of the former Glenfield electorate. Hilt, in anticipation of Revell retaining a majority on the local National Branch's selection committee, left National to help form a new party, United NZ.

²¹ A similar undertaking was provided by Anderton in the lead-up to the 1996 election. On a TVNZ "Meet the Press" interview, Anderton stated that the Alliance was prepared to offer confidence and supply to a minority government if one was formed after the election. This commitment was understood to include either National or Labour (Fraser, 1996).

Between a RoC and a Hard Place

MP Ross Meurant's departure from National in September 1994 heralded the commencement of the MMP induced reconfigurations of Parliament. Meurant established his Right of Centre Party (RoC) and invited other MPs to join it. Meurant had hoped that National would encourage supporters to vote for the National candidate in his electorate but support RoC on the list in the forthcoming election (Scherer, 1995). Although the National Party President at the time Mr. Thompson rejected any form of coalition deal with RoC, Jim Bolger publicly recognised the inevitability of a coalition government (MacLennan, 1995). Meurant retained his position as Under-secretary in the Executive and continued to support the National Government. The arrangement between Meurant and National "was on the very margins of being a genuine coalition" (Boston et al., 1996, p. 94) and lasted until August 1995. However, a number of MPs from both sides were also considering their future.

A Dunne Deal

Peter Dunne provided National with an increased measure of support. Dunne resigned from Labour in November 1994 and announced his intention to form the Future NZ Party and support the National Government. Dunne's actions did not change the composition of the Government. Neither did the resignation of Graham Lee from National in May 1995 to form the Christian Democrat Party. Like Meurant and Dunne, Lee supported the National Government. Meurant's RoC Party was joined by another National MP, Trevor Rogers in June 1995. In contrast to the informal backing of the former National MPs, the Future NZ Party's formal pledge strengthened National's majority; a position that lasted only until 28 June 1995.

The United NZ Party was the first major grouping to emerge in anticipation of an MMP elected parliament. The new party consisted of four former National MPs and three former Labour MPs including Peter Dunne of the former Future NZ Party. The defection of the National MPs and the formation of this party changed National's status to a multi-party minority government that included a loose coalition arrangement with RoC. The Alliance's actions in moving a vote of no-confidence in the government

ended their conditional support.²² From the 9th May 1995, the minority government was able to continue in office with the support of both the United NZ and Lee's Christian Democrat parties. National's support remained steady even after Under-Secretary Meurant was dismissed from his post after Meurant's appointment to a position on the board of Vanuatu registered Prok Bank, a private merchant bank whose general manager was a former Dairy Board representative based in the Russian Far East. Meurant's appointment was seen as being in conflict with his capacity as agriculture and forestry Under-Secretary. Meurant's sacking ended RoC's coalition with the Government but the party continued to offer support to National. National at this point again changed its status to a single-party minority government and now relied on three other parties for support.

The supporting parties only provided confidence and supply and did not automatically vote for Government Bills and National lost two minor Bills in September. The Electoral Amendment Bill only passed with the assistance of Labour, against all the other parties. However, United announced its formal support for the National Government in January 1996 and in return the National Party pledged not to contest Dunne's seat of Ohariu-Belmont. This arrangement was sealed with a formal coalition agreement and National and United formed a two-party (multi-party) majority government. At this point National commanded a majority of fifty MPs to the opposition's forty-six. In addition, the Government enjoyed the support of the Christian Democrats and equivocal support from both the Conservatives and the now independent MP Meurant.

The Government's majority was not even threatened when National MP Michael Laws, defected for NZ First in March 1996. In addition, National MP Peter McCardle joined by Labour's Jack Elder also left their respective parties for NZ First in April 1996. Therefore, the Government lost its majority status and returned to being a minority two-party coalition supported at times by three other MPs. Amid accusations of misleading the House, Laws resigned from Parliament at the end of April depleting the Opposition's numbers by one. Although a by-election is traditionally called to fill a

²² On the 8th June 1995, Anderton announced that he would move a vote of no-confidence effectively declaring that the Alliance would no longer support the government. The vote on 21st June was lost 45 to 41 with National surviving with the support of the Christian Democrats, Future NZ, and RoC MP Trevor Rogers.

MP's vacancy, Laws was not replaced before the general election was called later that year.

Changing Allegiances and Procedures

The forming and reforming of both governments and parties provided the Parliament with a practice run for the MMP era. Allegiances changed often during this term of Parliament. Relationships were often acrimonious between the minor parties but Prime Minister Bolger was able to seek new support when old allegiances failed. It especially conferred on Jim Bolger the experience required to enable him to successfully form the first coalition government following the 1996 election.

Standing Orders

MPs experienced coalition building and relationship development but they were not the only adjustments that parliamentarians had to make in the term prior to MMP. The House's formal procedures, Standing Orders, had to be amended to allow for the new environment. A Standing Orders Committee was appointed in December 1993. The Committee's terms of reference included examining and reporting on the procedures of the House, keeping under review the work carried out by other select committees, and if necessary, issuing guidelines to the committees relating to their general procedures (Standing Orders Committee, 1995). The recommendations of the Standing Orders Committee adopted by the House in December 1995 came into effect in January 1996. This provided Parliament with almost a year of experimentation with the new procedures.

The Standing Orders Committee conducted a thorough re-evaluation and amendment of Parliament's Standing Orders. The members of the Committee considered it their obligation "to ensure that the House of Representatives and the select committees were prepared to operate in the new (MMP) environment" (Standing Orders Committee, 1995, p.10). The committee recognised that a MMP-elected Parliament would be more consensual and consultative and decided to conduct the Committee's procedures under similar guidelines.

The Committee's recommendations comprised a number of main areas: General provisions and office holders, sittings of the House, General procedures including dress and interjections, select committees, legislative procedures, financial procedures, non-

legislative procedures, parliamentary privilege and “other matters” (Standing Orders Committee, 1995). The impending parliamentary reform provided the opportunity to amend procedures that were deemed desirable even if not explicitly required by the move to MMP. This discussion will focus on those changes that are more relevant to this study.

Standing Orders formally distinguish between Government and Opposition MPs but prior to 1996 did not recognise parties as formal entities. The Standing Orders Committee recognised that the overall composition of the House would be determined “on the basis of party membership” (Standing Orders Committee, 1995 p. 15). The House would be comprised parties on a proportional basis due to the party lists. This fact determined that many of the House’s rules had to be addressed to allow for the proportional party feature. Voting procedures, speaking times, allocations and the order of speaking had to be amended to allow for proportionality.

Speaker of the House

The position of Speaker of the House was altered. The Speaker remained a party member and was given a deliberative vote and lost the traditional casting vote. It was decided that a casting vote would “disturb the proportionality of the Parliament that had been determined by the general election” (Standing Orders Committee, 1995, p. 13). The post of Deputy Speaker was established along with two Assistant Speakers. The Committee expressed the view that one of the Assistant Speakers would be elected from the Opposition and one from the Government.

A Business Committee was established to introduce greater planning into the House’s procedures. Past practice had been for a government to keep secret most of the House’s legislative objectives and timetable. The greater complexity of a multi-party Parliament meant that parties needed to be kept informed on Parliament’s programme to ensure that the House’s business could be conducted in a professional and smooth manner. The Business Committee would be chaired by the Speaker and all parties could expect to be represented. The business of this committee was to operate by agreement as much as possible.

Voting

The traditional voting in the House by formal divisions was to be changed to a three tiered system. This voting system was recommended on the basis of some members' observations in the Netherlands. Questions were to be initially determined by a voice vote. Parties were enabled to record their dissension on a matter by way of a party vote. A member, usually the party whip, would stand and state the direction and number of votes that party was casting. Any member not voting with his or her party was deemed to cross the floor. If the party vote was especially close and it was called for, the Speaker might allow a personal vote. The party vote would be omitted on the occasion of a conscience vote. On these occasions, a personal vote would follow the voice vote. In theory the three tiered system required only a representative from each party (and a minister) to be present in the House to vote. There was concern that the public would question any high level of absenteeism of members but a quorum was not introduced. Abstentions were provided for the first time in the New Zealand Parliament as it was considered that parties might not have a position on particular items and wished to formally record that decision.

The Committee did not believe that the system of pairing votes (formally recognised in 1951) would continue to be effective with multiple parties. Therefore, proxy voting was introduced. This system was provided for to allow ministers and members to attend to business outside the House without reducing their party's vote. Proxy votes had to be formally approved and would not be allowed for absences that exceeded 25% of a party's membership of the House.

Time Slots

Although the House was to include greater numbers of MPs and parties in its membership, debating times on some stages and in certain instances was reduced (Standing Orders Committee, 1995).²³ However, parties were allocated time slots according to their strength in the House. This proportional requirement ensured that all parties were allocated some speaking time in most cases. The speaking proportionality was calculated over a period of time rather than for each debate. Small parties of six

²³ The changes to Parliament's speaking times are discussed in greater detail in Chapter 7.

members or less might lose speaking slots on some occasions. Parties were also allocated rotating slots for oral question time and the general debate. Questions and their order were to be allocated on a roster for each day. This meant that even the small parties would occasionally lead the general debate or have the first question asked of a Minister.

Committees

Proportional party criteria also applied to select and other committees. The Standing Orders Committee recommended that subject select committees should continue to undertake the scrutiny and legislative functions that they carried out under FPP. However, a Parliament of 120 members would allow a committee structure of twelve eight-member subject committees plus other standing committees. The Standing Orders Committee recommended that the “overall membership of the subject select committees reflects the balance of the parties in the House” (Standing Orders Committee, 1995). The Business Committee was charged with determining the membership of the committees and making a recommendation to the House. Committee chairs would continue to be elected by and from within each committee but would only have a deliberative vote. Governments that were not majority governments could not expect to retain majorities on each select committee. Likewise, the Government could no longer expect to hold all the chairperson positions on the select committees.

Election night 1993 heralded in more than just a change in the way New Zealanders’ elected their representatives. It also began an experience with small and newly formed parties sharing power. The political system adjusted from a majoritarian democracy to one that was pluralistic and more consensual. Although New Zealand had long experienced a party based government, this fact was formally acknowledged in Parliament’s Standing Orders for the first time.

Conclusion

In this chapter we have seen that National was able to maintain dominance during the 1993 to 1996 term even though it enjoyed an extremely slim majority in the House. National’s Prime Minister, Jim Bolger achieved this control by winning the support of formal and informal partner parties or independent MPs. This support was fluid and Bolger had to buttress it on an almost daily basis. However, this coalition management

and negotiating experience gained by Bolger would greatly assist his National Party to win Government again in 1996. Both the National and Labour parties were mindful of the impending reduction in single-party power heralded by MMP. In preparation for a multi-party parliament, these two parties were able to massage the numerous governmental procedures to suit themselves. As such, many of the rules and processes now deemed to be conventions are in part the result of self-interested, political manoeuvrings by the two main parties over many decades.

The next chapter explores the way MMP contributed to some specific changes to Cabinet and parliamentary procedures. These changes, encouraged by the relevant parties, contributed towards governments being able to withstand some crises but not others. Parliamentary debates and select committee processes evolved alongside amendments to Cabinet doctrines as on the one hand the Legislature grappled to restrain Executive power and at the same time the Government sought increased stability and security. In addition, parties developed mechanisms that aimed to corral disagreement and at the same time enhance relationships.

Chapter 7: Changing Processes, Attributes and Attitudes

“The implementation of public policy is at the heart of the government formation process.” (Laver & Shepsle, 1996, p. 20)

It is the attributes or characteristics of a government, how it was formed and its level of majority as well as its processes and relationships that determine how it is able to withstand and survive crises. A study of cabinet and parliamentary attributes allows assessments to be made about the susceptibility of governments to resist public poll shocks and other threatening events. This chapter looks at the way MMP forced a modification of attitudes and procedures on the House and the Government. Those aspects that were important and relevant to New Zealand Governments between 1996 and 2005 are focused upon within two broad categories: the Legislature including select committees and the policy process, and the Executive with particular attention given to the doctrine of Cabinet collective responsibility. In addition, MPs and parties have had to develop enhanced relationship management skills to enable legislation to be passed. Particularly for the Government, relationships have had to be managed to ensure even the survival of the coalition. Therefore, the MMP environment has required rival parties and their leaders to respect and trust each other and this chapter concludes with a discussion on each government using the framework of their working relationships.

Legislative processes in themselves do not directly affect a government coalition. However, governments collapse if they are unable to pass any legislation, lose the confidence of the House or fail to gain supply. The danger of failure becomes more acute for minority governments relying upon other parties for support. The political imperative to pass legislation has forced increased liaison within the Legislature requiring improved dialogue between the Government partners and even Opposition parties. This attempt at parliamentary concord is best illustrated by a maturing select committee processes. Interviewees consistently cited the improved conduct and

application of the select committees as the prime example of the effect MMP has had on the House's side of the legislative process.

Minority governments in New Zealand under MMP have had to rely upon the votes of parties from outside of the coalition to ensure not only the passage of legislation but also confidence and supply. At the same time, the Government had to balance the imposed concessions as the price of support from these other parties against its own aspirations. Agreement at this level has not ensured the smooth passage of legislation as minority governments have been unable to control the votes on all select committees or in the House. Legislative 'wheeling and dealing' requiring continuous dialogue, compromise and communication occurred at all levels and this need for constant consultation created the potential for slower passage of legislation leading to instability and impotent governments. In fact, parliamentarians became increasingly mindful of the need for stable Government. However, this has not occurred to a great extent as MPs have implemented evolving formal and informal understandings, ensuring that resulting legislation was not only carried by a majority in the House, but also was robust and effective law. One beneficial result was not only more durable legislation but laws that had wider consensual support than if passed by a single-party majority government.

Each Government incorporated decision-making and communication mechanisms into its processes to promote and maintain close relationships between coalition partners. Those mechanisms reduced the possibility of dispute and mitigated the negative effects of external shocks. One of the most important conventions was that of Cabinet collective responsibility therefore, an increased amount of attention has been given to analysing the changes and effects of the concept. The relationship between the institutions of the Legislature and the Executive evolved under MMP as did the relationships between coalition partners. In addition, legislative and cabinet processes were amended to assist in the stable management of the Governments.

Any Cabinet's inherent structural attributes are dependent upon the formation process. The mode of Government since the introduction of MMP has had to include consultation and liaison with coalition and supporting partner parties. This has been an evolutionary development of communication methods and each Government learnt from the successes and failures of previous administrations. Interviewees consistently pointed to the need to develop trusting relationships as being essential to stable coalition

government. They all agreed that governments could not operate effectively if the party leaders did not trust each other. Conversely, many interviewees felt that the break-down in such relationships triggered the demise of some governments.

The Legislature

Policy Process

Predictions that MMP would result in a slower legislative process ranged from those that argued simply that more consultation, negotiation and amendment would be required, to those that predicted dire consequences such as secretive 'back-room deals' and political paralysis. While the 'blitzkrieg' approach to public policy was undesirable, some commentators feared that with a plethora of small diverse parties in the House, the 'tail would wag the dog' (B. Easton, 1997, pp. 306-8; 1999; Saunders, 1998). It was predicted that legislation and policy development would be slowed by the need to consult, negotiate and perhaps homogenize policy (Anderton, 1996; Creech, 1995; James, 1996; Murdoch, 1999; Quigley, 1994; Vowles et al., 1998). The speculation was that coalition agreements would focus on short-term targets (Shaw & Eichbaum, 2005). Small parties feared unreliable, would exert undue influence and would create an unstable policy environment and as a result wield a disproportionate share of the power, resulting in small parties extracting excessive policy concessions from larger parties (Birss, 1993; Bolger, 1996; James & McRobie, 1993; Richardson, 1998; Smith, 1996; Vowles et al., 1998). This predicted excessive power of small parties over policy was labelled the 'tail wagging the dog' phenomenon (James & McRobie, 1993).

Other commentators were more optimistic and hoped that the 'blitzkrieg' approach would be replaced by a policy process that allowed policy development to evolve and therefore become robust and more enduring (Bolger, 1996; B. Easton, 1999; Miller, 1997; Palmer, 1997). In fact, this was the desire of the RCES (1986) when it recommended MMP as the preferred electoral mechanism. The RCES (1986) also considered that the work of Parliament would be strengthened by "checking the Executive through scrutinising its legislation, questioning ministers in the House and public servants in select committees, and acting as a forum for the expression of alternative policies" (pp. 60-1). However, it was unclear what the role of small parties would actually develop into and what particular contribution small parties would be able to make to the policy development environment.

MMP and the Goals of the RCES.

There have been two main ways that minor coalition partners and supporting parties have had the ability to affect the legislative outcome: through any coalition agreement or pre-formation discussions, and by the various institutional and informal policy development processes. This section explores the latter method with the added objective of assessing the extent, if any, that MMP has contributed to the relevant goals of the RCES.

Consensual Legislation?

Apart from select committee and constituency work the other main area that consumes an MP's time, when in Parliament, is the debating chamber. A former Prime Minister, once famously criticised the New Zealand Parliament as the fastest lawmaker in the West with the Executive so dominating Parliament that legislation was often passed "by exhaustion" (Palmer, 1979, p. 77; 1992, p. 111). The RCES (1986) felt that policy would benefit by increased party consultation and a more consensual process and hoped that MMP would restrict the sudden and drastic policy changes that had happened with changes of government under FPP. More recently, Palmer and Palmer (2004, pp. 185-8) commented that the passage of legislation had slowed based upon a reduced number of acts and regulations passed by Parliament. They argued that the seventeen year average from 1960-1996 was 153 Government Bills per year. An average of 108 Government Bills per year have been passed since 1996 (1997-2002). Yet, the Parliamentary Council Office (2004) calculated that more actual pages of legislation and volumes of statutes and statutory regulations were published in 2003/2004 than in any year of New Zealand's history. The total of normal sitting hours of the House in 2004 were 444, well up on the year ended 2000 when the House sat for 299 normal hours.²⁴ However, if urgency hours were added, the House sat for only 70 hours under urgency in 2003/04 down from 77.5 hours in 1999/00 (Parliamentary Council Office, 2004).²⁵ Select committees increased their workload from 461 sittings in 2000 to 523 in 2004. If the volume of legislation passed and hours worked was an indicator of the workload of parliamentarians, then MPs were working harder than ever before, but under less

²⁴ House sitting hours are calculated for each financial year not calendar year.

²⁵ Urgency hours have decreased since the introduction of MMP as the government finds it harder to obtain support for the necessary urgency motions. This situation has eased with the United Future Party seeming more willing to support urgency since 2002 than the Green Party was previously.

urgency. The House's sitting hours have become less severe for MPs and as Palmer (2004) noted, MMP has provided increased opportunities for legislative scrutiny. However, "the problems of making judgments about the effectiveness of legislation are as difficult as they ever were" (Palmer & Palmer, 2004, p. 188).

A Slower Legislative Process

All interviewees considered that the legislative process had slowed since 1996. However, most considered that this extra time was beneficial, a more deliberative process that helped create robust legislation. The Clerk of the House, David McGee summed it up, "The legislative programme faced greater pressures because of the increased lengths of time taken under MMP. So, there ought to be more opportunities to catch any potential errors in legislation."

Former Alliance Minister, Matt Robson²⁶ considered that issues were debated more thoroughly and contentious policy no longer pushed under the table. Intensive negotiation and amendments were introduced at all legislative stages and this slowing of the process had not led to policy stagnation. Policy was not rammed through Parliament but it did get passed. There was an increased need for negotiation and discussion leading to policy that had a wider acceptance than solely with the ruling party. The process met with the approval of Former Speaker Hunt²⁷ who had re-evaluated his stance on MMP "policy is more robust, more difficult to manage, but I think in the end you get better performance. I have changed my mind about MMP".

A government's need to negotiate with other parties in order to effect legislation was considered, by Labour Minister Rick Barker²⁸, to be one of the overwhelming features of MMP. The increased consultation meant that the smaller parties had a huge input into the legislative process. In turn, this had increased the level of involvement and contributed towards the Legislature gaining increased influence over the Executive. David McGee considered that "governments don't always get their way now."

²⁶ Alliance MP Matt Robson was interviewed for this research on the 29th April 2005. Unless otherwise referenced, all quotes or comments attributed to Robson arose from this interview. Refer Appendix A: List of Interviewees.

²⁷ Former Speaker Rt. Hon. Jonathan Hunt was interviewed for this research on the 13th October 2004. Unless otherwise referenced, all quotes or comments attributed to Hunt arose from this interview. Refer Appendix A: List of Interviewees.

²⁸ Former Labour Party Senior Whip Rick Barker MP was interviewed for this research on the 13th October 2004. Unless otherwise referenced, all quotes or comments attributed to Barker arose from this interview. Refer Appendix A: List of Interviewees.

Baring abstentions, in a 120 seat parliament, governments need to reach a minimum of 61 votes in order to pass any bill. As a result the Government has had to negotiate away aspects of some policy that it would have preferred develop in a different direction. For example, the Leader of the House, Labour's Michael Cullen²⁹ noted that the Government was reliant on the Greens for passing particular land transport legislation. As a result the Government had to concede some policy points. "There was quite a bit of stuff in there that would have been our preference to not include in the legislation", admitted Cullen.

However, while people see the items of legislation that are enacted, they are often unaware of proposals that do not get publicised. An example was provided by Rick Barker. Legislation was being drafted that affected lands that had been released for 'peppercorn rental' in the Taranaki area. There were two complex arrangements that could be exercised. IRD advised Dr. Michael Cullen, as Minister of Revenue, that there was a huge potential tax loss because of the structure of one of those options. The Minister wanted to pass a Bill through the House under extraordinary urgency to block the loophole. Minister Cullen gave advance warning to the Government's Senior Whip to be prepared for 'extraordinary urgency' (*Standing Orders of the House of Representatives*, 2005, S.O. 54,55,56, p. 32). Later that night, Cullen advised that the Government might be just using 'urgency', instead of 'extraordinary urgency' so they had reduced the level of procedure. The Minister, as Leader of the House, had gone to a number of parties and asked them to support the urgent passage of the Bill. The parties, including the Act Party, advised that they would support stopping a leakage of Crown funds but if they supported such an extreme measure without the scrutiny of the Legislature and without the scrutiny of the select committees they would need to be convinced absolutely that the Inland Revenue Department's (IRD) advice was correct. Even the coalition partners said that they would support the government on taking 'extraordinary urgency' but they had to be convinced as to its necessity. Two days later the status of the measure had gone from 'extraordinary urgency' to 'urgency' to a Bill in the House to no Bill at all because the case for 'urgency' could not be proven. Rodney Hide agreed and considered that the Minister's argument for urgent passage unravelled while going through the process of negotiation.

²⁹ The Rt. Hon. Dr. Cullen, Labour Minister, was interviewed for this research on the 5th April 2005. Unless otherwise referenced, all quotes or comments attributed to Cullen arose from this interview. Refer Appendix A: List of Interviewees.

The Government has a Choice of Tails to Wag

The increased need for the Government to negotiate and consult was generally seen as beneficial to the parliamentary system. The extra conferencing was not considered to unduly thwart the Government's right to govern and provide leadership to Parliament. It just had to negotiate a lot more, Cullen believed.

While Governments gained extra votes from the Legislature in most cases those votes only affected detail at the edges of legislation. Often, Governments chose parties from which to seek support and co-operation shifted on an issue by issue basis. Rod Donald³⁰ considered that far from MMP allowing the tail to wag the dog, "The Government has had a choice of tails". Former Speaker Doug Kidd³¹ put it a different way when interviewed. "You have to check each day which party is in the Government and which one is out. It is a movable feast", he said.

The *Foreshore and Seabed Bill* was an interesting case in point. The United Party had been able to extract various concessions and amendments to the Bill, as the Government's formal provider of confidence and supply. NZ First subsequently gained the upper hand in the Bill simply because Winston Peters had more votes than United Future and managed to get the key phrase that United Future wanted in, taken out. That phrase preferred by United Future was in regards to the term "public domain", said Peter Dunne.³² NZ First wanted the term changed and clarified to vest ownership of the foreshore and seabed in the Crown. United Future obliquely threatened to withdraw support on confidence and supply matters. Green MP co-leader Rod Donald noted that Labour was very quick to approach the Greens to see whether they would guarantee support if the United Future Party withdrew confidence. The Government did not want to rely on NZ First for confidence and supply even though they were depending on the party for passage of the Bill. So the main party in Government had to do a lot of juggling. When the main party, Labour, had a choice they were able to minimise the extent to which they were open to complete manipulation by another party.

³⁰ Green Party Co-leader and MP, Rod Donald was interviewed for this research on the 8th October 2004. Unless otherwise referenced, all quotes or comments attributed to Donald arose from this interview. Refer Appendix A: List of Interviewees.

³¹ Former Speaker Doug Kidd was interviewed for this research on the 5th April 2005. Unless otherwise referenced, all quotes or comments attributed to Kidd arose from this interview. Refer Appendix A: List of Interviewees.

³² United leader, Hon. Peter Dunne MP was interviewed for this research on the 13th October 2004. Unless otherwise referenced, all quotes or comments attributed to Dunne arose from this interview. Refer Appendix A: List of Interviewees.

That was not the only time that the Government had to approach different parties for support on particular pieces of legislation. According to Cullen:

And last year I had this extraordinary time when I had urgency three weeks in a row with three different parties voting for it one after the other. It took a bit of juggling to achieve that one but it was all open. Everyone knew what was going on. So no one could say that I pulled a 'swiftie'.

It is this reliance on several parties for support that gave concern to former Speaker, Doug Kidd. Kidd considered that while smaller parties might gain policy concessions, the Government was under less scrutiny than occurred under the previous FPP system. During the interview, Doug Kidd cited two main issues with the House. The first related to the spread of questions to ministers. The second was in relation to restricted debates.

House Work

Questioning the Government

The House usually enjoys a full complement of MPs when 'Question Time' is held at 2pm and Ministers come under intense scrutiny by the Opposition. This 'Question Time' is conducted through a process of Members asking twelve approved oral questions of a range of Ministers. These questions are divided proportionately amongst the parties and are followed by a range of supplementary questions that have not been seen by the Minister prior to being asked. Oral questions are asked in a different order each day and the numbers of allocated questions are proportional to the parties' strength in the House. Under FPP the opposition and government had about half the number of questions each. Under MMP the questions were divided amongst supporting parties, government parties and several opposition parties. For example, the first question on the Order Paper is asked by a different party each time as are subsequent questions and the last question (i.e. number 12). Therefore, even the smallest party has the opportunity to ask a question at the prime slot of number 1 at least once during the parliamentary term. If a party had 7% of the members in the House (ie 7% of the vote at the last election) then that party received an allocation of 7% of the questions over the year. That figure has been proportionally allocated each 'Question Time'. Uneven proportions meant that some parties received slightly more question slots on some occasions and slightly fewer

the next. Former Speaker Kidd bemoaned the new format and considered that the spread prevented the Opposition from mounting strong attacks on Government policy. Sometimes, 'Question Time' was used by the smaller parties to attack each other. When interviewed, the Clerk of the House observed that on those occasions the Government looked on as a spectator as the small parties squabbled amongst themselves. McGee further noted that the smaller parties were probably more willing to snipe at each other and the inter-party rivalry between opposition parties was more intense than under the FPP system.

Debating in the House

During the formal interview, Former Speaker Kidd argued that the strength of debates in the House faced similar restrictions. In theory the small parties could make a major contribution during the House's Committee Stages of Bills. Bills are usually drafted into one or more natural parts according to the contents. These parts are further divided into clauses during the drafting stages. The Committee Stage debates were the times in the legislative process when Bills were usually debated clause by clause rather than part by part. Bills with numerous clauses, debated this way, took days to pass. The debates during the committee stages of a Bill were generally seen as the Opposition's time. It was an occasion when amendments could be introduced and argued by MPs.

In my experience it was also the period when the Opposition could introduce meaningless changes to extend the debating time and frustrate the Government.³³ In response, the Government increasingly requested of the House that Bills be debated 'part by part'. Officials were also asked to reduce Bills into as few parts as possible in order to save parliamentary debating time. The Bills debated part by part used up less of the Government's time, a tactic that was complained about during the FPP days (Palmer, 1992). However, I saw this development increase during the Cabinet Committee process. If the Committee considered that the Bills were too long, thereby using up extra time, they were returned for redrafting into fewer parts. Accordingly, parts were merged to such an extent that the resulting Acts became increasingly more difficult to read. The objective was to pass as many Bills as possible during a

³³ A recent example of amendments being used to frustrate the passage of Bills has been observed during the debates on the Bradford Bill that intended to repeal sec.59 of the *Crimes Act*. The opposition and Phillip Field introduced numerous delaying amendments forcing the Government to consider using 'urgency' to pass the Bill.

parliamentary session. Former Speaker Kidd considered that “the reduced clause by clause debates were a shocking development, especially now we have the universal part by part practice”. Kidd thought that this practice had led Parliament to “become increasingly straight-jacketed”.

Debating time has been restricted in the House. Time limits for debating all stages of Bills have been severely reduced under MMP providing for less time overall to scrutinise much of the legislation. Even though the number of MPs and parties increased under MMP this had not led to an increase in debating time. Some speeches and debates have been reduced when compared to the time limits during FPP parliaments. Some of these changes, introduced to Standing Orders during the pre-MMP period appeared to disadvantage the smaller parties in contrast to the two main parties: National and Labour. This was especially apparent during the debate on a confidence motion moved in the House by Prime Minister Jenny Shipley (*NZPD*, 1998d, pp. 11794-95). The Prime Minister and the Leader of the Opposition were both granted fifteen minute speaking slots. The leaders of all the remaining parties were allowed only ten minutes each. The larger parties were clearly advantaged on such an important debate.

Some of the standard debate times have been affected as well. Although the time reductions do not differentiate between large or small parties, the shorter times reduce the overall amount of time available that could be divided amongst the small parties. The debate on the *Imprest Supply Bill* was reduced from four hours under FPP to three hours under MMP. Second reading speeches have been reduced from twenty minute speeches to ten minutes and the overall time cut from fifteen speeches to twelve. Debates on matters of urgent public importance have been reduced from two hours to one and a half hours (McGee, 1994, 2005). Although MMP increased the diversity of representation as well as the total numbers of MPs, the overall benefits to the House and democracy might have been compromised by the diminishing of debating time.

However, it might be that the legislative process had not suffered unduly as more time was being spent on the Bills during the select committee process. If this was the case, and indications point that way, then the select committees were conducting a de facto clause by clause debate within their unique parliamentary environment.

Select Committees

Interviewees considered that MMP had changed select committees in four main ways. Select committee members were increasingly working across party lines to ensure robust legislation was conveyed to the House, smaller parties had greater input into the committees, the public had enhanced access to law-making and the committees, as creatures of Parliament, had greater independence from the Government. This section outlines the main functions of select committees and explores the four areas of change that were raised by the interviewees. All participants agreed that the changes had not only taken place but they were beneficial to the democratic workings of Parliament. However, some interviewees were not satisfied with the way that the committees had evolved. Mainly, the divisions of opinion occurred between those interviewees from parties that were, (or were potentially) the main Government parties, and those who were members of smaller parties.

The Link to the Public

Where MPs provide the link between the public and the Executive, select committees provide a similar linkage within Parliament. They are the interface between the public, the Government and the House. The RCES (1986) considered that “the degree of public scrutiny of Executive action is affected to a major extent by the performance of parliamentary select committees” (p. 124) and argued that MMP would assist the select committee system in achieving its full potential. The RCES thought that committees could only reach their full potential by increasing the size of Parliament. This enhancement of the select committee process could have been gained purely by increasing the number of MPs to 120 while at the same time retain the FPP electoral system. But, the Royal Commission obviously considered that MMP would deliver more than just extra members of Parliament, the increased size of Parliament and the select committees would deliver increased effectiveness.

The Role of the Select Committees

Select committees not only consider Bills before the House, they also possess a number of scrutinising and inquiring functions (*Standing Orders of the House of Representatives*, 2004). As such, the Standing Orders Committee described select committees as the “workhorses of Parliament” (Standing Orders Committee, 1995, p.

31). Most MPs have sat on the various parliamentary select committees. The usual establishment has been thirteen subject select committees plus several other special committees such as Business, Officers of Parliament, Privileges, Regulations Review and Standing Orders. The Business Committee, chaired by the Speaker had representation from all the parties in the House and ordered the business of the House for the coming week. It was described in the interview, by David McGee, as “the MMP environment par excellence”.

It was in the subject committees that much of the intensive legislative scrutiny and public hearings took place. These select committees consider and report to the House on a range of matters including (a) bills: (b) petitions: (c) financial reviews: (d) estimates: (e) supplementary estimates: (f) international treaty examinations: and, (g) any other matters (*Standing Orders of the House of Representatives*, 2004, S. O. 188, pp. 56-7; *Standing Orders of the House of Representatives*, 2005, S.O. 190, p. 60). In addition, select committees may receive briefings on, or initiate inquiries into, matters related to their respective subject areas as specified in Standing Orders (*Standing Orders of the House of Representatives*, 2004, S. O. 188, pp. 57; *Standing Orders of the House of Representatives*, 2005, S.O. 190, p. 60).

Members of Committees

The membership of select committees was comprised in an overall proportional way that was similar to the make-up of the House, although the Business Committee was empowered to vary the particular membership if necessary (*Standing Orders of the House of Representatives*, 2004, S. O. 185; *Standing Orders of the House of Representatives*, 2005, S.O. 186). Most members of Parliament who were not Ministers sat on two or more committees. However, Ministers are not prohibited from select committee membership and some have sat as formal members. This situation might appear to be an undesirable merging of House and Executive interests but the Clerk of the House considered that it was desirable for Ministers to sit on certain select committees and excluding Ministers from select committees would mean that the more senior elements of the House were not involved in its work. The proportional make-up meant that most parties were unable to have representatives on all committees but if an issue arose where it was important for a party or an individual member to sit as a member of a particular committee for specific business, then that wish could be

accommodated. Extra members, added to a committee, including any Ministers, usually possessed only speaking and not voting rights.³⁴

The change to MMP was predicted to enhance the ability of MPs to carry out their collective parliamentary functions (RCES, 1986, p. 59). This was to be achieved by the increased numbers (from 99 to 120 MPs) and enhanced representation, coupled with the ability of parties to use the party list electoral process, to ensure the re-election of members with specialised knowledge.

In some ways the desire for proportionality provided mixed results. There were two important benefits: the Government could no longer control committees, and they could not chair every committee. The Government has not enjoyed a majority on any select committee since the 2002-2005 Parliament, a situation which was predicted by the Standing Orders Committee (1995). Often, a high level of cross party negotiation and sometimes compromise was required by the Government to pass legislation. If the Government was not able to reach agreement with supporting parties, Bills were 'parked' in select committees or permanently set aside.

Chairs and Majorities

The other change attributed to the MMP style was that, in the 2002 to 2005 Parliament, for the first time every party (except the Act party) had a chair of a select committee. Further, deputy-chairs were often appointed from a different party. The appointment of chairs has gradually moved away from the Government however the distribution is still not proportional to the party representation in the House (McLeay, 2006b). This seemingly increased independence has been offset by select committee chairs losing their casting vote, in the standing order changes in 1995, a move that reduced the power of the Government but at the same time mitigated the influence of non-government chairs. These two major changes strengthened the committees' independence from Government influences.

Prior to MMP, the Government of the day had an absolute majority in the House as well as on the select committees. When answering the interview questions, former National

³⁴ Further information on the functions of select committees can be found at <http://www.clerk.parliament.govt.nz> and Office of the Clerk of the House of Representatives, (2005), *Making a submission to a parliamentary select committee*, Wellington, New Zealand: House of Representatives.

Party Whip, John Carter, responded that he considered that the select committees did the bidding of the Government of the day.³⁵ Opposition views were dismissed outright unless they suited the Government and there was no negotiation at all. It would be nothing for the select committee chair to get up and ring the Minister's office and take instruction on how to vote. However, during his interview Labour Minister and former Whip Rick Barker agreed stating “It was as bald as that”.

The control of the select committees by governments, since the introduction of MMP, has been broken down to some extent partly due to the Government having a very slim majority in Parliament, or none at all. Further, there have been changing attitudes in Parliament towards the consensual development of legislation. Bolger when questioned considered that one change brought about by MMP was the additional pressure to appoint the chairs on a proportional basis in a manner similar to the composition of the committees.

The Executive was able to influence but not control what happened at select committees. Bills could emerge from a select committee with significant amendments that were not necessarily the wish of the Government. This has occurred mainly on those committees where the Government did not command a majority or on occasions when the chair was not a member of the Government. The ability for legislative modification in the select committee process could be considerable. Bills could also be slightly amended, but that largely came in the context of unanimity of viewpoints of a committee. Most legislation was usually developed consensually and “got through without too much drama”, advised Rob Eaddy, United Future’s Chief of Staff.³⁶ Rod Donald argued that even when those Bills came back to the House, the Government was not always able to reverse those amendments. This was often because it might have been “the party that the Government was relying upon for support which wanted to make those changes” said Rod Donald. Eaddy agreed that “there's no Executive rubber stamping under MMP as there was under the First Past the Post system”

³⁵ Former National Party Senior Whip John Carter MP was interviewed for this research on the 13th October 2004. Unless otherwise referenced, all quotes or comments attributed to Carter arose from this interview. Refer Appendix A: List of Interviewees.

³⁶ United’s Chief of Staff Rob Eaddy was interviewed for this research on the 11th June 2005. Unless otherwise referenced, all quotes or comments attributed to Eaddy arose from this interview. Refer Appendix A: List of Interviewees.

If the Government did not want to accept the select committee report they had to use their numbers in the House to resist the changes. If they did that then they were also forced to explain why they were changing the select committee amendments. If a committee's changes were based on public submissions, then the Government had to explain why the public's views were not valid. Carter considered that it was "a good thing, they have to go out there and sell their stuff now".

That would rarely have happened in the single party majority state that existed in the early 1990s. Prior to 1996, with an absolute majority, the Government of the day would have introduced a Bill, railroaded it through and passed it under 'extraordinary urgency' without much opposition. The Minister would have turned up to caucus, called an urgent meeting, set out what was going on and told them that the Government needed to have 'extraordinary urgency' and that would have been the end of contention. Barker observed that, with the Government being required to have a variety of partners, the parliamentary process and the legislation itself came under much greater scrutiny.

Interviewees raised other examples of select committee independence. One instance was the history of the *Residential Tenancies Amendment Bill*. This Bill introduced "statutory provisions to govern long-term boarding house tenancies" (*Residential Tenancies Amendment Bill*, 2003, p. 1). The Bill was introduced and referred to the Committee on 2nd May 2002. It was carried over to the new Parliament on 11th June 2002 and submissions closed on 23rd September 2002. After receiving 201 submissions the Committee could not reach a unanimous view. The Bill received major amendments, many of them were unanimous but some were passed by a majority. The Labour, Green and United Future members carried the vote by a majority of votes but National, Act and NZ First members inserted a minority view opposing substantial aspects of the proposed legislation. The amended Bill was reported back to the House on the 10th March 2003 and it languished on the Order Paper. The Bill was included in the 'Reinstatement of Business' motion at the start of the forty-eighth Parliament and was the oldest piece of legislation on the Order Paper when the House rose for the 2005 Christmas adjournment. The Bill survived through three Parliaments and then sat on the Order Paper for two and a half years. The only possible reason for the delay was because the Government had been unable to muster the required majority in the House

to pass the Bill. Instead of risking defeat the Bill had just not been debated because it could not gain the support of the majority of members of Parliament.

Two examples worth outlining arose out of the Education and Science Committee chaired by NZ First MP, Brian Donnelly. Legislation was introduced commonly called the 'UNITEC Bill', as it was seen to be aimed at stopping that particular Auckland tertiary institution from becoming a university. The Bill contained some retrospective clauses. The Bill required that even if a tertiary institution went through the process and was approved to be established as a university, the minister could rule it out. The Committee removed those particular powers from the Bill (*Education (Establishment of Universities) Amendment Bill 2005*, 2005). "The Minister now has to abide by the process", said Donnelly during the interview. The Education and Science Committee flexed its power on another Bill that included a clause empowering the Minister to extend the school year if teachers went on strike (*State Sector Amendment Bill (No 3)*, 2004, p. 4). The Bill would have required teachers to work extra days to make up for the time that they lost when on strike. The Committee Chairperson considered that the Bill undermined some fundamental principles of bargaining and labour rights. "So that clause just went", explained Brian Donnelly.

Minority Views

Smaller parties have found the select committee process useful for articulating their particular positions to the public, irrespective of whether or not the Government controlled a majority on the committee. There were more pronounced tendencies for small parties to put forward their own views in select committee reports. I recall that just after the 1996 election, being relatively new to the parliamentary environment, the small parties' MPs would talk about ways of communicating their views by the means of the select committee reports. The 1995 Standing Orders report argued against separate minority reports as they believed that it was not expected that there would be agreement on all matters before a committee (Standing Orders Committee, 1995). However, amended Standing Orders did allow for select committees to include indications of "the differing views of its members" (*Standing Orders of the House of Representatives*, 1996, p. 57). This clause has remained unchanged in cl. 246 of the 2005 issue of Standing Orders (*Standing Orders of the House of Representatives*, 2005).

Clerk of the House, David McGee QC, told me that “small parties’ views didn't stand out particularly strongly in 1996, but they stand out very strongly now that parties want to particularise their positions”. However, the interpretation of the meaning evolved. During the 1996 to 1999 Parliament, the Opposition and/or smaller parties attached minority reports to the main select committee report. Since 1999 the select committee reports had not been formal minority reports of the committees because there was not usually a majority on the committee. Therefore, each party was able to express their view on the Bill in the select committee report. As a result, members have been increasingly unable to form a consensus and many select committee reports have consisted of a series of party viewpoints. While this development has had its advantages for the smaller parties, there were downsides for the legislative process. David McGee pointed out that it has become more difficult to pick up anything authoritative about what the committee considered about the issue they had discussed. Even on committees which possessed a majority there was still a string of minority views; for example, a National view, an Act view, a Māori Party view. “And I do think that select committee reports have suffered as a result of that”, considered McGee.

Failure to Report

Governments have suffered defeats in the select committees. The *Disabled Persons Community Welfare Bill* was reported back to the House intact because the Committee lacked a majority for any amendments to pass. The Government might have been able to reverse that in the House but it still would have been preferable for Parliament to have been aware of any select committee’s recommendations. A similar situation arose with the *Foreshore and Seabed Bill* which also returned to the House without any recommended amendments despite months spent by the Fisheries and other Sea-related Legislation Special Committee on the Bill. A report was submitted to the House on the 4th November 2004 which only recorded ‘minority’ views from all six parties represented (Labour and the Progressives formed one Government view).

The Committee was in danger of not reporting at all on the Bill. The Clerk of the House said that he had argued very strongly during an appearance at the Select Committee that they owed a report to the people that made submissions and that “the House was owed a report on how they spent the months travelling around the country hearing submissions”. But, the Committee could not reach any agreement about what

amendments they wanted to recommend and there were political difficulties with people supporting amendments, even innocuous ones. In his interview, McGee said:

That is another development and it is an unfortunate one, I think, of multi party parliaments. It is compounded by the way the rules have changed to facilitate it. Select committees don't necessarily form a consensual view and make recommendations from the select committee any more. What they tend to do is merely recite what the individual groups on the select committee think.

During the time when the legislature consisted of only two parties, select committees reported to the House even if the committee was deeply divided. Since the introduction of MMP, an increased number of reports have been tabled in the House without expressing a majority committee opinion. On those occasions the reports were not as authoritative because they were not the product of negotiation within the committee in an attempt to reach a committee view. Some individual members, and parties, preferred that approach from a political point of view because the situation made it easier for members to maintain entrenched positions and parties were not forced to compromise around the table. McGee considered that from a parliamentary point of view, a lack of majority opinion lowered the standing of committee reports. Potentially it could fail even more because sometimes it was difficult to even get a report. McGee thought that the select committee process to some extent had failed when an unamended Bill was reported back to Parliament.

In 2002, the Commerce Committee failed in its objectives to report on a bill. The Clerk of the House described the event as a bad process failure. The Committee and officials spent a huge amount of time on the *Electricity Industry Bill* studying the issues and deliberating on a set of amendments. Public submissions had been heard and about a half million dollars spent on the process (NZPD, 2001a, 10170-10187). The Commerce Committee debated right through to the final question to report the Bill back to the House. That vote was tied, so it was lost. The Commerce Committee never produced a report at all. The Second Reading was debated in the House but all the work that the Commerce Committee had undertaken, including the views of the public were not taken into account.

The Government usually accepted a select committee's recommendations. But, the almost directionless reports were one reason why some interviewees felt that the Government was increasingly less able to control the legislative agenda. There was concern that under MMP this lack of control had developed to an undesirable extent. A lack of agreement in the select committee resulted in Bills being returned to the House without amendment and when Bills returned to the House this way, only the Government view was voted upon. In these circumstances, any committee or public viewpoint was not indicated, published or otherwise accounted for, with the result that non-Government parties lost out because they missed any opportunity to improve a Bill, even if they considered its overall thrust to be unpalatable. The Government could use force of numbers to pass the unamended Bill through the rest of the legislative stages. Any amendments that the Government wanted to introduce could be done during the committee stages in the House. However, while opposition parties were often able to make gains in the select committee process, it was rare for them to win amendments during those stages in Parliament.

Manipulating the System

While most MPs conceded that the select committees had gained an enhanced role under MMP, some MPs considered that the Executive still retained greater control of the select committees, as well as the legislative process, than desirable under MMP. Despite the move to proportional membership and chairs of committees, Peter Dunne maintained that the Government could still manipulate the system. The Opposition had been conceded the chairs of those select committees, where they were not quite so crucial to the Government. The Government in its planning of future legislation chose the select committees and the chair that it was prepared to relinquish power on and then it picked the Bills that it sent to those committees. This view was supported by several interviewees including the former National Party Senior Whip, John Carter who considered that committees chaired by non-Government members were less likely to be sent controversial legislation. The NZ First Whip thought that it was a situation where the Government was still in control and Green Party leader Rod Donald agreed:

Cullen's always juggling because he knows what the numbers are on each committee. So, he doesn't necessarily send Bills to the logical subject committee if he thinks he's not going to be able to get it passed. They tried to

send very little to Commerce if it was very contentious because it was a four- four committee and they often sent Bills back unamended.

An example of Government control of the process can be found when reviewing the progress of genetically modified organisms (GM) related legislation, during the 2001/02 period. Select committees played a pivotal role in ensuring the outcome of the resultant laws and on two occasions, GM related legislation was referred to select committees in an apparent attempt to influence the outcome (*NZPD*, 2002b, 16395). In the first instance the *Hazardous Substances and New Organisms Amendment Bill* (NSNO) was referred to the Finance and Expenditure Select Committee chaired by Labour's (Government) Mark Peck. Peck had played a crucial role in drafting Labour's GM policy and had previously opposed an Alliance Party's proposal to place a moratorium on GM release (*NZPD*, 1999b, 16551-3, 16556-7). Changes were made at the Finance and Expenditure Select Committee that restricted the Alliance's attempts to impose strict GM field-trial criteria.

The second piece of GM legislation (*New Organisms and Other Matters Bill* passed in 2003) was sent to the Education and Science Select Committee which did not have any Green Party MPs within its membership (Fitzsimons, 2003). The Local Government and Environment Select Committee chaired by Green Co-leader Fitzsimons was generally considered the natural committee to consider this Bill, argued Rod Donald. The Greens were well known to oppose this Bill and later voted against it in the House. The Government seemed to be concerned that the Committee, chaired by Jeanette Fitzsimons, would either unduly stall the Bill or she would grandstand during the hearings. In both of those Bills the Government still exerted control over the resulting legislation by negotiating support for specific clauses with a number of different parties.

There were some concerns raised about the use of the quorum rules of select committees. Standing Orders were amended in 2003 (cl. 209) to change the quorum requirements from four members to half the committee (plus one if there were uneven numbers on a committee) (*Standing Orders of the House of Representatives*, 2004, p. 62). A committee collapsed if it did not possess a quorum within ten minutes of the start time and a lack of quorum during a meeting caused the committee to be adjourned. As the Government did not have a majority on any committee, it had to rely on other parties to provide it. Labour's Chief Whip, Darren Hughes, considered that some parties

were still treating the provision of a quorum as a function of the Government even though the select committees themselves were committees of Parliament.³⁷ This resulted in a number of committees collapsing because some Opposition members decided, usually for political reasons, to not conduct committee business that day.

Some MPs considered that the enhanced democratic operation of the select committees was not necessarily a direct result of MMP. Some MPs, particularly those who had sat in Parliament prior to MMP, considered that the select committees were already moving towards greater openness and independence from the Executive. These interviewees, including John Carter and Doug Kidd, felt that MMP did not so much cause the committees to evolve but rather the trend was already developing. However, Carter thought that “MMP had hastened the evolution to the extent that now the Government had no control over them, generally, but they still have influence over them”.

Enhanced Committees

Most interviewees thought that MMP had assisted in making the select committee process more democratic. It was considered that the legislation was much better developed and worked through on issues that were not philosophically core ideals. Select committees’ processes, public access, and methods of working, were seen to have improved overall under MMP Parliaments. Former Speaker Kidd thought that MPs could “be a legislator in the modern New Zealand Parliament”. The committees had an increased influence on policy and there was a strong desire to work consensually across party lines. Select committee’s powers and resources had increased particularly in conducting inquiries and more often tended to seek advice independent from the departments. These committees were increasingly becoming the forum both for smaller parties to express their unique perspectives and for the public to present views to their representatives.

NZ First Whip, Ron Mark,³⁸ considered that the range of parties with their varied perspectives was a major reason why consultation had improved and scrutinising

³⁷ Labour Party Senior Whip Darren Hughes MP was interviewed for this research on the 6th April 2005. Unless otherwise referenced, all quotes or comments attributed to Hughes arose from this interview. Refer Appendix A: List of Interviewees.

³⁸ NZ First Whip Ron Mark was interviewed for this research on the 13th October 2004. Ron Mark was a New Zealand First List Member of Parliament and first elected to Parliament in 1996. Unless otherwise referenced, all quotes or comments attributed to Mark arose from this interview. Please refer to Appendix A: List of Interviewees.

functions better developed. Liz Gordon,³⁹ a former Chair of the Education and Science Select Committee, considered the fact that she did not command a majority to have been a positive aspect of the system. Gordon said during the interview that she felt that Bills were more robust from being subjected to a high level of scrutiny and arguments having to be won. This meant that amendments were won on their merits, not through force of numbers. Increased consultation and negotiation on Bills had contributed to enhanced scrutiny and more robust legislation.

Interviewees also considered that the public access to committees had improved. It was suggested that committee members took view points seriously and listened to oral submissions with more care. Former activist and Green MP Sue Bradford⁴⁰ recalled that before she went to Parliament, she thought that select committees just ignored submitters, laughed at the public and just went through the process “and I’m not saying that it is perfect or could not be improved, but I think that it is a hell of a lot more meaningful now”.

Former Alliance MP Liz Gordon offered another reason for the increased public participation. Gordon considered that there were “a wider range of people in Parliament with a wider range of views” and so submitters felt that they had a greater voice in the MMP environment. Rod Donald agreed that small parties had provided a real service to Parliament. Donald remarked that small parties were seen to have put more effort into select committees work and shown more interest in submitters and in return earned the public’s appreciation.

The wide diversity of views and the increased effect that smaller parties could exert in select committees had also increased the level of lobbying. Lobbyists found that they had to approach the range of parties in Parliament, not just the ruling elite. Peter Dunne considered that lobbyists extended their approaches because they found that smaller parties were more likely to take up their particular causes. The lobbyists’ views were increasingly reflected in emerging reports and even legislation. In addition, Speaker Hunt considered that the public were more ready to appear at select committees. He

³⁹ Former Alliance MP, Liz Gordon was interviewed for this research on the 27th October 2004. Unless otherwise referenced, all quotes or comments attributed to Gordon arose from this interview. Refer Appendix A: List of Interviewees.

⁴⁰ Green MP Sue Bradford was interviewed for this research on the 1st November 2004. Unless otherwise referenced, all quotes or comments attributed to Bradford arose from this interview. Refer Appendix A: List of Interviewees.

considered that MMP had given the public more participation because the parties could organise people to present their point of view. Public involvement in New Zealand select committees has been effective because it is a small country, and quite often submissions impacted on the way Government dealt with a particular policy because they wanted to get re-elected.

Liz Gordon recalled an occasion when a public submission had a positive effect on a matter before the Education and Science Select Committee. The Bill before the Committee was an omnibus *Statutes Amendment Bill* and the Ministry of Education had inserted a clause that amended part of the *Royal New Zealand Foundation for the Blind Act (NZPD, 2001b, 11895-97)*. Among other things, this clause addressed the institutionalisation of persons under 16 years of age. Gordon recalled that the Committee considered this “a bit odd”, because it was just taking out an age clause. An ex-president of the Foundation for the Blind appeared before the committee during the submission process and argued that although the Bill was taking out this age discrimination, the whole Act was discriminatory. The submitter argued that the thrust of the *Royal New Zealand Foundation for the Blind Act 1963* was that people who were blind should be locked up in institutions, and that was why the particular clause was there. The Committee was told that whole Act needed to be abolished and replaced with enabling legislation for the Royal New Zealand Foundation for the Blind. A new Act was needed that actually reflected the modern experience.

Just changing this one clause was not going to remove the negatives inherent in the whole Act and Gordon explained the situation to the Minister of the Bill, Trevor Mallard. Gordon told me that the Minister had agreed that the relevant clause should be removed and further promised to place the whole issue on the agenda as it could not be dealt with in the context of the Education Act. Gordon said that at that point she agreed to support the Bill, “I agreed to let it go through but I could have said I am not voting for this, no way. But what’s the point?” As a result of the submission the original clause remained, as it was an immediate step forward. A new *Royal New Zealand Foundation for the Blind Bill* (a Private Bill) repealing the previous Act and addressing remaining

concerns was introduced, by Hon. Wyatt Creech, on the 24th April 2002 (*NZPD*, 2002a, 15793).⁴¹

The Executive

Collective Responsibility

In 1996, the National-NZ First coalition signed a comprehensive and prescriptive policy based agreement for government. That Government failed in part because of conflict between the coalition agreement and Cabinet conventions. Successive governments have moderated the Cabinet's rules, particularly those concerning Cabinet collective responsibility, with the objective of reducing the potential for accidental coalition termination. This issue is so important to understanding contemporary New Zealand coalitions that it is considered as a separate case study spanning all coalitions under consideration.

MMP brought with it recognition that coalition governments required a 'circuit breaker'. Coalition management committees or disputes committees have become formal structures of coalition governments. However, such committees have rarely met and successive governments have increasingly relied on the relaxation of the principle of Cabinet collective responsibility as the more appropriate safety valve for coalition policy differences. Changes to the collectivity requirements of Cabinet have been the most significant modifications made to New Zealand's constitutional assumptions. The way the doctrine has been viewed by successive MMP governments affected each coalition's attributes and hence their durability.

New Zealand governments, particularly between 1935 and 1993, were traditionally formed from a single majority party. As such the convention of Cabinet collectivity was seen as an important tool used to maintain party political stability and enforce ministerial responsibility as the very survival of a government depended upon a united Cabinet position (McLeay, 2003). Few Ministers have been sacked for breaches of Cabinet collective responsibility in recent political history but a Minister's resignation was expected when a Prime Minister risked being seen as weak or vulnerable. An 'agree to disagree' provision was introduced in 1932 as a result of Finance Minister Downie

⁴¹ The Bill was held over and passed its third reading during the next (47th) Parliament. The Third Reading was read by Labour's Judith Tizard (Wyatt Creech had retired at the 2002 election) on the 4th December 2002 and the Bill gained the Royal Assent on the 22nd December 2002.

Stewart's objections to a Cabinet decision (Joseph, 1982). Six ministers were dismissed or forced to resign between 1960 and 2002 because of breaches of the Cabinet collective responsibility convention (McLeay, 2003).

The advent of MMP in 1996 placed a unique focus on the doctrine. Since then governments have been formed of two or more parties in formal or informal arrangements and coalition governments both confirmed and amended the doctrine of Cabinet collective responsibility. But, the advent of coalition agreements, dispute management committees and amendments to the Cabinet Manual placed uncertainty on the role that the doctrine played in New Zealand's Government.

Cabinet Manual: Prescriptive or Descriptive

The assessment of the relevance of the doctrine of collective responsibility under coalition government required a determination of its constitutional effect. Some parts of New Zealand's constitution were entrenched in Statute and not easily amended. Conventions are different from laws as they cannot be tested in the courts and so are often open to interpretation. In a similar way, constitutional conventions could not amend the law and as a further complication there was no easy way of recognising how to identify a convention (Joseph, 2001). Conventions coordinate Government practices and sometimes restrain legal powers and there have been attempts to codify conventions in statute and other documents. Examples of these included the Cabinet Manual, Letters Patent Constituting the Office of Governor-General and (some parts of) the Standing Orders of the House of Representatives (Joseph, 2001). Although conventions have been described as possessing various characteristics, there has been a great deal of uncertainty surrounding them (Dicey, 1985; Joseph, 2001; Marshall, 1993).

“Their application can be a matter of intense political debate... Their very existence may be denied or their relevance disputed. And when all the dust settles, no one may be the wiser” (Joseph, 2001, p. 271).

What seems certain was that conventions were obeyed through the belief that it was proper to do so and because they were viewed as precedents in how things were done. So conventions became just that, because the actors believed that they both were and should be bound by them (Marshall, 1993, pp. 10-12).

The doctrine of Cabinet collective responsibility is outlined in the Cabinet Manual which lists a number of laws, the Treaty of Waitangi/Te Tiriti o Waitangi, documents and conventions as forming the basis of New Zealand's (largely unwritten) constitution (Cabinet Office, 2001). The Manual does not list itself as an item that forms part of the constitution. It describes the administrative practices and usages of governmental practices rather than being a document of constitutional substance (McGrath, 1999). Any obligation for a Minister to resign upon a breach of Cabinet unanimity cannot be found in any of the documents mentioned by Rt. Hon. Sir Kenneth Keith in the Cabinet Manual (2001). This principle forms part of the basis of New Zealand's constitution if the obligation was seen in terms of a constitutional convention.

There was a changing emphasis on the doctrine between the 1996 edition and the 2001 edition. Previous to 1996, the Cabinet Office Manual explicitly stated that collective responsibility was a convention (Cabinet Office, 1996, p. 36). The 1996 edition of the Cabinet Manual continued to require ministers to support decisions collectively regardless of their personal views. Ministers who wished to publicly dissociate from the decision had to first resign from the Cabinet (Cabinet Office, 1996, p. 36).

By 2001, the Cabinet Manual described the idea of collective responsibility as a "principle" instead of a convention (Cabinet Office, 2001, p. 44). This was an amendment inserted by the Labour-Alliance Coalition Government. The coalition between the Labour and the Alliance parties had agreed to work under the convention of collective responsibility (*Coalition agreement*, 1999). The coalition agreement also went further and stated that where a distinctive policy matter raised an issue of importance to a party's political identity then the issue might be identified as one of "distinctive party identity" (*NZPD*, 1999c, 580). Upon such an event, the party leader was to raise the issue with the Coalition Management Committee as established in the coalition agreement. This committee met only once during the term and that was on unrelated matters. Issues that required agreement between the coalition partners were more easily dealt with between the party leaders or their political staff. If such an issue had been formally identified then disagreement would not be considered a breach of the convention. The amended Cabinet Manual reinforced the principle of Cabinet collectivity and required Ministers to accept it but omitted the reference to any

requirement to resign, if breached. The Cabinet Manual outlined the procedure allowing Ministers to maintain separate party positions in public (Cabinet Office, 2001, cl. 3.23).

However Cabinet Secretary, Marie Shroff,⁴² did not believe these provisions to be a departure from the concept of Cabinet collective responsibility. In the interview, she stated:

The 'agree to disagree' provisions, by their very name, tell you that they are not as radical as they appear to be because they provide for agreement to disagree. Cabinet has agreed collectively that there will be an ability to 'agree to disagree' between coalition partners although this was intended to be used rarely, and for major cross party issues.

The revised Cabinet Manual also directed that the 'agree to disagree' processes "may only be used in relation to different party positions. Any public dissociation from Cabinet decisions by individual Ministers outside the agreed processes is unacceptable" (Cabinet Office, 2001, cl. 3.24).

The former Solicitor-General, John McGrath (1999, p. 16) argued that mere amendment of the Manual did not "alter existing conventions in any way". It followed that any amendment to the Cabinet Manual reflected a change of administrative practice rather than a constitutional change. McGrath differentiated between conventions of the constitution and constitutional law and supported the view that conventions were habits, understandings and practices and were not enforceable by the courts. Laws came into being in a recognized way but "there is no recognisable signal that a convention has come into existence" (McGrath, 1999, p. 3). Coalition agreements came into being by a political agreement but the Cabinet Manual was not the determinant of Government practice. Therefore, the Cabinet Manual was descriptive rather than prescriptive and as such it derived its authority from the Cabinet and provided "enduring, authoritative, high level guidance" (Cabinet Office, 2000b, p. 2) and the Manual's provisions did not override Cabinet decisions (Shroff, 2001, p. 12). This concept was reflected in the adoption of the Cabinet Manual as the first (or one of the first) items on the agenda of each new Cabinet.

⁴² Former Cabinet Secretary Marie Shroff was interviewed for this research on 5th April 2005. Unless otherwise referenced, all quotes or comments attributed to Ms. Shroff arose from this interview. Refer Appendix A: List of Interviewees.

Because New Zealand did not have a written constitution, the Cabinet Manual became an immensely important document in terms of the legitimacy of the way that government operated. Former Cabinet Secretary Ms. Shroff advised me that the normal procedure was for the Secretary of the Cabinet to place the status of the Cabinet Manual on the Cabinet agenda as item number one at the first Cabinet meeting after every election. The Cabinet then voted to adopt and endorsed the Cabinet Manual as the basis of procedure for the incoming Government and the doctrine of collective responsibility seemed implicit in the comment that “the most important conventions arise from the democratic nature of our constitution” (Cabinet Office, 2001, p. 2). Therefore, new practices initiated by an amendment to the Cabinet Manual could only be considered a convention when developed and accepted over time.

Collective Responsibility Case Studies

The 1996 to 1999 Governments

Although there have been numerous ministerial resignations and dismissals since 1996 only three of those have occurred because of breaches of collective responsibility. Two occurred during the life of the National-NZ First coalition of 1996 and 1998. The National-NZ First coalition agreement included three relevant areas. First, it confirmed that the coalition would operate under the doctrine of Cabinet collective responsibility (New Zealand National Party & New Zealand First Party, 1999). Secondly, it stated that the Government would accept particular constitutional conventions except where they were amended by the coalition agreement. The coalition agreement also determined that a Coalition Disputes Committee was to be set up for resolving fundamental differences in the coalition. These amendments and understandings were later subjected to intense dispute.

Winston Peters was, at least in the early days of the National-NZ First coalition, supportive of the concept of Cabinet collective responsibility. During the interview, Jim Bolger recalled the following:

We were quite firm in accepting the traditional Cabinet collective responsibility or the concept of collective responsibility. Once the decisions were made in Cabinet, everyone was bound by it. That was how it worked. I

recall Winston Peters enforcing that in Cabinet. Peters just reminded the NZ First Ministers that they were in Cabinet; bound by collective responsibility and you don't win them all⁴³.

If a dispute could not be solved within seven days either party could give written notice of dissolution of the coalition. The two parties decided, "every endeavour shall be made for decision making in Cabinet to be on a consensus basis" (New Zealand National Party & New Zealand First Party, 1999, cl 7.5).

NZ First Minister Neil Kirton, who was dismissed in 1997, was the first Minister to lose a portfolio. When interviewed, NZ First leader Winston Peters⁴⁴ recalled that he had dismissed Kirton, "because he was warned to not go public with his differences with Bill English [National Minister of Health]". Despite this warning, Kirton criticised English on National Radio and was dismissed.

A second incident occurred when Peters himself was dismissed by Prime Minister Shipley in 1998.⁴⁵ Peters had walked out of a Cabinet meeting in opposition to the sale of Wellington Airport. It might be that Peters sought to break the Cabinet quorum, as he knew that his Ministers, comprising the smaller block, would lose a vote in Cabinet.

The concept of Cabinet collective responsibility had to be reconsidered in light of the realities of coalition politics. And, at this stage in the coalition Winston Peters was concerned that the senior partner would always be able to out-vote a junior party. Peters told me:

I knew the game was up, recalled Peters during the interview. This was not the way you handled it. You don't out vote a junior coalition partner. You agree to do things. My ears pricked up when Jenny Shipley gave a speech on Cabinet collective responsibility. This was

⁴³ Former Prime Minister Jim Bolger was interviewed for this research on the 15th March 2005. The Rt. Hon. James Bolger was Prime Minister of New Zealand from October 1990 to December 1997. Unless otherwise referenced, all quotes or comments attributed to Bolger arose from this interview. Please refer to Appendix A: List of Interviewees.

⁴⁴ NZ First Leader, Winston Peters was one of a list of key informant interviews and interviewed on 5th April 2005. Unless otherwise referenced, all quotes or comments attributed to Peters arose from this interview. Please refer Appendix A: List of Interviewees.

⁴⁵ Two other NZ First Ministers (Donnelly and McDonald) also lost their warrants as a result of the coalition breakdown. Peters had publicly criticised the Prime Minister and the Cabinet decision prior to the actual dissolution.

fascinating, here I am getting a lecture from someone who doesn't know what the principle means in the MMP environment.

The Disputes Committee met in an attempt to resolve the conflict between the coalition partners (*NZPD*, 1998c, pp. 11318, 11360). During the following week, Peters criticised the Prime Minister in Parliament, while the Prime Minister appeared to tolerate Peters' disagreement on policy, but she did not accept personal attacks (McLeay, 1999; *NZPD*, 1998c, p. 11355). The Government could no longer function politically and the political crisis reached a point where constitutional resolution was required so the Governor-General dismissed Peters (on Prime Minister Shipley's recommendation). The constitutional conventions worked well, triggered the dissolution of the coalition, and Shipley continued in office. But, the deliberate breach of Cabinet collective responsibility appeared to have been a political tool to effect the termination (Boston et al., 2004).

Both coalition partners disputed the status of the Cabinet Manual versus the coalition agreement (*NZPD*, 1998c, pp. 11356-61). The wording of the coalition agreement indicated that Peters always considered that the agreement was the superior document in the cases where it had amended the Cabinet Manual. The coalition agreement stated that the coalition would "abide by all constitutional requirements of the Constitution Act, Standing Orders, Cabinet Office Manual 1996 and associated circulars and accept the conventions of Cabinet collective responsibility and Cabinet confidentiality except as provided in the coalition agreement" (New Zealand National Party & New Zealand First Party, 1999, cl. 7.2 & 7.3 d). The coalition agreement then stated that a quorum of Cabinet was to be at least one half of each coalition partner's Cabinet Ministers (New Zealand National Party & New Zealand First Party, 1999, cl. 7.3 dx). The coalition agreement clearly sought to amend the Cabinet Manual's provisions that stated that a quorum was half of all ministers, plus one (Cabinet Office, 1999, cl. 3.25, p. 39).⁴⁶

The Prime Minister relied on the Cabinet Manual's superior status in Cabinet and later in Parliament (*NZPD*, 1998c, p. 11360). The Prime Minister had earlier received advice from the Secretary of Cabinet to that effect but Winston Peters asserted that the coalition agreement trumped the rules of Cabinet government. Cabinet Secretary Shroff

⁴⁶ However this quorum could be varied by the chair of Cabinet (Cabinet Office, 1996, cl. 3.25, p. 39).

established to her satisfaction, in discussion with the Solicitor General, that Peters' position was not the case. In the interview, Shroff remarked:

If you think about it, you cannot have a temporary, pro tem, coalition agreement, trumping the rules of government. It is not a binding contract; it is not really a legal document. The fall back position must always be the underlying rules of government.

Even though previously both parties (National and NZ First) had formally agreed that the coalition agreement overrode various constitutional requirements, including the Cabinet Manual, formal constitutional advice was received to the contrary. An amendment along the lines of the current 'agree to disagree' clause might have created the necessary relief, for both parties, from the extremely rigid coalition agreement. However, the coalition (certainly NZ First) parties relied on the coalition agreement to provide the necessary mechanisms but officials deemed the Cabinet Manual the superior document which did not allow any political flexibility. NZ First's reliance was based on Cabinet's agreement to the existing wording of the Manual but had not actually amended it according to the coalition agreement. This decision placed all coalition agreements in a precarious position until Cabinet formally met and agreed to any changes and this was precisely what the Labour-Alliance coalition Government did following the 1999 general election.

The 1999 - 2002 Government

The Labour-Alliance coalition was a minority coalition government supported in the main by the Green Party. The inclusion of an 'agree to disagree' clause in the Cabinet Manual was a key part of the Alliance's coalition deal. The quorum provisions also required a Minister from each coalition partner be present (Cabinet Office, 2000a). This agreement was included in a planned revision of the Cabinet Manual that also resulted in it being split into two sections. The revised Manual was elevated to a higher status and a working guide was published separately. The 'agree to disagree' clause was triggered on three distinct occasions: The New Zealand/Singapore Closer Economic

Partnership, the various Bills relating to genetic modification⁴⁷ and the Privy Council related legislation.

The first time that the ‘agree to disagree’ provisions were activated occurred over twelve months after the formation of the Labour-Alliance Government. The Alliance opposed the policy thrust of the proposed *New Zealand/Singapore Closer Economic Partnership Bill* and voted against all stages of the legislation. However, the Alliance supported the Government on procedural motions during the passage of the Bill even though these motions smoothed the passage of a policy that they opposed (*NZPD*, 2000b, pp. 7289-97, 7382-93). This indicates that the ‘agree to disagree’ provisions related strictly to policy only and that any attempt to thwart the Government’s procedural motions or business, outside that, was prohibited. Again, it was the Prime Minister who determined whether or not there was a breach of Cabinet collective responsibility.

The Alliance had a very different position from Labour on the genetic modification policy. The two parties were able to reach consensus on much of the final form of the legislation but there was also agreement that the Alliance could propose amendments on the areas of dispute. The Alliance either voted for non-government (Green Party) amendments or proposed its own amendments nine times during the *Genetically Modified Organisms Bill* (*NZPD*, 2002b, pp. 15935-52, 16256-64). However, The Alliance voted for the Third Reading of the two resultant Bills (that arose from the *Genetically Modified Organisms Bill*) even though it opposed some aspects of the policy contained in the Bill (*NZPD*, 2002b, p. 16395).

Similarly, the genetic modification issue was on the legislative agenda after the 2002 election. This time the two former Alliance MPs who now formed the Progressive Coalition (one MP Jim Anderton, being a Minister in Cabinet and the other, former Minister Matt Robson, a backbench MP) again formed a coalition with Labour and again voted against the GM provisions in four related Government Bills relying on the ‘agree to disagree’ provisions in the Cabinet Manual (*NZPD*, 2003, pp. 9122-41). On

⁴⁷ These bills started as the *Genetically Modified Organisms Bill* and were later divided into the *Hazardous Substances and Medicines Bill* and the *Medicines (Restricted Biotechnical Procedures) Amendment Bill*. The Alliance voted with the Government on the Third Reading of these Bills. This policy issue transcended two parliamentary terms

this occasion, the Progressives decided to vote against the Government's final legislation.

Although the Cabinet Manual stated that the 'agree to disagree' provisions applied only to party positions, in 2002, Cabinet agreed to apply them to a single Minister. Alliance Minister, Sandra Lee, had strongly opposed the Government's policy proposal that would end appeals to the Privy Council. The Alliance's other Ministers supported the new policy to establish the final Court of Appeal in New Zealand. Cabinet gave Sandra Lee an assurance that she could vote against the policy. A similar allowance was made with the *Law Practitioners and Conveyancers Bill*. These were informal processes and Lee's positions were noted on Cabinet memos rather than on the Cabinet papers (Cabinet Office, 2002a, 2002b). Due to the desire to maintain unity within the Government, this disagreement helped to delay the process and the Bill did not come into the House until after the 2002 election. Sandra Lee had not stood for re-election and so was not required to vote on the Bills when they were introduced to the new Parliament.

2002-2005 Coalition Government

The Labour-Progressive Coalition was formed following the 2002 general election. This was again a minority coalition relying on two formal support parties: the Greens and United Future. The Cabinet Manual 2001, including the 'agree to disagree' clause, was confirmed at the first Cabinet meeting after the election. Several case studies illustrate various ways this clause was triggered during this administration.

The first occasion was when the Progressives voted against the GM Bill provisions (as outlined above). The second time occurred when the Progressive leader, Jim Anderton, indicated in a Cabinet committee that he would reserve his position on the proposed *Foreshore and Seabed Bill*. The Progressives advised Cabinet that they would reconsider their support at a time when the policy had been clarified. The final policy was in line with Progressive policy and the Progressives eventually supported the Government legislation.

A third occasion that arose also concerned the *Foreshore and Seabed Bill*. Minister Tariana Turia resigned her warrant over this issue and later resigned from Parliament. Turia publicly opposed the Government's policy and declared her intention to vote

against the Bill (Small, 2004). The Prime Minister had offered to allow Turia to resign from her ministerial posts and then cross the floor and indicated that at a later stage she would be reinstated (Small, 2004). The Prime Minister had hoped that Turia would only abstain on the vote and the PM would only strip her of some portfolios. Clark would not waive collective responsibility and allow Turia to escape punishment altogether (Berry, 2004). Turia left Parliament rather than just resign her portfolios, won the subsequent by-election and returned to Parliament as the co-leader of the Māori Party. This was not strictly a case of the ‘agree to disagree’ clause being invoked as that related to disagreements between rather than within parties. However, the incident illustrated the Government’s tolerance of an increased relaxation of the convention of Cabinet collective responsibility.

2005 Election

The concept of Cabinet collective responsibility evolved after the 2005 election with the arrangements with NZ First and United Future. Peters and Dunne are bound by Cabinet collective responsibility on policies in those areas where they have direct ministerial responsibility. The 2005 coalition agreements signed between the parties provided for an agreement to disagree on all other issues.

Executive Working Relationships

National and NZ First - 1996

The former Prime Minister, Jim Bolger, was forced to accommodate diverse viewpoints during the 1993-96 term of Parliament. This helped Bolger to understand the dynamics of dealing with coalition partners and considered that most things in life and certainly politics “come down to how you manage personalities”. Politicians’ personalities provide politics with its dynamics and successful ministries are those which are able to manage those dynamics around the Cabinet table. During the interview, Bolger identified respect as one of the necessities of managing a coalition. A coalition’s colleagues include people who were formally political opponents. Therefore, it was important for coalition partners to show tolerance for other people’s points of view and part of this tolerance meant partner parties observing broad understandings regarding policy areas. As Doug Kidd pointed out during his interview, “there are certain actions and policies that your coalition partner cannot live with and you must not do those and vice versa”. Often those ‘bottom-lines’ are not documented but are clearly understood

between the parties. Bolger told me that he considered that an MMP prime minister's task was to "manage those different points of view and try to collate them into a broad acceptance around the Cabinet table". When one party accepted another's policy point even if they did not agree with it then they showed respect for the other partner. This respect was considered by all interviewees as an important foundation for any successful coalition government.

Both Bolger and Peters identified during their interviews the importance of ensuring that no partner was 'surprised' by the actions of the other and considered it crucial that no party had 'secret agendas' within Government. "In this building you expect people to keep their word", Peters added. The two leaders maintained a strong personal relationship and one interviewee (who wished to remain anonymous) commented that "Mr. Bolger and Mr. Peters did talk and as everybody knows they had the famous late-night chats". This strategy helped reduce the danger of small issues escalating to crises when the magnitude of the original event did not warrant the collapse of the coalition. The aim of the informal sessions was to prevent inconsequential issues from causing a major impact because of the accumulation of small events.

However, good relations did not extend to all levels of the coalition. Winston Peters considered that Wyatt Creech was the only National Minister who was open and honest with NZ First. "The rest were just churlish about it and uncharitable", Peters told me. Peters cited the example of the opening of a heart unit in a Christchurch hospital as an example of the National Ministers' attitudes. The new heart unit had been agreed to in the coalition agreement. Peters maintained that he had to strenuously argue to get the acknowledgment of NZ First's involvement included in the Minister's speech when he officially opened the new unit.

NZ First Minister, Brian Donnelly,⁴⁸ felt that National were not as committed to the coalition agreement as the NZ First members. NZ First agreed to postpone several initiatives because of the economic constraints caused by the 'Asian Crisis'. One such policy was NZ First's desire to introduce a universal student allowance that was agreed to in the coalition agreement. The policy implementation was put off until 1998 and then delayed again. A similar situation occurred with NZ First's showcase policy of cuts

⁴⁸ NZ First MP Brian Donnelly was interviewed for this research on the 6th April 2005. Hon. Brian Donnelly was first elected to Parliament in 1996. Unless otherwise referenced, all quotes or comments attributed to Donnelly arose from this interview. Please refer to Appendix A: List of Interviewees.

in doctors' charges for children under six years of age. The Minister of Health, National's Bill English, advised the House that reducing the costs of children's doctor's visits was not his priority (NZPD, 1998d, pp. 11805-6). The policy nearly foundered and was only promoted because of intense lobbying by Peters' office. "The instance was not terminal to the coalition in itself but pure and simply just part of the toxic mix" commented Donnelly. Former Speaker, Doug Kidd, agreed that the coalition collapse was not caused by a single policy issue. Although the focus was on the dispute over the proposed sale of Wellington Airport, the relationship had already broken down. "It just ended at that point", noted former Speaker, Kidd during discussion on this point.

Labour-led Governments

Labour and the Greens in 2002

A bitter rift developed between the Labour MPs and the Green Party over genetically modified organisms. The *Hazardous Substances and New Organisms (Genetically Modified Organisms) Amendment Bill* (HSNO) Bill was reported to the House just prior to the 2002 General Election. The Bill provided for a temporary moratorium of the release of GMOs. Within the Government, the Alliance negotiated strict conditions for field-trials which the select committee subsequently moderated. But, the Greens made a number of public statements threatening not to support a post-election Labour-led Government if they lifted the moratorium (Mold, 2001). The Greens moved a motion of no-confidence in the House during the Budget debate and although the motion lost the move surprised Labour. The Green Party MPs subsequently walked out of the House during the vote on the Third Reading of the HSNO Bill.

Subsequent comments by Green Party members concerning their future coalition position also inflamed the Party's relationship with the Government. Green Leader Jeanette Fitzsimons threatened to "...take them on" and the Green Party Caucus recommended to its conference that the release of GMOs would be a 'bottom line' for Green Party support of another Labour-led Government (Fitzsimons, 2002a). Jeanette Fitzsimons was also quoted as saying that "If Labour needs our support in order to keep the Treasury benches they will reach an accommodation on GM" (K. Taylor, 2003). There was no reported response from Helen Clark but both Labour and the Greens had allowed the issue to escalate to a point where the stability of the Government was threatened.

The dispute quietened after the election. However, the Greens maintained their position and did not guarantee supply but signed up to support the Labour-led Government on some policy issues. But, the deterioration in relationships at all levels kept the Greens out of Cabinet after the 2002 election. Although relationships improved during that term, they were again unable to reach an accommodation following the 2005 election.

Labour and United Future 2002-5

Peter Dunne considered that personal relationships were important factors in the success of United Future's relationship with Labour during the 2002-2005 parliamentary term. Dunne picked up a personal friendship that he had enjoyed with Helen Clark over the previous twenty years. Dunne considered that on the personal level, "there was very good chemistry with Helen Clark". However the relationship between Labour and United Future operated on more than one level. Dunne's Chief of Staff, Rob Eaddy had been former Prime Minister Jim Bolger's chief of staff for over ten years and during that time, he had worked closely with Clark's chief of staff, Heather Simpson. That professional relationship was easily picked up again and helped the liaison between the two parties and Dunne formally met Clark once a month as well as meeting informally two or three times a week. Dunne reported to me that he considered the personal relationships to be "vital" in ensuring the smooth running of the coalition.

Labour and the Progressives 2002-5

Jim Anderton agreed that coalitions and political relationships stood or fell on the personal relationships and trust was a prime component within any personal relationship. During his interview, he cited the relationship between the Government and Dunne as an illustration of this point. Anderton maintained that the Government trusted Dunne to deliver what he said he would deliver and considered that the Government would fall apart if the Prime Minister did not trust the word of any party leader that was part of the Government arrangement. Anderton considered that he could have gathered caucus support to vote against the Government on certain issues if he had pushed his MPs far enough, however, "such an action might beat them (Labour) senseless but you don't win the argument". Such a political ambush would only happen once and after that the probability was that the coalition would collapse through a breakdown in trust.

One of the causes of a breakdown in relationship could be attributed to changes in public support indicated in polling data. If a party was not doing well in the polls then its members fretted about being re-elected. Further, if a party was too identified with the Government then it worried over loss of identity. Clerk of the House, David McGee, considered that strife within a coalition was not necessarily caused by a break down in relationships between individuals but arose from the tensions created by the coalition conditions such as consensus building, pragmatism and compromise. McGee saw the tensions as “coming from the relationship even if it was not in the relationship”. He further commented:

Individual members were anxious about their personal profile and felt the temptation to do something to get noticed by the public. Similarly, smaller partners in a coalition became apprehensive about their party’s profile and attempted to break out of the government’s shadow. If the smaller party’s actions were too dramatic then tensions developed with the major partner and if left unconstrained then the dispute could become serious.

The coalition could fracture even though the Government retained the confidence of the House. As David McGee pointed out, “from the House’s point of view they could quite easily run out their term but it was the extra parliamentary events that overwhelmed them”. Anderton agreed and considered that the Alliance had been working hard and had achieved substantial policy gains. However, the party was dropping heavily in the polls. Anderton recognised a tendency within the Alliance’s membership to fight the Government to prove how tough they were. Anderton recalled how his party’s President rang him and advised that the Alliance had to fight the Government. Anderton asked his President, “What do you mean? We are the bloody Government”. Anderton pointed out the irony in trying to regain public support by differentiating the party from the major partner party. The smaller party lost public support because the voters considered them to be too aligned with the larger party in Government. However, the public also tended to punish the aggressive party for creating instability and they were considered not mature enough to govern.

New Zealand coalitions were not unique in operating on strong personal relationships. Dr. Peter Lynch⁴⁹ observed to me during the research, that there was a good relationship between coalition party leaders in the Scottish Parliament. Both the Labour and the Liberal Democrat leaders had worked together previously in Cabinet. The leaders met prior to Cabinet and worked through any disputes. The fact that the leaders enjoy a strong relationship ensured that the coalition operated without unsettling conflict.

Conclusions

Both Parliament and the Cabinet processes have evolved in response to changing parliamentary attitudes since the introduction of the MMP electoral system. Both formal processes such as the amendments to the Cabinet collective responsibility doctrine and informal relationships such as personal respect and trust have proved instrumental in ensuring the durability of coalition governments. Select committees have increased in autonomy so that they were less vassals of Cabinet and more creatures of Parliament. The Government rarely enjoyed a majority on select committees and often was forced to endure an opposition chairperson. However, the lessening of Executive power in the Legislature helped ensure the longevity of governments rather than increase the risk of their failing.

Select committees no longer did the bidding of the Government. An increased amount of cross-party negotiation and compromise was required in the select committees. The Government needed to work closely with chairs and members to ensure the passage of legislation. The end result has been that legislation has developed along consensual lines. MPs considered that submitters enjoyed greater access and respect under MMP committees than before. However, along with that increased independence came its own share of problems.

MMP has contributed to a more robust legislative process. All interviewees considered that contentious policy was no longer able to be rammed through the House. As a consequence of a slower process, there was extended consultation and negotiation at all of the legislative stages. The resulting policy gained a wider parliamentary acceptance because of this increased discussion between parties. This slower more deliberative process was considered beneficial to the resulting legislation. Some of the stages have

⁴⁹ Dr. Peter Lynch of the University of Stirling was interviewed for this research on the 11th June 2004. Refer Appendix A: List of Interviewees.

been compressed to compensate for the increased time taken to develop the legislation. The Government has attempted to catch-up time by reducing the amount of debating at the committee stages in the House with most Bills debated 'part by part' instead of 'clause by clause'. Legislation had not been greatly affected by this development as much of the clause by clause debate now occurred in the select committees. As a result, parties have been able to include their view-points in the reports instead of relying on the debates to publicise their particular angle.

The pragmatic politics of MMP saw the beginnings of further changes to the application of the principle of Cabinet unanimity. The case studies highlighted the application of the doctrine of Cabinet collective responsibility in political ways rather than solely for constitutional purposes. However, parties recognised that the doctrine of Cabinet collective responsibility, and its components, remained a vital ingredient of Cabinet Government in New Zealand.

Cabinet processes no longer strictly followed the traditional conventions of collective responsibility. The Cabinet Manual allowed for the ability for either party in a coalition to depart from the strict requirements for collective responsibility when Cabinet agreed for that to happen. However, within that were two distinct arrangements: a formal process and an informal process. These processes appeared to be guided by the desire for governments, even coalition governments, to maintain an air of unity on all matters. Management of Cabinet difference was also the management of coalition government survival.

A more consensual and independent Parliament has developed. This phenomenon has contributed to smaller parties feeling that they were able to implement aspects of their policy goals. Many of the small parties enjoyed access to the Executive. Some parties won substantial policy achievements even though they were not formal coalition partners. Parties such as the Greens, United, and since 2005, NZ First, had been empowered to make a strong contribution to the government's programme. But, the Government's reduction in legislative power does not automatically indicate that it has been weakened. If anything, this development had strengthened governments, especially minority ones. Previously only government parties could contribute in the way that MMP parties were currently allowed to do with relatively autonomous select committees and an independent House. They did not have to formally join with other

parties in coalition to be able to achieve some of their policy. Further, the arrangement allowed parties sufficient independence to distance them from any unpopular government programme. Therefore, small parties were comfortable supporting a government of preference.

The flexibility in both the House and the Executive has provided sufficient room for political manoeuvrability to guard against terminal disputes. As a result, coalition durability was enhanced by relaxing rather than tightening the rules. This suppleness allowed governments since 1999 to withstand a series of adverse events including poll, policy and other shocks. In addition to the process changes have been the relationship adjustments. All interviewees highlighted key personal relationships as the main contributors towards ensuring the coalition's viability. Flexibility in the formal procedures helped but did not prevent the collapse of the 1999-2002 coalition. The Government went to an early election partly because of an intra-party dispute within the Alliance. Subsequent coalitions have invested heavily in developing close relations between the leaders.

It is the qualities of trust, respect and a policy of 'no-surprises' within coalitions' arrangements and relationships that enhanced their durability. The following chapter explores the pre-election discussions and announcements that preceded the three governments between 1996 and 2005. All coalitions began with smiles of success and yet two of the relationships deteriorated as parties were forced to come to terms with changing poll and economic fortunes. The parties' commitments and ability to withstand those internal and external shocks were tested. For the leaders of both small and large parties, the final moments demanded a choice between continuing with the arrangement or dissolving the coalition in the hopes of a better outcome. Such terminal events occur during the life of a government and it is usually difficult to identify the precise point at which any coalition starts to fail. Often, there are several shocks or causes of the breakdown. Therefore, this chapter has focussed on general process changes, attributes and attitudes while the next three chapters explore the pre-election manoeuvrings, government formations and terminations of the three coalitions.

The case studies that follow this chapter explore the decisions that party leaders made in the Governments between 1996 and 2005, the compromises and concessions and the resulting impact upon individuals, parties and the Government. Specifically, Chapter 8

discusses the pre-election positioning of party leaders and their parties. The case studies focused on the pre-election periods for the three elections under study. However, the 2005 election campaign illustrated an evolution from the way party leaders approached electoral coalitions in previous campaigns. For this reason, I considered it useful to include a brief coverage of that campaign.

Chapter 8: Pre-Election Manoeuvring

It stands to reason that if politicians were motivated into forming or terminating governments by the desire for office or the power to influence policy, then they might form pre-election arrangements (electoral coalitions) for similar reasons. These arrangements could also be construed to be part of an electoral strategy. Politicians would be unlikely to announce their coalition intentions with another party if they predicted that such an arrangement would cost the party electoral support. However, they might anticipate an increase in votes if the electorate approved of a proposed coalition government. Such an increase in votes would provide additional post-election leverage with the potential coalition partner. So, the level of each party's negotiating currency would then vary according to the outcome of the election. This chapter explores the relationship between the formal theories of political motivation and assessed their impact on the parties' pre-election activities.

Since the introduction of MMP in 1996, post-election outcomes have often produced as many surprises for the New Zealand public as the dynamics of the election struggles themselves. Political scientists assess a number of indicators when attempting to predict the likely coalition formations and as well as numerical outcomes and a policy dimension analysis; pre-election signals might be relied upon as safe guidelines to post-election arrangements. These signals manifest themselves in many forms but the most reliable are party leaders' favourable or unfavourable comments about rival parties and their leaders. Although the Labour and Alliance parties expressed unambiguous preference during the 1999 election campaign, ambitions were not so transparent during the first MMP election held in 1996. Later, during the 2002 election, Labour communicated their clear intention to include Jim Anderton in the next Cabinet. In direct contrast the Greens were intransigent over the genetically modified organism issue and their strong stance ensured the Green party's exclusion from the 2002 Government.

In sharp distinction to previous elections, the 2005 campaign included a series of almost theatrical episodes as some party leaders adopted strange even amusing tactics to convey their particular electoral desires to the wider public. However, New Zealand's

brief history of proportional representation indicates that such utterances made in the heat of a campaign have not always been accurate indicators of post-election positions. Parties will often seek to convey messages about possible coalitions that they think will be in their best electoral interests. This chapter is included because of the close link between pre-election positioning with post-election arrangements. The electoral events of the four general elections since 1996 have been discussed in chronological order.

The 1996 National-NZ First Government

The 1996 National-NZ First Government formation was controversial. The general expectation was that NZ First would form a coalition with Labour however, the coalition agreement was signed with the National Party after two months of NZ First negotiators haggling with National and Labour spokespeople (Vowles et al., 1998). The formation process was greeted with dismay by many, particularly because of the pre-election stance taken by NZ First leader, Winston Peters and other NZ First MPs. Voters' apprehensions were triggered both by their preferences as well as their expectations.

Winston Peters embarked on classic vote-seeking behaviour in a way that was similar to that outlined by Muller and Strøm (1999). Peters, mindful of National's increasing unpopularity, deliberately raised the electorate's expectations that NZ First would support forming a coalition with Labour rather than National. These hopes were at least partly created as a result of Peters' speeches and behaviour. For some time, Peters had been attacking National's record and lambasting the New Zealand corporate business community (Kerr, 1998; *NZPD*, 1996a, 12733-4; Vowles et al., 1998). Just prior to the 1996 election (20 August), Peters attacked National for being traitorous. He went further and stated in Parliament that the National Party Prime Minister, Jim Bolger, should not even bother to phone Peters after the election as he was "not fit for the job" and would be "out" (*NZPD*, 1996b, 14145-52).

He should not get on his phone and call me like he did last time, because we are not interested in political, quisling behaviour. We are not into State treachery. We are not into stabbing taxpayers in the back, so the Prime Minister should not bother to make the insidious, obsequious phone call that he did at the last election when he tried to prop himself into power (*NZPD*, 1996b, 14146).

Peters and his deputy continued to pour scorn on both the major parties but refused to confirm his preferred coalition partner and many of his actions created confusion in the voters' minds.

“Muddying the ditch in-between was NZ First leader Winston Peters' refusal to be pushed either way, insisting he could do business with either party” (Laugesen, 1996).

Peters expressed a greater level of vitriol towards National than Labour, conveying the distinct impression that NZ First was the only party that would get rid of the National Government. Peters called National and its stated potential coalition partners, ACT and the Christian Coalition, "the toxic trio" and stated that "there's only one party that can bust National this election and you're looking at it," (Peters as cited in Laugesen, 1996, p. 2). Writer, Bruce Jesson (1997) reported on a NZ First meeting that he attended where Winston Peters had stated categorically that there would be not be a coalition between NZ First and National. However, former NZ MP and strategist, Michael Laws maintained that Peters had planned to coalesce with National from the beginning and that negotiations with Labour would be used only to ratchet up the concessions from the National Party (Laws, 1998). Jesson's comment was later denied by Peters when it was raised during a television interview. But, whatever the plan voters read conflicting intentions into Peters' actions.

NZ First Deputy Leader, Tau Henare seemed to confirm in voters minds that NZ First was not going to enter a coalition with National when he stated on the weekend of the 21st and 22nd September that he could “never serve in a coalition Cabinet with National” (Henare as cited in Laugesen, 1996, p. 2). This comment was later played down by Peters as the leader of NZ First attempted to portray a willingness to negotiate with either of the two main parties.

The end result of Peters' utterances was a public expectation of a Labour-NZ First coalition after election night 1996. Following the election, Peters told his supporters that it was a time for cool heads, patience and leadership, not a time for settling old scores (Burdon, 1996). Such comments indicate that Peters had an inkling that he might have to deal with the National Party. While Winston Peters might have been playing both of the major parties off against each other with “practised deftness” (Vowles et al., 1998, p. 121), most observers seemed to consider that he had publicly indicated that his

preferred option was the Labour Party. A poll of voters' coalition preferences showed that NZ First's supporters were dismissive of a National-NZ First coalition (Vowles et al., 1998). The resulting decision, of the NZ First Party to form a government with National, left many NZ First members with a feeling of betrayal and undermined public confidence in the new Government (Miller, 1998).

NZ First was the only smaller party to rise in the polls closer to the election. NZ First had been struggling around the 5% MMP threshold for the previous two years but during the first six months of 1996, dramatically rose in the polls to third place just behind Labour. Peters' hard stand on immigration and foreign investment along with his continued attacks on National and the business community could have contributed to this increase in polling results.

A number of key events in 1996 helped propel NZ First from around the 5% threshold to poll as the second highest party. Strategist and MP Michael Laws had left National to join NZ First earlier in 1996, but Laws was forced to resign from Parliament in late April. The same week a One Network News-Colmar Brunton poll showed NZ First increasing (by 5%) to 22% and National dropping slightly. In the same poll Peters rose to level peg with Prime Minister Bolger at 24% in the preferred prime minister poll (O'Sullivan, 1996). NZ First was unscathed by the Laws affair and Peters' handling of the scandal might have helped his standing in the polls. On the 3rd of May an NBR poll showed NZ First jumping 6 points to 28%, leaping to second place just behind National (Hunt, 1996a).

Most of the NZ First support seemed to come from Labour's three point slide. Labour leader Helen Clark beat off a leadership challenge in late May. The attempted coup seems to have been sparked by Labour's poor performance and helped NZ First increase its lead in the next NBR poll to 30% (Hunt, 1996b; Small, 1996). Peters' polling was also attributed to a number of populist stances and policies that were in direct opposition to National's policies (Hunt, 1996b). NZ First's polls peaked in May and started to drop in late June and the decline continued into the election period (Hunt, 1996c, 1996d). However, the dramatic poll rise indicated, amongst other things, a major level of support for a party that opposed the National Party's policy direction.

Polling also indicated clear voter preference for a coalition involving Labour (Vowles et al., 1998). 44% of NZ First voters preferred a Labour-NZ First or a Labour-NZ First - Alliance coalition (Vowles et al., 1998). Only 13% of NZ First voters wanted a coalition with National. The Vowles' survey results showed that there was a wide expectation and desire both before and after the election that Labour would be the senior partner in any coalition. At the same time, few National voters wanted a National-NZ First coalition Government (Vowles et al., 1998).

As the election approached, Winston Peters came under closer scrutiny about his preferred coalition partner. Once the party increased its poll position to second place, the protest vote changed to a more serious consideration of NZ First as a potential major player in government. Peters was equivocal and conveyed mixed messages and the electorate became increasingly distrustful and wary as National supporters became suspicious that Peters preferred Labour. Conversely, Labour voters were nervous that Peters would coalesce with National and NZ First support ebbed away to such an extent that the party fell to third place by election night. Nonetheless, NZ First's electoral achievement was considerable having risen from its inception only three years before to a major party in New Zealand's Parliament.

It appears that NZ First's policy and ambiguous coalition positions were designed to increase the party's electoral support. However, Peters' motivations changed after election night and he did not want to sacrifice his party's potential in office by forming a coalition with Labour and the Alliance. A more advantageous coalition for NZ First was one that only involved one rather than two partners. National were also desperate to retain office and NZ First was the only viable partner party. The National Party was willing to sacrifice policy to gain the support of NZ First and achieve the Treasury benches. However, once in power National seemed to resent the policy concessions that they had been forced to make and some National Ministers attempted to moderate the agreed positions.

Many voters felt betrayed after the formation process of 1996 when, against public expectations, NZ First formed a coalition government with National (Vowles et al., 1998, p. 121; Wilson, 2002). In contrast, the Alliance was particularly keen to ensure that voters knew that their preferred coalition partner was the Labour Party (Alliance

Party, 1996a, p. 4). A major aspect of this position was to encourage Alliance voters to cast their ballot in favour of a government rather than a single party.

The Alliance and Labour Parties in 1996

Where NZ First was evasive about its preferred coalition partner, the Alliance was emphatic. Prior to the 1996 election, Alliance leader, Jim Anderton, made several overtures to Labour but these were spurned by Helen Clark as she considered some of the Alliance's policy demands too restrictive. As a result, Labour and the Alliance were unable to reach any agreement by Election Day 1996, a situation that hindered their chances of forming the next government.

The Alliance Party recognised that when in government, it would need to cooperate with other parties in order to pass legislation (Alliance Party, 1996a). Mindful of the sense of policy betrayal felt by voters over previous Labour and National Governments, the Alliance considered that any policy compromises should be transparent to the electorate (Bunkle, 1994; Alliance Party, 1996a; Vowles et al., 1998). The Alliance Party (1996a) considered that "any policy agreement be announced to the voters before the election" and that "potential coalition partners also be announced to the public" (p. 4). The Alliance Party (1996a) announced its own coalition direction stating that it would "not support a National Party Government" (p. 4). As well as announcing its coalition bottom-line, the Alliance also specified its policy bottom-lines.

The Alliance developed 'twelve non-negotiable policies'. These bottom-line policies were designed to be the terms that the Alliance set out for any coalition government in which it was a component party ("Alliance's non-negotiable election policies", 1994; Twyford, 1996). The Alliance then asked Labour to discuss these policies before the 1996 election but Labour firmly rejected any advances made by the Alliance (Hunt, 1995). The Alliance leader, Jim Anderton, was reported as approaching Labour three or four times but "the Labour party has said to get lost until after the election" (Anderton as cited in Hunt, 1995, p. 1).

Helen Clark appeared to soften her stance the day after Jim Anderton stepped aside as Alliance leader (Anderton reassumed the role prior to the 1996 election). Clark was reported as predicting that there would be talks between Labour and the Alliance but there would not be an agreement before the election ("Clark predicts talks with

Alliance", 1994). Helen Clark also considered the Alliance's policy stance was designed to deliberately keep it out of coalition "so that it could retain its purist minority status" (Riddell, 1994).

Anderton made public advances towards Labour as late as September 1996 after identifying a potential thaw in Labour's attitude towards the Alliance. Helen Clark again rejected any suggestion of "attempting to stitch up post-election arrangements now" ("Clark spurns Alliance bid to 'stitch up' coalition deal", 1996). Whatever the reasons, the inability of the parties to reach an agreement precluded the possibility of a centre-left government until the 1999 election.

In an attempt to initiate coalition talks, Anderton softened the Alliance's stance on the non-negotiable policies and announced that the two parties could agree to disagree on fundamental policy points.⁵⁰ The Alliance still wished to retain the right to speak out on issues if it was out-voted by a larger coalition partner (Laugesen, 1995a). Anderton continued to press Labour for coalition discussions prior to the election but Helen Clark continued to reject Anderton's calls right up until the election saying at one point that "he has a viper up his sleeve" (Clark as cited in Laugesen, 1995b, p. 2). Clark took this position despite a large proportion of Labour voters preferring a Labour-Alliance coalition (Vowles et al., 1998).

Anderton maintained that his purpose was to try and deliver something to the Alliance's supporters and the policy stance was not a coalition negotiating tactic.⁵¹ The Alliance had stood on certain policies before the election and Anderton refused to resign from them afterwards. "So in a way we were forcing the other parties to adopt our policies", said Anderton. Anderton considered that it seemed reasonable at the time because the public had gone through a period of betrayal. However, after the 1996 election the Alliance had to stand by and, "watch Peters and the mess that was created".

Anderton considered that it was important to convey to Alliance supporters that the party could not deliver any policy if it was outside the government. Inside a coalition,

⁵⁰ NZ First did not learn from the Alliance's experience in 1996 and leading up to the 1999 election, Winston Peters announced a "non-negotiable bottom line" of four policies (Peters, 1999).

⁵¹ Former Alliance leader Jim Anderton was interviewed for this research on the 6 April 2005. Unless otherwise referenced, all quotes or comments attributed to Anderton arose from this interview. Please refer Appendix A: List of Interviewees.

the Party could at least deliver something. Anderton argued that the Alliance would not achieve all of its goals but it would gain some of them.

I recall Anderton attempting to woo Labour over several months into having coalition discussions and Helen Clark dismissing his approaches. Then, on the night of a televised election leaders' debate, Clark turned to Anderton and advised him that her door was always open and invited him to talks. Jim looked totally bewildered by this sudden and apparently cynical change of heart as were the other members of the Alliance caucus. But, to the public Helen Clark appeared conciliatory and co-operative. The debate's audience responded favourably and Clark's overall performance was rewarded in enhanced polling support both for her, as the potential Prime Minister, and for Labour (Vowles et al., 1998).

The public had voted for an MMP system partly because they felt betrayed by previous Labour and National Governments. Voters desired consensus politics and considered possible coalition combinations, but seemed to reject any hard-line stances. The Alliance's position was rejected by both Labour and most voters.

The Labour-Alliance Dance of 1999

The experiences of the 1996 general election helped shape political attitudes for the 1999 election. Hard political lessons on coalition negotiations had been learnt by both Labour and the Alliance in time for the 1999 election. An Alliance post-1996 election review concluded that the Alliance had "badly misjudged their stance on the coalition" and had "marginalised itself from government" (Alliance Election Review Committee, 1997, pp. 24-5). The committee recommended that a public virtue be made of the Alliance's stance on coalitions and to continue to explore partnership opportunities in the lead up to the next election. Further, a decision was made to reposition the Alliance in such a way that it could exert significant influence on, and be part of, a coalition government (Alliance Election Review Committee, 1997, p. 14).

There was a fundamental change of attitude within the Alliance leadership. Leader Jim Anderton considered that the "period of fighting it out on the streets with Labour was over" and the party had to make good some of the commitments that it had made to its supporters. The opposition to the 'new-right' political agenda had been active since 1984. So, it had been a 15 year campaign in different forms and Anderton felt that the

Alliance had to deliver some policy changes. He considered that the Party was not going to deliver these from the Opposition or from outside the Government, propping up the Government. Anderton had made it clear publicly that the Alliance would consider a coalition only with Labour therefore he needed to gain some policy accommodations with Labour. Anderton had developed a very clear view by then that the Alliance had to play a role in Government.

Conciliation

The leadership of both the Labour and the Alliance parties met, held discussions, and signalled their coalition intentions well before the 1999 election. Labour Leader, Helen Clark, was invited to, and attended, the Alliance's annual conference held in Auckland in 1998. In turn, the Alliance modified its strong policy-seeking behaviour to attract votes and gain office. The Alliance decided to rationalise some aspects of its policy that it came to consider was more a "wish list cobbled together over the preceding elections" (Simpson, 2002).

While Labour and the Alliance did not enter into bilateral arrangements, there were clear policy modifications on both sides to make them more acceptable to each other (Boston & Church, 2000).

The Alliance's constitution did not require its membership endorsement of its policies and the Party adopted a more conciliatory stance with Labour. "We dropped the twelve non-negotiable policies because in the end we were really delivering an ultimatum. If the answer was a 'no' then the party achieved nothing", said Anderton who rejected the party's previous approach as an ineffectual "all or nothing" strategy (he recalled when interviewed).

The Alliance had entered Parliament to change the Government's policy direction. The Alliance MPs were disappointed at the NZ First- National coalition and were determined to gain a position from which they could effect change. Labour was also dismayed they had missed out on governing in 1993 and that disappointment was compounded by the events of 1996. The events of 1996 compelled the parties to develop relationships with potential coalition partners. It was apparent from experiences of the 1996-99 Parliament that it was unlikely that one party was going to govern alone. The Government (National) benches and their supporting parties were in disarray.

Polling indicated that neither NZ First, nor its off-shoot Mauri Pacific, would be influential in the next government (Miller, 2002). The Act party did not appear to be strong enough to be a coalition partner for National on its own. Labour and the Alliance decided to exploit this disorder to their advantage in 1999 (Miller, 2002).

One in two Labour voters preferred a coalition government, and by November 1999, support had peaked at nearly 35% for a Labour-Alliance coalition (Miller, 2002). Labour and the Alliance entered into a co-operative arrangement and presented “a more united front” to the public (Boston & Church, 2000, p. 233). Regular informal meetings were held between senior members of both parties who adopted a more conciliatory approach in the House leading up to the 1999 election. The Alliance leadership realised that the growing difference in relative party size meant that the party would never be able to out-vote Labour. Therefore, it was important to prevent a repeat of the NZ First situation which had led to NZ First ministers walking out of Cabinet, and the eventual termination of the coalition. An essential aspect of this level of collaboration was the growing sense of trust and cooperation between Clark and Anderton. This was important because of the history of antagonism between the two party leaders. MPs in the House discussed strategy and there were regular meetings between key advisers to Helen Clark and Jim Anderton, to develop understandings that would guide the transitional process.

Although the parties did not sign formal agreements, they made a commitment to implicit understandings about managing the pre-election and immediate post-election period (Boston & Church, 2000, p. 233). There were four main areas focussed mainly on process rather than policy: parties were to avoid personal criticism including attacks on each other’s political record and attacking policy positions, a no-surprises policy was agreed to, a commitment to close communication on policy announcements and, a timetable was to be developed for government formation and post-election negotiations and coalition management. Part of this arrangement was an agreement that no third party would be part of the coalition deal without “prior consultation and mutual agreement” (Boston & Church, 2000, p. 235). Further, post-election ministerial positions would be allocated according to general proportionality principles. The parties also recognised that each had the ability to campaign separately on policy platforms but they agreed to avoid promoting policy positions that were so different that they created

tensions. The arrangements were an example of the sort of electoral accommodation described by Golder (2005).

Where the inter-party meetings and cooperation building activities were the first phase of a developing relationship, the second phase was an understanding on inter-party processes. The signals delivered to their respective party memberships by the appearance of Clark at the 1998 Alliance conference, and an unwritten agreement on non-aggression between the two parties, paved the way for increasingly specific understandings for the election period and afterwards. This involved a commitment to implicit understandings rather than signed formal agreements (Boston & Church, 2000). The 1996 election events indicated that Labour was unwilling to accommodate many of the Alliance's key policies, even as a tactic to gain government. As a result, the agreement focused on a coalition arrangement that was based around the operational processes rather than of any consensual approach to policy outcomes.

The second phase comprised mainly of confidential, regular and systematic meetings, between Heather Simpson and Andrew Ladley⁵² who prepared the range of issues that needed to be resolved, and to guide the transitional process. These officials (and probably their leaders) did not have a mandate from their parties to reach any agreements. However, they developed a range of 'understandings' that were checked with their principals, but lacked any other formal status. One might expect that such an important political task would be undertaken by senior politicians. However, the deliberate use of officials might have been employed in an effort to develop such an important negotiation in an objective manner. Luebbert (1986) argued that irrespective of ideological rhetoric, "coalition bargaining is substantive and pragmatic" (p. 51).

The officials' process oriented set of understandings guided the parties' actions during this period and most of them were adhered to by the parties. However, there was one major episode during the election campaign proper which nearly ruined the conciliation (I will come back to this later). But the officials' meetings helped to develop a relationship that allowed for a more formal set of understandings to be later agreed between the parties and mainly shaped the smooth transition.

⁵² Heather Simpson and Andrew Ladley were political advisors employed in the respective Leader's offices. Heather Simpson worked for Helen Clark and Andrew Ladley for Jim Anderton as respective Chiefs of Staff. Most political parties have employed political advisors in similar roles.

The third phase covered the agreement of the parties' broad understandings of managing the pre-election and immediate post-election period. There were four main areas that focussed more on process rather than policy. Parties were to avoid personal criticism including attacks on each other's political record or policy positions. Each party recognised the legitimacy of the others' positions so, a no-surprises policy was agreed to as well as a commitment to close communication on policy announcements. Finally, a timetable was to be developed for government formation and post-election negotiations and coalition management. The parties also agreed that each had the ability to campaign separately on policy platforms but they agreed to avoid promoting policy positions that were so different that they created tensions.

The Alliance decided to adopt a more flexible policy position than in the past. The party realised that a successful arrangement with Labour could only be achieved if their policy positions were relatively aligned. One of the major stumbling blocks was in relation to the Alliance's progressive tax policy. The progressive tax policy had been outlined in the Alliance's 1996 election manifesto and I recall it had been blamed by some senior Alliance members as contributing to a sudden drop in poll ratings. The proposal to soften the Alliance tax policy by aligning its top tax rate to Labour's policy met with considerable resistance among senior Alliance members. I recall several heated telephone conference calls where the issue was extensively debated.

The Democratic and Mana Motuhake party representatives firmly supported Anderton's proposals and the New Labour Party members were split⁵³. The calls were broadened out to include interested but non-executive members where the legitimacy of the calls was dubious as it became unclear who was legitimately representing which part of the Alliance membership. There might have been an attempt by some to control the voting numbers. Those on the telephone conference call were increasingly concerned that the proposed changes to the tax package indicated a major policy back-down and the new policies indicated an unwillingness to confront Labour's commitment to the free market.

After numerous lengthy debates, a small majority agreed to the changed tax package. Some Alliance members, on the conference calls, reluctantly agreed to the new formula

⁵³ The Alliance at this time was an amalgam of four parties: NLP, Democrats, Mana Motuhake and the Greens.

in exchange for a commitment to increasing social welfare benefit payouts. The policy was for superannuitants and beneficiaries to receive an extra \$20 per week and the minimum wage was also planned to increase by that amount. These policy changes were all adopted by the Alliance but beneficiaries did not receive the anticipated increase when the Alliance became part of the next government. I believe that the intense tax policy debate and the inability to increase the benefit rate by the anticipated \$20 created seething undercurrents within the Alliance. This disquiet increased into a torrent of discontent and contributed to the break-up of the Alliance in 2002.

It was not an easy task for former political combatants to work together in Parliament. At least one incident arose in 1999 which threatened the uneasy peace between Labour and the Alliance. The Alliance had a political piece of good luck when a Members' Bill relating to GMOs was drawn from the parliamentary ballot, in the name of Phillida Bunkle. This was the *Genetic Engineering Moratorium and Commission of Inquiry Bill*. The Alliance had expressed concern about genetically modified organisms escaping into the environment. The Bill was aimed at "establishing a Commission of Inquiry to inquire into and report on the likely consequences of genetic engineering in New Zealand now and in the future" (*Genetic Engineering Moratorium and Commission of Inquiry Bill No. 275-1, 1999*).

The Bill outlined the Commission's focus and also established a moratorium on the "release or field trials of transgenic crops, animals, or other organisms and on the arrival of any further transgenic foods for sale in New Zealand" (*Genetic Engineering Moratorium and Commission of Inquiry Bill No. 275-1, 1999*).

In a move that surprised the Alliance, Labour announced that it would not support the Bill in its current form (Trotter, 1999). The issue would not have been so serious if the differences were only between party spokespeople. But this change of support was viewed by the Alliance as a surprise (under the terms of the agreement between the two parties), and prompted a fierce exchange of words between Labour's Dr. Cullen⁵⁴ and the Alliance Leader Jim Anderton, which threatened to upset the potential coalition partners. While Labour supported a Commission of Inquiry, it did not support a moratorium on GM while that Inquiry was conducted. Labour's Aoraki MP, Jim Sutton,

⁵⁴ Dr. Cullen was a Labour spokesperson including shadow Leader of the House and shadow Minister of Finance.

went on the attack and called the Bill “plain dopey” (Sutton as cited in Pickering, 1999, p. 6), a comment that prompted Alliance’s Phillida Bunkle to call for people to vote against Labour in the forthcoming election. Labour’s Mark Peck attempted to introduce, by leave, his own Members’ Bill that established a Commission of Inquiry into GM, without a moratorium. Leave was denied. Mark Peck promised that Labour would, in government, introduce a Royal Commission of Inquiry but in the meantime supported ongoing research into GMOs (NZPD, 1999b, p. 16556).

Unlike other parties, Labour and the Alliance decided against electoral accommodations in any electorate. Both parties decided to contest every electorate seat and that they would not withdraw candidates even when there were indications that support from one party could be harming the chances of another. The obvious electorate choices for withdrawing candidates were in the parties leaders’ seats. However, both leaders were seen to be in such strong positions that it was seen as tactically unnecessary for one party or the other to withdraw candidates.

This position was modified in the electorate of Wellington Central during the peak of the campaign. The contest between Act’s leader, Richard Prebble, and Labour’s Marian Hobbs was deemed to be close. Prebble was leading Hobbs in the initial stages of the campaign after National had decided against standing a candidate. Alliance candidate, Phillida Bunkle pulled out of the Wellington Central contest, leaving the seat to a straight battle between Act and Labour.

Bunkle made the decision to withdraw, based on response to 22,000 circulated letters asking voters whether they wanted her to stand down in favour of Labour. There was speculation that the decision was not made by local supporters but that the Alliance was pressured to withdraw. I recall that Phillida Bunkle felt under considerable pressure to withdraw, some of the pressure was from her own electoral committee. I also recall that Bunkle felt that she did not receive due consideration from the Labour Party, for withdrawing. Tensions between the parties had increased the week before Bunkle’s announcement, when Clark, seemingly in a breach of the agreement with the Alliance, made supportive gestures towards Jeanette Fitzsimons and the Green Party in Coromandel. The end result in Wellington Central was that Labour and Hobbs immediately inched ahead of Prebble and Act, and Hobbs won the seat on election night (Edwards, 1999).

Reconciliation

There was early recognition by Labour and Alliance strategists that their respective election campaigns had the potential to harm the other party. Any damage would risk handing the election to the Opposition. Therefore, Labour asked that the Alliance not campaign on an exact formula for splitting the vote. Any other tactic to secure the party vote was deemed perfectly acceptable. I recall that Labour wanted to campaign strongly with the slogan that the only way to remove the current Prime Minister Jenny Shipley, was to cast both votes for Labour. This was a deliberate attempt to gain the most party votes for Labour, and disregarded their announced coalition partner, the Alliance. The Alliance wanted to campaign with a slogan that the only way to get a Labour-Alliance coalition, was for voters to split their votes. The Alliance knew that except for one or two electorates they would be unlikely to win any seats and the goal was to gain as many party votes as possible so as to be a large coalition partner for Labour. This strategy was to attract party votes from a Labour constituency who would still support their party by voting Labour in the electorate seat. So, the Alliance strategised for the party vote to be cast in favour of the Alliance, and the constituency vote for Labour.

Labour considered it misleading to try to convince Labour voters that splitting their vote was the only way to guarantee a coalition. In return for the Alliance dropping this campaigning theme, their advisor asked that Labour not campaign with the slogan that "the only way to get rid of National was to cast both votes for Labour". Agreement was reached. Further, part of the 'understandings' was that if there was a breach, the 'victim' would try to ensure that there was no immediate retaliation. This was specifically designed to stop an escalation of reprisals that would electorally damage both parties by showing that they could not solve their problems - especially between the leaders.

Labour surprised the Alliance in the last few days of the campaign by suddenly campaigning very strongly on the slogan "the only way to defeat National is to double-vote Labour". Senior Alliance members considered Labour's tactics as specifically damaging to the Alliance, as well as being in breach of what was thought to be an 'understanding'. The Alliance attributed their subsequent poll drops from about 12% cent to about 8% (and Labour's rising polls) to Labour's actions in the last few days before the election (Vowles, 2002a). The question that the Alliance wrestled with was whether the Labour campaigning was a deliberate contravention of the understandings

they had reached - and if so, what response was appropriate. The Alliance considered that it was a breach. But, they had an agreement that one violation should not produce another. If the Alliance stuck to their side of the bargain, they could not take any retaliatory measure such as condemning Labour, or suddenly re-instating the 'abandoned' slogan of split-voting being the only way to guarantee a Labour-Alliance coalition government (refer to Figure 2 and Figure 3 for examples of both the Labour and the Alliance campaign advertisements). So, it was up to the Alliance to campaign or respond within those agreed parameters. Some members of the Alliance campaign team strongly urged Jim Anderton to retaliate against Labour, but he refused to react.⁵⁵

I found no compelling evidence to suggest that it would have made an actual difference to the election outcome, if the Alliance had suddenly come out with a new slogan in the last few days, without almost unaffordable massive publicity. It is also unclear as to whether the breach of agreement was planned by Labour. Labour strategists could reasonably be accused of having neutralised a potentially damaging slogan against them by agreeing to a mutual restraint, and then breaking the understanding just when it was impossible for the Alliance to retaliate.

But the Alliance had learnt a hard lesson in that they might not be able to trust their 'understandings' with Labour if Labour considered that their own position was under threat. This incident was the subject of much subsequent discussion between key advisors. The strategy was fundamentally based around Jim Anderton and was from conception at odds with the 'we fight' view of the NewLabour component of the Alliance. Indeed, that is why the parties considered that they had to build those bridges off-stage.

It was probably correct that the Alliance had lost some of its fringe or protest vote by aligning itself more closely with Labour and as a result, Labour's campaign might have frightened some wavering voters back to the Labour Party. But the Alliance's critical overall goal at that time was changing the Government - which the strategy achieved.

⁵⁵ I have checked my understanding of this sequence of events with Jim Anderton's former Chief of Staff, Andrew Ladley, who was responsible for formulating the original understandings, and for advice on this particular event, and he had no objections to it.



Figure 2 Billboards in Wellington Central

Top: An example of the type of Labour's billboard slogan that concerned the Alliance campaign team.

Below: The Alliance's billboard in Wellington Central. This billboard sought the party vote but supported Labour's candidate Marian Hobbs.



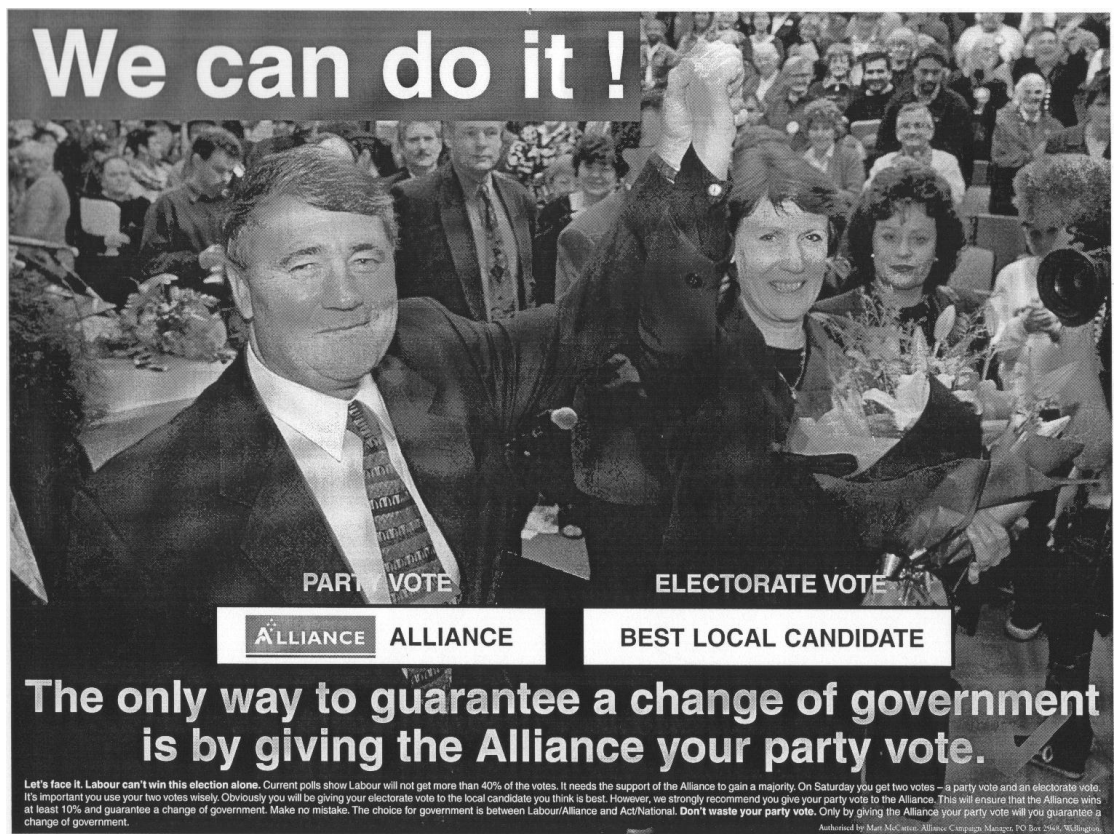


Figure 3 The Alliance’s advertisement (above)

This advertisement was prepared for potential retaliation against Labour’s campaign strategy.

Conclusion

The Alliance’s policy modification that occurred well before the coalition negotiation stage was one factor that assisted the Government’s formation. The Alliance had a constitutional requirement for a conference to endorse any coalition arrangement (Alliance Party, 1998). However, this delegated conference was not required to deal with any policy concessions as those compromises had occurred before the election. The coalition agreement was process based which meant that the main task of conference delegates was to approve the coalition and the ministerial positions in principle only. As a result, the Alliance’s more left-wing supporters were concerned about the lack of policy in the agreement (Miller, 2006).

The Alliance’s restraint during the 1999 election campaign appeared to have laid the basis for trust between the parties’ leaders which served the resulting Government well. However, it was probable that it did the reverse with the Alliance’s hard-line membership and sowed the seeds of doubt that germinated into open dissent in 2001.

This incident highlighted a unique situation of considerable competition for votes between the potential coalition partners - political events under MMP had not settled. Voters' loyalties were still fluid, even volatile, and unlike National and Labour, the smaller parties had not yet identified with a permanent core of 'loyal' voters.

It was the leaders' desire to form a coalition that was the driving force rather than the actual policy content (Marsh & Mitchell, 1999). However, policy has always been an important component of coalition negotiations. Leaders needed to keep their followers on-side and as happened with the Alliance most policy negotiation occurred between the leaders and their followers, and "between rival factions within parties" (Luebbert, 1986, p. 52) rather than between the parties themselves. The energy needed to maintain the cohesion of diverse factions in a single party was tremendous. "The leaders of such a bloc must constantly be on their guard to settle such internal differences as may arise or else some new or unresolved issue can polarise the factions within the bloc and lead to a split and dissolution of the unit" (Luebbert, 1986, p. 51).

The Labour and Alliance parties had achieved a "solid" but not perfect electoral coalition, especially in the last days of the campaign. The end goal of the discussions, 'understandings' and preparation was to manage, not eliminate, that inter-party competition to ensure that any conflict did not endanger the greater goal of becoming the government. By this measure an electoral coalition had been successfully achieved.

Both parties' actions exhibited strong office-seeking behaviour. Labour campaigned for single-party majority status and the Alliance lost votes but attained the Government benches. However, the lack of trust was to haunt the coalition Government and eventually contribute to the break-up of the Alliance and an early election in 2002.

The Labour-Progressive Coalition Minority Government- 1999-2002

When the Prime Minister announced an election for June 11th 2002, four months earlier than anticipated, polls indicated that Labour could win a majority single party government (Church, 2003; Vowles, 2004). By June 23rd, Labour's support had briefly ducked below the 50 per cent line and subsequently recovered to touch almost 55% by July 1st. However, a number of damaging events including those that the media dubbed 'paintergate' and 'corngate' caused Labour's polling to steadily decline with a last

minute partial recovery to 41.3% on election day⁵⁶ (Vowles, 2004).⁵⁷ The initial polls contributed to Labour developing a high level of confidence over the potential election-day results. The subsequent lower polling and damaging publicity were factors that encouraged Labour strategists to adopt aggressive positions towards the Green and NZ First parties.

Understandings with the Progressives

Soon after Parliament had risen for the election, Helen Clark indicated that she would welcome the Progressives as coalition partners. The Progressives had requested that Clark make it clear that former Alliance leader Jim Anderton would be back in Cabinet, regardless of the election outcome.⁵⁸ The goal was to convey total support at the time of the Alliance break-up, and no ambiguity about what was going to happen even though Labour was still hoping for an outright majority. The announcement also conveyed a message of continuity and respect for a valued coalition relationship, rather than Labour saying it wanted total dominance. Clark agreed and indeed all the rest of the parties' 'understandings' played out as arranged ("Anderton not fussed over not being deputy PM", 2002).

But Clark would not confirm Jim Anderton back in his role as Deputy Prime Minister saying that it would "depend on the strength of his party" (Luke, 2002; "Mallard safe in role, but Anderton job unclear", 2002). Clark went further to declare repeatedly that the Progressives were the only party that she wished to include in any coalition after the election (Boston & Church, 2003; "Mallard safe in role, but Anderton job unclear", 2002). If the two parties could not form a majority government, Clark preferred a supporting arrangement with other parties as necessary.

The costs to Labour of a coalition deal with the Progressives were minor. Jim Anderton was keen to continue in the demanding role of Minister of Economic and Regional Development. The addition of the Progressives to a Labour Cabinet, even if the

⁵⁶ Clark was accused of fraudulently signing a painting that had been placed in a charity auction. National leader, Bill English severely criticised her on 7th July after a police report was made public. In a second incident Clark and her government were accused of a cover-up over the inadvertent release of genetically modified seeds. This issue was aired on TV3 on 10th July followed the next day by a book release on the issue.

⁵⁷ Election Day was 27th July 2002. Labour's 'party vote' was 38.7%.

⁵⁸ The Progressive Coalition was formed from the members of the Alliance that stayed with Jim Anderton upon the Alliance's break-up. The Progressive Coalition later became known as the 'Progressives' for Parliamentary purposes.

arithmetic showed that they were surplus to a majority, indicated a willingness to operate in the MMP environment of constructive cooperation and stability. This aspect was increasingly important given both Anderton's conflict with his former Alliance Party members and Clark's conflict with the Greens.

Misunderstandings with the Greens

A bitter rift developed between the Labour MPs and the Green Party over a genetically modified organism policy (GMOs). The Greens had made a number of public statements threatening not to support a Labour-led Government after the election if that Government lifted a moratorium on GMOs (Mold, 2001). Green party Co-leader, Jeanette Fitzsimons threatened to "take them on" (Fitzsimons, 2002b). The Green Party Caucus recommended to its conference that the release of GMOs would be a 'bottom line' for Green Party support of another Labour-led Government (Fitzsimons, 2002a.).

However, the Greens recognised that their intransigence had cost them votes and 'clarified' their position only a week out from the election. Green Co-leader Rod Donald announced that the Greens were willing to support a Labour-led Government outside of a coalition and provide confidence in the House (Wilson, 2002). This confidence would only last until the decision was made on the GMO moratorium (due in October 2003). Donald also acclaimed Clark as a fine Prime Minister despite the often severe comments she had made about the Greens (Wilson, 2002). In turn, Clark's position appeared to become increasingly accommodating towards the Greens.

Clark seemed to anticipate the inevitability of having to develop relationships with parties that might support an increasingly likely minority government. Although Labour ran an anti-Greens advertising campaign in the last week of the campaign, Clark advised National Radio that she would look to the Greens for support ("Clark comes to senses", 2002). While Labour's attitude towards the Greens softened, there was no thawing in the relationship with NZ First. Peters' party remained unpopular with the voters and any deal was likely to cost Labour electoral support.

NZ First and United

Early on in the campaign, Clark identified two other issues that caused Labour to dismiss NZ First as a likely coalition partner: NZ First's immigration policy and Labour's experience in trying to negotiate a deal with Peters after the 1996 election

(Peters, 2002). However, NZ First's polls lifted in the last week of the campaign, the increase assisted by Labour's attacks on the Greens (Johansson, 2003; Vowles, 2004). The poll increase for both NZ First and Peter Dunne's United Party led commentators to speculate on the possibility of a "Grand Coalition" of "National, NZ First, United and Act" (Venter, 2002). Polling also indicated that more NZ First supporters preferred the party to enter into a coalition with National rather than with Labour (Small, 2002). The "Grand Coalition" idea was firmly rejected by Peters and Act's leader Richard Prebble ("No grand coalition", 2002; Tunnah, 2002). Clark also waded into the debate after being silent for a few days and firmly rejected Peters as a possible coalition partner (Small, 2002).

While Clark still had one eye on a majority coalition government, she also considered the possibility of a minority government from a week out from election-day as Labour and the Green party started to slip in the polls. But the fortunes of another minor party, Peter Dunne's United Future were climbing and Clark expressed a willingness to consider Dunne as a coalition partner (Vowles, 2004). In turn, Dunne communicated a readiness to support a Labour minority Government (Mold & Armstrong, 2002; Venter, 2002).

However, the new relationship between Labour and Dunne almost immediately started to wobble. Senior Labour Minister, Steve Maharey, complained that Dunne had voted consistently with National over the previous term. "He has not been even-handed as he has been suggesting, and we have not looked for his support on key social issues" (Maharey as cited in A. Browne, 2002, p. 1). The Greens also raised concerns about a Labour-United Future coalition. Fitzsimons thought that given Dunne's voting record and lack of policy bottom-lines, people may as well just vote for Labour ("Greens raise questions over Labour-United alliance", 2002). In response, Dunne maintained that he had not ruled out working with National. Dunne advised people to wait and see what the election results. Depending on the final figures, he could talk to either National's English or Labour's Clark ("Greens raise questions over Labour-United alliance", 2002).

The final arrangement resulted in a formal minority coalition between Labour and the Progressive Party. United Future's policies appeared to be less compatible with Labour's than the Green's policies. However, United provided a confidence and supply

agreement to the Government in exchange for some policy wins. The Government entered into a unique 'cooperation agreement' with the Green Party which provided the necessary votes on some key policy areas that United Future did not support. Later, the coalition Government had to rely on NZ First to enact the *Foreshore and Seabed Bill* when it could not gain support from either the Greens or United Future. Although the combination of support agreements necessitated numerous complex negotiations and extra liaising on House processes, it enabled the Government to continue full term.

2005 Election Campaign

The Greens Send Signals

The Green Party became more office-seeking in the lead-up to the 2005 election. Although the Greens held strongly to their position over the GM moratorium, they grew tired of playing a support role and some members looked forward to holding ministerial portfolios (K. Taylor, 2003). Green Co-leader, Rod Donald, considered that having only one Minister in Government "wouldn't be enough. We would want two," (Donald as cited in I. Butler, 2005, p. 1). But after their conflict with Labour over the GM issue, they needed to signal their coalition aspirations to the public early on in the 2002-2005 Parliament.

The Greens started the process of convincing the public that despite their differences with Labour, they were capable of working together. The Greens were also convinced that Labour in turn wanted to show that the two parties could co-operate and "in particular were capable of working in coalition on some things" said Rod Donald.

The Green Party started thinking ahead to the next election and they wanted to demonstrate an ability to work with Labour. "The political reality was, and still is, that Labour is the only party that we could form a Government with", said Rod Donald. Labour's position had also softened and Helen Clark sent strong signals to voters that she was able to work with the Greens. Closer to election-day, Clark invited Fitzsimons to campaign with her for a day on transport issues. However, these conciliatory moves sent ripples of concern through other parties.

So did Peters and Dunne

Both United and NZ First expressed strong concern about the possibility of Green MPs being in Cabinet. United Party's Peter Dunne also reiterated the point that his party remained "committed to talking first to the largest party after the election" (Dunne, 2005). As if to reinforce the point, Dunne engaged in a public show of meeting with National's new leader, Don Brash. The meeting was reported to be a discussion on the possibility of post-election cooperation (Radio New Zealand Newswire, 2005). A theatrical incident occurred as a prelude to this meeting. Act's leader, Rodney Hide, had appeared desperate to meet with Brash to gain public support for a coalition between their two parties. Brash had avoided the meeting until he unexpectedly "bumped into" Hide on Lambton Quay, Wellington, and there was media speculation that Hide had devised the accidental meet (McLoughlin, 2005a). In an effort to avoid a repetition of the Lambton Quay meeting, Dunne and Brash went to extraordinary lengths to keep their meeting a secret. They even had to change the venue when Rodney Hide was spotted close to the planned meeting place (Thompson, 2005). It was rumoured that Dunne would meet with Clark over similar issues but that arrangement never eventuated (K. Martin, 2005). United Future's Peter Dunne made it clear that his party would not support a Labour-Greens coalition (Dunne, 2005).

NZ First also made it clear that they would not support or join a coalition that included any members of the Green Party (Donald, 2005b; Peters, 2005a). However, NZ First's leader, Peters, sent signals to voters that he had "no preference" between National or Labour (Peters, 2005a). NZ First pledged that it would not enter into a formal coalition arrangement with either a Labour-led or a National-led Government (*Confidence and supply agreement with New Zealand First*, 2005). Peters maintained that "If the electorate clearly chooses one of these [National or Labour] over the other - we will accept this" (Peters, 2005a). Peters tried to take a middle course in an attempt to avoid the traps of 1996 when he was accused of misleading voters (Donald, 2005a). This might have been in response to a Herald DigiPoll that showed NZ First supporters almost evenly split in their coalition partner preference between Labour or National (Young, 2005a). In doing so, he sent confusing signals to voters resulting in further attempts at clarification (Peters, 2005b, 2005c).

Changing Fortunes

There are several events where dramatic poll fortunes of parties paralleled electoral announcements. The Green party's percentage rating in the Herald DigiPoll doubled (3.2% to 6.4%) overtaking NZ First soon after Clark and Fitzsimons spent a day campaigning together (Young, 2005b). Likewise, a public display of camaraderie appears to have assisted United Future's fortunes. Dunne's party's polls rose 1.9% to 2.6% in the days following his coffee break with Don Brash on the 6th September (Young, 2005c). At the same point Act's fortunes dropped by a third to 1.3% after Brash announced that he was not going to do any deals with Hide over the Epsom electorate (Young, 2005c; Watkins, 2005). Clark's comments advising that the Māori party "would be the last cab off the rank" were also close to the time of the dropping of the Māori Party's poll ratings (TV One, 2005). Perhaps the most compelling change was that which could be associated with announcements made by both Peters and Dunne.

Both Peters and Dunne made two main announcements concerning their post-coalition 'bottom-lines': they would not support a government that included the Greens; and that they would support the largest party on election night. The latter position was constitutionally erroneous as it is the party that can gather a simple majority of confidence in the House that is able to govern. This could be a smaller party that is able to gain a majority block of other supporting parties. However, the announcements received a large amount of publicity and generated extensive debate. It is reasonable to assume that their positioning caused electors to cast both votes for the two main parties. The NZ First, United and the Green parties all slumped in the polls in the last few days of the campaign as the electorate seemed to line up along the traditional left/right lines. Voters who had previously considered it safe to cast a vote for a minor partner in a coalition government changed their mind. Electors appeared to have been afraid that their support for a minor party would inadvertently allow their least desired choice to form a government.

A New Arrangement

After the election, an 'inner coalition' was formed between Labour and the Progressives. The government formation processes excluded the Greens from the coalition but they signed a cooperation agreement with the Labour-Progressive Government. Formal confidence and supply agreements were signed by the

Government with both the United and NZ First parties. Winston Peters appeared to have reversed his 1996 negotiating tactic and used National to ratchet up his position with Labour (James, 2005). In an unusual move, Peters and Dunne accepted ministerial positions outside Cabinet (refer also Chapter 10).

The pre-election actions of Dunne and Peters were clearly designed to attract votes from both other minor party supporters but in the end, frightened voters into either the National or Labour camps. NZ First and United also recognised in voters an underlying concern about the Greens entering government and campaigned on that fact. Hide attempted to portray himself as a partner for National in an attempt to attract votes from the larger party. Brash recognised this and resisted Hide's overtures; forcing Hide to campaign strongly for an electorate seat. The 2005 election undoubtedly exhibited strong vote-seeking behaviour from most parties and electoral signalling played a strong role in the campaign strategies.

Conclusion

The four election events highlight a unique situation of considerable competition for votes between the potential coalition partners, and formal coalition theories proved useful in assessing the motives of politicians during this time. Anticipated increases in electoral support provided incentives for party leaders to make pre-election statements about their post-election intentions. Poll data gathered during all four elections indicated a close fit between potential partnership statements and changing public support.

NZ First embarked on vote-seeking behaviour in 1996 in order to win policy and office. During the same time, the Alliance remained focused on policy rather than votes while its only potential coalition partner, Labour exhibited office-seeking behaviour. These contradictory positions helped to ensure that neither Labour nor the Alliance was able to enter government in 1996. The approaches taken by both NZ First and the Alliance in the lead-up to the 1996 election were both flawed. NZ First had taken great care not to choose their potential partner, but this strategy resulted in a confused public. The Alliance on the other hand was very open in courting Labour, and only Labour, as their potential coalition partner. This approach seemed to spook Labour into fearing a loss of voter support. As a result, the public positions of both the Alliance and Labour signalled to voters that the two parties could not form a viable alternative government. The electorate had clearly signalled their preference for a Labour-NZ First coalition and

after the election, the voters felt they had been betrayed by politicians yet again. The public believed that they had been misled by NZ First in 1996 and punished that party in 1999.

Political parties had not been clear about their electoral strategies and failed to accurately convey their intentions to the public. The key lesson for Labour and the Alliance from 1996 was that in the chaos and emotion of the run-up to the election, the greater goal of government had to be kept in mind. Otherwise, obvious division would lead to continued periods in opposition. This lesson had been learnt by the time of the 1999 election and both Labour and the Alliance modified their strong policy seeking behaviour in 1999, in order to gain enough votes to enter office. The result was that the voters identified a potential stable and viable coalition to replace the instability of the previous three years.

Similarly, the Greens recognised that a hard policy position over GMOs lost them party votes in 2002. They relaxed their stance in an effort to win back votes and gain office, but their efforts were unsuccessful. The public, wary of returning a majority Labour Government, provided United Future with enough support to be a partner in the place of the intransigent Greens.

In 2005, most parties contrived public events at which they could declare their support for one partner or another. NZ First and United had campaigned to increase their vote share and both parties opposed a coalition that included the Greens. Labour's Clark recognised the public unrest over Treaty of Waitangi issues and declared that the Māori Party would not be part of her Government. She also supported the Progressives being part of the new Government. The voters selected a parliamentary composition based on the party leaders' announcements. Labour, desirous of retaining the Treasury benches, heeded those signals and that decision was reflected in the resulting Government.

Several conclusions can be drawn from the research. The first is that party leaders considered that pre-election strategies sometimes provided electoral advantage. Some leaders, such as Winston Peters and Peter Dunne, have consistently refused to publicly align their parties with any other single party. Other party leaders, such as those of the Labour and the Alliance parties, saw advantage in directly informing the electorate of their desired coalition partners. Parties also relaxed or hardened earlier positions and

statements depending on the polls and ambitions for office. Muller and Strøm observed that party leaders in Western European countries had acted in what they considered to be their best interests and a similar observation could have been made during the 2005 election. All strategies were anticipated to provide the respective parties with an increased share of the votes.

Secondly, the same motivations applied to government formation can be applied to electoral coalitions. Politicians view office as the pathway to policy gains. The more votes a party wins then the higher the chances of gaining ministerial portfolios, thereby achieving policy wins. Party leaders clearly considered that their stated coalition position would provide an increase in votes. This increased electoral share, in the NZ proportional system, directly transferred into legislative currency.

Thirdly, as New Zealand's political parties and voters became more familiar with the proportional voting system, they became more adept at transmitting and receiving accurate pre-election signals. These signals appear to be high risk for the larger parties if it provided the public with increased comfort to vote for the smaller parties. But, public confidence might be lost if a party was seen to go into the election without a credible potential coalition partner.

Preliminary research on the 2002 and 2005 elections indicated that heightened public expectations were encouraging parties to more accurately communicate their post-coalition intentions as electoral coalition signals. The public's reading of the electoral signals increased in accuracy with each election and this improvement in understanding might parallel a greater comprehension of the machinations of MMP itself. Understanding politicians' motives in taking a particular pre-election stance is essential in assisting the prediction of post-election government formations.

The next chapter explores the formation of three coalition governments. The first MMP coalition Government was formed in 1996 between the National Party and NZ First. This coalition caused some controversy for the unusually long time (for New Zealand's experience) that it took to form. The subsequent two coalitions were both Labour-led Governments. The 1999-2002 government was a majority coalition and the 2002-2005 term saw a minority coalition relying on support parties for its majority. The chapter

concludes with an outline of the formation of the 2005 Labour-led minority coalition Government.

Chapter 9: Forming coalition governments

The formations of the three coalition governments formed between 1996 and 2005 general elections are discussed in this chapter. The first MMP coalition negotiations turned into a bidding war between National and Labour with both major parties seeking NZ First as a coalition partner. As a result, the formation process took an unusually long time but was eventually formed between the National Party and NZ First. New Zealanders who were used to knowing their Government on election night had to wait six weeks for the answer. The following two coalitions were both Labour-led Governments. These governments formed in an extremely short time. The 1999-2002 Government was a majority coalition while during the 2002-2005 parliamentary term, a minority coalition government relied on support parties for its majority. This chapter concludes with a brief discussion of the formation of the 2005 Labour-led minority coalition. Although, this Government falls outside of the period under study, it possessed some unique features and hence adds to our understanding.

National-NZ First Coalition 1996

The final election results for the 1996 General Election provided New Zealand with an uncertain outcome. The new 120 member House now comprised six parties, with the National and Labour parties remaining the largest two. National was elected the largest party with 44 members and Labour with 37. Of the smaller parties, NZ First was the larger with 17, the Alliance 13, Act 8 and Peter Dunne's United Party, one seat (Elections New Zealand, 2005). The results created at least nine possible coalition permutations if a National-Labour super coalition was included in the calculations (see Table 1). (For the purposes of simplicity all other parties have been deemed to have been opposing parties in a National-Labour coalition Government). Other minority coalitions were also possible, such as one between Labour and the Alliance, but this would probably not have survived the first confidence vote in Parliament.

Type of Government	Seats	Supporting Parties	Seats	Abstaining parties	Seats	Opposition	Seats	Effective Government Majority
National/Labour Coalition	81	-	-	-	-	NZ First Act United	17 13 8 1	38
National Minority	44	NZ First/ Act United	26	-	-	Labour Alliance	50	20
National Minority	44	Act/United	9	NZ First	17	Labour Alliance	50	3
Labour Minority	37	NZ First Alliance	30			National Act/United	53	14
Labour Minority	37	NZ First	17	Alliance	13	National Act/United	53	20
National-/NZ First Majority Coalition	61	Act United	9	-	-	Labour Alliance	50	20
National/ NZ First Majority Coalition	61	-	-	Act United	9	Labour/ Alliance	50	11
Labour/NZ First Minority Coalition	54	Alliance	13	-	-	National/Act/ United	53	14
Labour/NZ First Minority Coalition	54	-	-	Alliance	13	National/ Act/United	53	1
Labour/NZ - First/Alliance Majority Coalition	67	-	-	-	-	National/Act United	53	14

Table 1 Post 1996 Options for Government

Note. Adapted from “Forming the first MMP government: Theory, practice and prospects” (p. 213), by J. Boston and E. McLeay, (1997), in J. Boston, S. Levine, E. McLeay & N. Roberts (Eds.), *From campaign to coalition: New Zealand's first general election under proportional representation*, Palmerston North, New Zealand: Dunmore Press.

The general election for the first MMP Parliament was held on October 12th 1996. Both of the major parties had to rely upon Winston Peters' centrist NZ First Party in order to form a government. NZ First negotiated simultaneously with both National and Labour. A comprehensive policy-based coalition agreement was signed with the National Party confirming Jim Bolger's Prime Ministership against election night expectations. The coalition formation process lasted for nine weeks, just within the constitutionally required time before Parliament had to be called. Coalition theories suggest that formations can be predicted through assessing a number of aspects of the post-election situation. These features include party dimensions, party size and party characteristics. Simple arithmetic, motivations and an analysis of parties' policy dimensions indicate that a National-NZ First coalition was the obvious outcome, but the process was not without political drama.

Old Enemies Coalesce

National was highly motivated to seek a deal with NZ First. A coalition between National, Act and United, being the most likely partners in a policy sense, would only provide 53 seats; eight seats short of a majority. Prime Minister Jim Bolger had been advised that the Act Party would not join in a coalition with New Zealand First. But, if NZ First joined up with Labour and other partners then National could be locked out of power for several terms. National could probably have relied on Act and its former coalition partner United, for support on confidence and supply, if not on most Bills in the House. But, a coalition between National and NZ First would result in a 'minimum-winning majority coalition' government. A deal that involved any other party in addition to NZ First would be a surplus costing National more Cabinet posts and other resources than it needed to relinquish.

Election 1996 showed that no party would be able to govern on its own unless it was able to form a minority government with support arrangements from another party. NZ First had stated that it would support a larger party in Government but would not confirm which one; National or Labour. NZ First considered a coalition arrangement as the only way to deliver on its key election pledges and the National-NZ First coalition was the only minimum winning combination that comprised only two parties (Peters, 1999). If Labour was to form a coalition, it still had to do so with NZ First but it would

need another party to create a majority. The obvious choice for Labour was the Alliance either in a formal or a supporting arrangement.

Although NZ First was National's only feasible partner, there were some challenges to a coalition. NZ First had campaigned on a much reduced Cabinet than had been the norm over the last few governments. This reduction in Cabinet size plus the necessary accommodation of NZ First members meant that a number of existing National ministers would lose their posts. If National wished to refresh the Cabinet with deserving backbenchers then the list of potential demotions within the party increased. To compound the problem, most of the NZ First members were new to Parliament as well as to Cabinet. This blend of inexperience and high aspirations could create numerous unsettling incidents within the coalition.

In turn some National MPs disliked having to deal with NZ First at all. These MPs agitated publicly and inside the National caucus for Bolger to form a coalition with the Act Party. National's Northcote candidate, Ian Revell,⁵⁹ considered Peters a "blatant self-interested man" and that Peters' ego was so huge that it was impossible to see National being able to work with NZ First (Edwards, 1996; *NZPD*, 1996c, p. 35). Jim Bolger recalled that he had some members who argued for National to form a coalition with Act. He argued that National and Act together would not make 51% of the House. "They seemed to find that difficult to comprehend. They couldn't add that much up or didn't want to. Emotionally they didn't want to", said Bolger.

Some National MPs displayed unhelpful attitudes towards a coalition with NZ First almost from election night. National considered that the role of a small coalition partner was as a support party and for National it would be government as usual. Bolger considered that the primary role of the smaller coalition partner was to give a majority to the Government. The negative attitude was to create ongoing tension between the partners as NZ First members resented National taking them for granted. The key goal of NZ First was to implement the major policies that they had campaigned on. Ron Mark told me that he considered that there was a wealth of issues that NZ First wanted; "We felt very, very strongly about them and this was an opportunity to do something about it. I came to this house to make some changes".

⁵⁹ Ian Revell later became Parliament's Deputy Speaker during the 1996-1999 administration.

The Discussions

NZ First's coalition negotiations began first with members of the National Party negotiating team on the 21st October, nine days after the election. The negotiations with Labour commenced two days later. Each of the parties appointed negotiating teams and they met about three times a week for the following three weeks. At this time NZ First realised that the way they had been negotiating was not working as anticipated and changed their focus. Thereafter, the policy spokespeople met on specific matters. NZ First MPs, Peter McCardle and Michael Laws, developed the details of the NZ First policy prior to the 1996 election. NZ First MP Brian Donnelly recalled, during interviewing, that when it came to the detailed discussions, McCardle was appointed to make sure the agreed policy was identified in the budget but the NZ First team found the process arduous. The NZ First negotiators met with one party in the morning and the other in the afternoon. Peters considered that the team worked very long days and then they had to sit down and evaluate each day. "When we had been through it then we had to get ready for the next day with both of them again. So it was a very extensive program that we had no precedents to work with in this country. And it had to be done" Peters said to me.

NZ First wanted agreement on extensive policy details before signing any coalition agreement but this process took longer than anticipated. Two NZ First negotiators, Doug Woolerton and Tau Henare, ceased meeting with their National counterparts. They were part of the initial negotiation team and found that they could not attend in Wellington. Two new MPs, John Delamere and Deborah Morris replaced Woolerton and Henare. "Really, as a result of that they ended up getting the mana around the place. In John's case, it got him into Cabinet", said Brian Donnelly. The party leaders were constantly in contact either through telephone calls or regular meetings. In addition to the leaders' meeting, the respective caucuses were updated and kept informed of developments (Boston & McLeay, 1997). However, there were few public comments made at the time of the talks so the media camped outside party offices in Parliament Buildings seeking any snippet of news. At the time, neither National, Labour nor the public was aware of NZ First's preferred coalition partner.

The discussions reflected a deep level of mistrust between all the parties involved. NZ First had required both National and Labour to sign a confidentiality agreement which

was one reason for the lack of confirmed information about the progress or content of the talks. Both National and Labour also knew that their policy concessions, to NZ First, would be made public after the coalition was formalised regardless of who ended up in government. Further, a NZ First-Labour coalition would have to rely on the support of the Alliance but NZ First refused to meet with them and relied upon Labour to secure support or agreement from the Alliance.

Helen Clark agreed to consult with the Alliance on coalition progress but the first discussions between Labour and the Alliance did not occur until six weeks after the election. I recall that during the single ‘negotiating’ meeting held with Labour, Jim Anderton on behalf of the Alliance orally guaranteed support on confidence and supply, with the sole expectation that there would be reasonable and ongoing consultation, especially at budget time, to further policy matters that the Alliance wished to progress. Labour gave such a guarantee unequivocally, but indicated that in their view, this was all a waste of time anyway. Labour then made the Alliance’s essentially unconditional support clear, privately and directly to NZ First. I remember that at the time the Alliance’s view was that by then Winston was tidying up the details of his deal with National and he simply ignored Labour and did not reply to their communication.

Donnelly considered that even on the final day of the coalition talks, no one in NZ First had any idea of which deal they were going to accept. Brian Donnelly had compared all the parties’ policies and there was a sense in the NZ First caucus that Labour was the preferred choice. Donnelly had rated each policy on closeness to NZ First policies and he gave a score out of ten for the big policies and a grade up to five marks for minor policies. The final calculation showed that there were three points difference between the two main parties. Donnelly recalled that he made a point to fellow NZ First MP Tutekawa Wyllie, that the country had leaned towards fiscal responsibility for last 15 years and now it was time for NZ First to go on the side of social responsibility “and he said yeah right”.

NZ First was also concerned about the negotiations with Labour. Although various spokespeople had been negotiating specific policies, by the night of the decision-making, they still had not seen the complete picture of what NZ First had negotiated with both parties. NZ First had to choose between two fairly similar agreements (Barker, 1997). Documentary analysis shows that even though National and Labour had

stood their ground on some policies they had both compromised severely on others (Barker, 1997). NZ First MPs were concerned about what they had agreed to with Labour, as they considered that Labour had not accurately calculated the cost of the policies. This worry was expressed by NZ First's Māori MPs back to Labour and Helen Clark provided NZ First a written guarantee that Labour would honour the agreed budget.

NZ First's main concern was that the budget would disappear soon after they had signed an agreement. Donnelly said that NZ First didn't want to get into the situation "that we got there and over cooked the goose and then had to try to slice off bits of it to make sure that it was done to perfection". The party wanted something in black and white and they received it. NZ First's fears were legitimate as small parties are at their most influential during the coalition agreement negotiations. Later demands by the small coalition partner were likely to cause the appearance of government instability and lose small parties support especially if the public consider such demands to be unreasonable (McLeay, 2006a; Miller, 2006).

The Alliance Cops the Blame

NZ First blamed the Alliance for forcing it to finally form a coalition deal with National. The Alliance had written to Clark agreeing to support a Labour-NZ First coalition Government on confidence matters with some provisos. The Alliance retained the right to vote in "accordance with its manifesto policies" (Alliance Party, 1996b, p. 1). In turn Labour agreed to discuss its legislative and policy initiatives with the Alliance. The Alliance's letter also outlined the conditions upon which it felt released from any undertakings.

The Alliance advised the other parties that it would no longer be bound by its agreement if three main events occurred. First, if the Government failed to "comply in good faith with this Agreement". Second, the Alliance would consider the agreement broken if the Government adopted "a course of action which is significantly detrimental to the interests of the country". Finally, if there was a "unilateral declaration by the Government that a particular issue is a matter of confidence" then the Alliance would not be bound to vote with the Government (Alliance Party, 1996b, p. 2). This latter condition was designed to prevent unusual legislative items being made confidence

matters and thereby trapping the Alliance into voting for them against their policy manifesto. NZ First considered the Alliance position to be untenable. During his interview, Winston Peters said:

Well! The most compelling factor was when the Alliance sent via Helen Clark that letter which was a stunner to us. I couldn't believe it. They handed it to my next colleague and he let out a muffled curse and we passed it around the room. Everyone looked at me and at the paper and looked back at me. Hello, this game was up because any potential Labour-NZ First Government would only have 54 votes now.

At this point, Peters considered that he no longer had any realistic coalition options other than National. Winston Peters then attached extra conditions to the coalition agreement with National. From the time they saw the Alliance letter until late in the night, “NZ First negotiated another ten policy items”, said Peters.

Peters realised that NZ First were no longer in a clean position and “were forced to go one-sided but they (National) didn't know it”. The extra policies negotiated with National were not NZ First's main issues but nonetheless were important to the party. They included issues such as extra funding for legal aid for veterans from the Pacific nuclear testing programme dubbed ‘Operation Grapple’. That was when Peters thought that he was “going for broke, now I will get these other ten things as well”.

NZ First was reluctant to rely on any third party for a parliamentary majority and the Alliance's position was not the specific concern for NZ First. A coalition with National involved only two parties but, a coalition with Labour meant a coalition or support arrangement involving three parties. NZ First MPs knew that they could form a coalition government on one side of the house with two parties. They also realised that Labour could bring the Alliance and form a coalition government with those two parties. “But, of course that brought in an extra dynamic; the Alliance was a third party upon which we would be dependent for supply and confidence”, Ron Mark told me.

A coalition arrangement with Labour and the Alliance would have involved an additional sharing of resources and power as well as requiring the Government to engage in additional policy negotiations and discussions. In the end, a coalition with

National was a neater, easier arrangement. National and NZ First were also closer on a policy scale than alternative possible arrangements. Donnelly's calculations had not included the extra dynamic of the Alliance's policies which were further along a policy dimension than Labour. Any government that had to rely upon the Alliance would have had to negotiate policy positions that would have been unpalatable to many NZ First members. It is worth taking a moment at this point to consider the various parties' policy dimensions.

A New Dimension?

Brechtel and Kaiser (1999) assessed the policy positions of New Zealand's political parties following the 1996 election. They used an assessment method that elicited the views of local experts on the policy positions of the parties by use of a questionnaire. The results were calculated on a left-right scale with 0 being more left and 10 the most right (refer Table 2). They aimed to find both uni and multi-dimensional solutions concepts to analyse the 1996 coalition formation possibilities and their work concluded that New Zealand was still dominated by the traditional economic and social issue based left-right dimension. The Brechtel and Kaiser study was interested in identifying any differences pre-MMP (1993) and post-MMP (1996). The pre-MMP analysis placed Labour closer to National than was the situation after the 1996 election. It also labelled the NewLabour party as a separate party from the Alliance, even though it was a component party in 1993. For this discussion, it was the 1996 dimensions that were the more relevant. There was a clear left-right division of the parties that ended up being represented in Parliament after the 1996 General Election with the Alliance placed on the extreme left and Act on the extreme right. NZ First and United were centred and National and Labour were placed centre-right and centre-left respectively (see Table 2). Brechtel and Kaiser (1999) found that New Zealand's polarisation was not unusual and was similar to that typically found in Germany (also a MMP regime).

Left (0)-----Right (10)

	Alliance	Labour	NZ First	United	National	Act
Mean	2.3	4.6	5.9	6.6	7.3	9.1

Table 2 Uni-Dimensional Party Positioning in 1996

Note. Adapted from “Party system and coalition formation in post-reform New Zealand”, by T. Brechtel and A. Kaiser, 1999, *Political Science*, 51(1), p. 9.

NZ First was placed as a centre party and close to United and National on Brechtel and Kaiser’s uni-dimensional line (Brechtel & Kaiser, 1999). According to Warwick’s (2000) discussions, this would indicate that a coalition between NZ First and National should be successful. However, NZ First was closer to Labour on many of its policy positions such as economics, asset sales, education, Treaty of Waitangi issues, immigration, health and social welfare (Boston & McLeay, 1997). As such, National was forced to compromise more policy positions than NZ First to form the coalition. Even so, National considered some of the policy concessions required by NZ First were worthwhile.

Compromised Policy

However, to form a coalition National would need to make a number of policy compromises that would also be viewed by its supporters as being too great just to stay in power. The Reserve Bank’s inflation target was one of those areas where there was a broad acceptance that there was a better policy. When interviewed, Bolger recalled that he had not considered it too difficult for the National party to agree because they could

see merit in having a slightly more flexible approach to an inflation target than the very narrow one that the Reserve Bank was operating at the time. Bolger believed that there was an equally broad understanding that National needed to persuade the public that there was merit in the policy and any change was not a demonstration of weakness or indifference. Bolger did not want to signal that the Government was showing a soft attitude towards an inflation target.

NZ First gained \$1.8 billion of policy concessions from National in the initial coalition negotiations in the first seven weeks. This was increased to \$4 billion and then later raised to \$5 billion. But, in face of a deteriorating economy, National tried to include and factor in the costs of policies that they had previously (prior to the election) announced. One such policy that they tried to include in the \$4 billion formula was Special Education 2000. Brian Donnelly attended one of the high level meetings when Bill Birch started to change the agreed policy programme. Donnelly argued that National could not require NZ First to pay for National's previously announced policies out of the agreed \$4 billion of extra spending. Donnelly maintained that NZ First gained an extra \$1 billion as a result of fighting out that particular issue and increased their share of the budget to \$5 billion.

Some policy areas were difficult for National. National were willing to compromise a great deal in order to regain the Treasury benches, but some issues created discontent within their caucus. An example of this was the compulsory superannuation proposed by NZ First. This was a much more debatable issue than changing the Reserve Bank's inflation targets. There were mixed views within the National caucus, but there was a general acceptance that if a big issue like that was going to be credible, it would have to be approved by a referendum. The coalition agreement gave individual party members in Cabinet and on the backbenches the right to either oppose or support the superannuation referendum.

I recall some ministers came out strongly opposed and some came out strongly supportive of the suggested scheme. Again flexibility had been built into the policy position to enable the coalition government, who clearly did not have unanimity on the issue, to take different positions if they so desired. The superannuation referendum was later one of the triggers for the collapse of the coalition. This policy conflict will be discussed in the next chapter.

An Agreement Based on Policy...

Process based coalition agreements are usually quick to confirm. However, policy-based agreements such as the National-NZ First provide partners with very clear joint policies captured in a signed coalition agreement and should prevent arguments between the parties of a coalition government. But, Bolger considered a process based approach too difficult and would have required every issue to be “approached with a clean sheet of paper”. Bolger considered that under those types of agreement, governments ended up with a process but not any agreed policy. So, the policy work and negotiation occurred after the coalition has been formed. Bolger felt that a policy based document would work better on occasions when there was tension between the parties because the parties would be compelled to live up to the document.

Even though the final agreement was policy-based it included other understandings. The coalition deal also included Cabinet positions, portfolios and processes with the decisions on actual ministerial positions were made by the leaders of NZ First and National. NZ First clearly enjoyed a share of Cabinet posts greater than its proportion of seats in the Government might indicate. NZ First commanded only 27.9% of the 61 seats comprising the Government yet it gained 9 (nearly 35%) of the 26 Cabinet posts. The agreement also allowed for the NZ First share to be increased to 11 or 42.3% of the ministerial positions as from October 1998 (Boston & McLeay, 1997). Winston Peters was also appointed to two senior posts: Deputy-Prime Minister and the new position of Treasurer. Donnelly maintained that Labour would not agree to cede the Treasurer post to Peters, one of the contributing reasons that the deal with Labour failed.

...That Included Ministerial Posts

In the end National retained all the big spending portfolios. Most NZ First ministers were appointed as only associate ministers to health and education ministries; key policy planks in the coalition negotiations. Even then they were ministers outside Cabinet. As a result, NZ First MPs considered that Peters had to be the Treasurer to ensure that their policy and budgetary interests were protected. Donnelly told me during the interview that he considered that the position was essential to the smaller party if the senior partner held most of the key ministerial roles including the Finance ministry and the Prime Ministerial position. The Treasurer’s post enabled Peters to guard the coalition arrangement. The acceptance of this position could be interpreted as a sign of

distrust on behalf of NZ First. However, a similar conclusion could be drawn from Bolger's offer of the post.

Prime Minister Bolger supported Peters' appointment as Treasurer. During the research Bolger said that he considered that as Treasurer, Peters would have the responsibility of being in one major oversight department. But, the Treasurer's position would also act as a restraint on NZ First's spending desires. Bolger argued that it was a better position to have Peters, as a junior coalition member, in the Treasurer's role rather than in one of the big spending departments, where the temptation to try and "spend his way to popularity might have been a bit over-whelming". However, the Treasury was retained as a single department rather than splitting the department into a policy arm (Treasury) and an operational department (Ministry of Finance). This meant that National's Bill Birch remained in control of financial policy decisions.

The agreed restructuring of the Cabinet in mid-term was clearly going to create anxiety within the National Party as Ministers contemplated losing their portfolios. This fear, and the uneven distribution of ministerial positions, was an important source of tension within the coalition. Bolger recognised the concern within National's caucus that some potential and even former Ministers would miss out on appointments to make room for additional NZ First Ministers. However, Bolger also understood that without a coalition, there were not going to be any posts at all. Not all of the National caucus accepted the realities of the new MMP environment and, "some might have thought that if they couldn't be in Cabinet then no one should", said Bolger.

Timely Constraints

Parliament first met just within the statutory time frame. The *Constitution Act* requires that after a general election, Parliament must meet "no later than six weeks after the day fixed for the return of the writs for that election" (*Constitution Act 1986*, s. 17. [1]). The Hon. Douglas Kidd, the coalition's nominee for Speaker, recalled during the interview that the looming constitutional deadline "placed a blow-torch" on the negotiations. However, he did not consider that more time would have allowed for closer agreement between the two partners. Kidd thought that the mere complexity of the coalition agreement meant that it was "doomed" and that irrespective of the time taken, he thought that it was still a rushed document.

Summary

The constitutionally required six weeks deadline placed very real constraints upon the coalition negotiations. The full talks had to be completed within this time frame because none of the parties could reach any pre-election arrangement. However, the final election-day results provided NZ First with a pivotal position as the only party that could form a coalition with any of the main parties. The choice of partner lay with NZ First even though they were the junior partner in any potential coalition rather than either National or Labour. NZ First MP, Brian Donnelly, calculated that NZ First had been able to get both National and Labour to agree to most of the NZ First policy demands. The positions were so close that there was only a small degree of difference between what National was willing to concede to what Labour would agree to. But, the decisive moment was when NZ First realised that it might have to share some power, even if not official positions, with a third party - the Alliance. This understanding coupled with Labour's refusal to offer the Treasurer's post to Peters sealed the outcome of the negotiations. With the policy wins assured in a detailed agreement, Peters came down on the side of the deal that offered the most office – the one with National. It is only speculation if a different arrangement would have better withstood the shocks that the National-NZ First coalition suffered in its short term of office.

Labour-Alliance Coalition 1999

Support for a Labour-Alliance coalition increased steadily as Election Day 1999 drew near. This support was partly out of a desire for change and partly out of public opprobrium and distrust for the previous Government (Miller, 2002). The most compelling reason for increased public support for a Labour-Alliance coalition might have been because the public had grown used to the idea. As discussed in Chapter 8, there had been public displays of cooperation between the two parties since Helen Clark visited the Alliance's conference in 1998. Policy discussions had softened some of the most glaring points of conflict and the two parties gave the appearance of a government in waiting. As a result of an increasingly cordial relationship, the coalition formation followed a smooth path after Election Day 1999.

Forming the Coalition

The day after the 1999 General Election was held, the political scene was in stark contrast to the chaotic events following the 1996 General Election. The centre-left parties of Labour and the Alliance had a comfortable majority with 63 seats on election night results although the composition of Parliament changed with the addition of the Green Party after the counting of special votes on 10th December. Parties in a proportional system seek policy support over a wide range of policy and might be expected to share multiple policy dimensions with a number of parties. Therefore, parties have less of an incentive to widen their electoral appeal and move to the political centre (Karp, 2002; Miller, 2005).

Karp (2002) analysed parties' positions on seven major issues and found that parties' positions had diverged since the time of FPP. On the issues of tax, health and education, Karp (2002) found that although the numerical scores changed, the parties positioning relative to each other on a simple scale did not. This finding was similar to the conclusion made by Vowles (2002b) in a post-1999 election study. Vowles' results are outlined in Table 3, and although different scales and assessments were used, the parties' positions were similar to those found by Jeffrey Karp (2002). The similarity between both studies means that we can have a level of comfort about the placement of parties in a particular policy dimension when discussing potential coalition partners.

I have focussed on the Vowles (2002b) study for ease of analysis between the 1999 and 2002 election. Vowles (2002b) conducted a study after the 1999 election and surveyed views on the left-right economic dimension of New Zealand political parties. Vowles used a left right scale of 0 to 10. Zero was the most left position and 10 the right (and 5 is the centre). The placement was made during a survey by New Zealanders who were asked to place themselves on the left-right scale. From the answers, Vowles assessed the proximity and distance between the parties as voters perceived them and compared them with a distribution of voters. He found that the "average respondent was slightly to the right of centre" at 5.3 (Vowles, 2002b p. 85). Labour at 3.5 was closer to the average voter (5.3) than was National on 7.5. This helps to explain why Labour won the 1999 election. However, Labour's positioning close to both the Alliance on 2.5 and the Greens on 2.7 indicated a closeness in the three parties' policies. These three parties,

as illustrated in Vowles' study, fell within Warwick's (2000) "set distances of policy stances" (p. 55).

Left (0)							Right (10)
	Alliance	Green	Labour	NZ First	National	Act	
Vowles Respondents median of 5.3 (Vowles, 2002b, p. 84)	2.5	2.7	3.5	5.7	7.5	7.8	

Table 3 Party Positioning on a Left-Right Scale in 1999

Note: Adapted from "What happened at the 1999 election?" (pp.84-86) by J. Vowles, (2002b), in J. Vowles (Ed.), *Proportional representation on trial: The 1999 New Zealand general election and the fate of MMP*, Auckland, New Zealand: Auckland University Press.

(All the figures have been rounded to one decimal point).

The Alliance and the Greens were the closest parties, ideologically, to Labour (refer Table 3). Labour was the formateur party after the 1999 election (refer Table 4) and the confirmation of the Greens winning a seat as well as crossing the 5% threshold gave the centre-left 66 seats, an increase of 3. This result gave the new Government a majority of 12 seats over the centre-right-NZ First block. However, by that time the Alliance and Labour had already completed their coalition arrangements, the Greens had to be content with a supporting role.

There were three feasible governing possibilities following the 1999 election (see Table 4). Labour was the pivotal party in all combinations and the only possibilities for government included the Greens and the Alliance in various supporting or formal roles.

Because there was uncertainty as to whether the Greens would secure parliamentary representation, coalition arrangements commenced almost immediately. I recall that it was not even considered that the Greens should be included in discussions and they had not asked to participate. However, the Greens did provide oral assurances of support for a centre-left government and promised confidence and supply.

Both Labour and the Alliance had invested a great deal of work into ensuring a smooth process would take place after the election. The setting up of the transition process began early and even on election night it all flowed exactly as the party leaders had previously agreed with the right statements being made in the right order. Discussions continued and party leaders met the next day, as arranged.

Type of Government	Seats	Supporting Parties	Seats	Opposition	Seats	Effective Government Majority
Labour minority	49	Alliance Greens	17	National NZ First Act United	39 5 9 1	12
Labour- Alliance Minority	59	Greens	7	National NZ First Act United	54	12
Labour- Alliance- Green Majority	66	-	-	National NZ First Act United	54	12

Table 4 Post-1999 Coalition Possibilities

Note: Adapted from “Government formation after the 2002 general election” (p. 333-360), by J. Boston and S. Church, (2003), in J. Boston, S. Church, S. Levine, E. McLeay & N. Roberts (Eds.), *New Zealand votes: The general election of 2002*, Wellington, New Zealand: Victoria University Press.

The Alliance preferred the coalition option as the best way to achieve policy. The period when the Alliance could fight it out on the streets with Labour was over and the party had to make good some of the commitments that had been made to Alliance supporters. So, Anderton considered that the Alliance had to make a genuine commitment to work from inside the Government. During his interview, he said:

For many of the Alliance's people, it had been too long a haul. We had to deliver something to them and we weren't going to deliver it from the opposition or from the outside of the government propping the government up and criticising them when it suited us.

The Alliance and Labour had learnt a valuable lesson from the events of 1996, in that they needed to cooperate with each other or risk handing the Government over to the centre-right parties. Even though Anderton had been a member of the fourth Labour Government, he had opposed many of the policies and he had effectively been in opposition from 1984 to 1990. Since 1990 he had spent a further nine years in the Opposition. Anderton considered that if the Alliance Party could not change the country's policies then the people that he represented might not have had anyone supporting them for about 25 years since 1974. "I had to bury the natural kind of fierce resentment that we had during that period" said Anderton.

Labour could have relied on the Alliance and the Greens to support their Government if they wanted to govern as a single-party minority government. However, they preferred forming a majority government for two main reasons. Firstly, by having the Alliance inside the Executive and bound by Cabinet collective responsibility, there was less chance of the Alliance attacking core Labour support. Secondly, Labour believed that a larger government would be more effective and provide greater stability following the disruptive 1996-99 Parliament (Boston, 2000).

Both parties had another compelling reason to form a coalition as soon as was feasibly possible. The late confirmation of election results (10th December) meant that Parliament had to sit quickly to confirm the Government and pass urgent legislation before Christmas. However, it is unclear whether the Greens would have agreed to join a formal coalition even if invited (Boston, 2000). Anderton considered that a less compelling reason and yet important consideration was that the Greens had broken

away from the Alliance mere months before the 1999 election creating friction between the Green party and the Alliance MPs. This tension, the late change in Green Party fortunes, and the apprehension that the inclusion of the Greens in a coalition would complicate matters, ensured their exclusion from any coalition formed after the 1999 election.

A Deal is Clinched

The Alliance-Labour coalition deal was markedly different from that agreed by coalition partners in 1996. I recall that this design was a deliberate decision to avoid the drawn out process endured by NZ First and National that resulted in a long, legalistic and eventually rigid and ineffectual document. When the Alliance was poised to enter the coalition, the party was ready with virtually a one-page document. “It looked like the Greens weren’t going to make it, so we signed up and by the time they did make it, the Government was formed”, said Anderton. The coalition was signed, sealed and delivered in only a few days.

One component of the coalition agreement established a Coalition Management Committee. This committee was formed to resolve disputes between the parties and to provide the Government with strategic direction. It comprised the Prime Minister (chair), the Alliance leader, the parties’ deputies and the two senior whips (each party leader could also bring a staff member to the meeting). The Coalition Management Committee met only once during the coalition period. Most of the discussions and negotiations between the partners were conducted between the respective leaders’ offices.

The two coalition parties relied upon the Speech from the Throne announcement to detail the agreed policy platform for the Government (*NZPD*, 1999a, pp.7-16). The Coalition Agreement did outline four overarching goals designed to signal the policy direction and the desire for stable government following the unrest of the previous coalition, but it was clearly an agreement designed to gain office for the purpose of implementing policy (*Coalition agreement*, 1999). A process based arrangement made sense in the absence of a detailed policy agreement.

Boston (Boston, 2000) identified three main areas that partners needed to address when designing coalition agreements: uncertainty, enforcement, and coalition discipline.

However no agreement could predict all the likely decisions that a government might need to make in its term. Such an unforeseen event arose on September 12th (New Zealand time) 2001 when the Twin Towers building complex in New York was attacked by al-Qaeda hijackers. No policy based agreement would have included a section on how to respond to that situation. Alliance leader and Deputy Prime Minister, Jim Anderton, was the acting Prime Minister at the time and had to respond on behalf on New Zealand. This event, and subsequent decisions to send New Zealand personnel to Afghanistan, exacerbated the internal conflict within the Alliance.

Coalition governments rely upon internal traditions and conventions. No outside institution could rule or enforce coalition or parliamentary decisions (*Coalition agreement*, 1999). If conflict arose within a coalition, the agreement could not be enforced in the courts or elsewhere. Therefore, the parties had to resolve the issues themselves or dissolve the coalition. A process agreement determined how conflict was to be resolved in cases where there was disagreement. However, conflict was likely to be reduced where the coalition partners occupied a similar policy or ideological space.

The coalition Government accepted that both parties would take joint responsibility for the actions of Government. But, both Labour and the Alliance entered Government aware that remaining policy differences could become points of tension within the coalition. The coalition agreement stated that the coalition would be driven by consensus management and the avoidance of surprises and established a Coalition Management Committee as one mechanism to address disputes between the parties. Both parties recognised that although the coalition needed to be bound to Cabinet collective responsibility conventions, there also needed to be a safety valve mechanism.⁶⁰ The coalition agreement allowed parties to identify matters as “one of party distinction” (*Coalition agreement*, 1999, p. 1). It fell to the party leaders to identify such issues as being of importance to the party’s identity. This process of joint government with the ability to ‘agree to disagree’ provided for in an amendment to the Cabinet Manual was the basis for the coalition agreement between the Alliance and Labour (Cabinet Office, 2001, p. 1).

There was one more item dealt with in the Coalition Agreement. This was that core Cabinet would comprise of twenty Ministers of which sixteen would be from Labour

⁶⁰ Cabinet collective responsibility is discussed further in Chapter 7:

and four from the Alliance. The party leaders would control the numbers and appointments of Ministers outside Cabinet and Under-Secretaries. Labour Party rules determined that caucus votes for the Cabinet Ministers and the Prime Minister determined the portfolios (Palmer & Palmer, 2004). Therefore, only the coalition document needed ratification by Labour's New Zealand Council.

However, ministerial positions were new to the Alliance. A special conference of the Alliance Party was held at Victoria University, Wellington on the 5th December to discuss and ratify the coalition terms. Delegates from all the component parties unanimously approved the coalition in principle and a ballot was held for ministerial positions. As the Alliance's Whip, I had been warned that the President of the Alliance at the time, Matt McCarten, had spent some weeks trying to meet certain Alliance MPs and had offered Cabinet places around. I remember that the arguments given for embarking on this activity were to try and avoid caucus factions lining up supporting each other as had apparently happened in the Labour caucus. This appeared to be an interesting tactic on a caucus that already comprised formal and open constituent parties and I could only speculate at the time that such a caucus vote might be detrimental to the NewLabour MPs. The ballot papers were taken by leader Jim Anderton, to a separate room, who subsequently returned, announced the results and destroyed them. It was a scene reminiscent of those very public British elections where all the candidates stood on a stage as the results are read out, except without the possibility of a recount.

The Alliance appointed four Ministers inside Cabinet and one Minister outside Cabinet. They were Jim Anderton (NLP), Deputy Leader Sandra Lee (Mana Motuhake), Matt Robson (NLP), Laila Harre (NLP). In addition Phillida Bunkle became a Minister outside of Cabinet. John Wright, leader of the Democrats, was also appointed an Under-Secretary. In a move similar to the NZ First experience, no Alliance Minister, other than Anderton, gained any of the key social policy portfolios (except in minor associate roles) that the Alliance had campaigned upon in the election. Jim Anderton's Ministry of Economic Development was to prove critical in implementing the Alliance's 'Partnership 2000' and other crucial Alliance policies (Alliance Party, 1999a, 1999b). Anderton was also appointed to the post of Deputy Prime Minister. I recall that at the time there was concern amongst some senior Alliance members that the coalition agreement stated that, "The policy of the Government will be determined between the

parties on an ongoing basis through the normal processes of government policy development” (*Coalition agreement*, 1999, p. 1). The wariness focussed on the difficulty of developing, engaging or influencing policy that was formulated by departmental officials headed by Labour Ministers. The counter argument was that most Alliance Ministers were too inexperienced. The Alliance leadership were concerned that new Alliance Ministers might make serious mistakes in their first term and that a more experienced Alliance could expect more senior portfolios in the second term of Government. This was not to eventuate.

More Support was Required

The support of the Green Party was an important component of the 1999-2002 Government. The formal agreement between Labour and the Alliance created a minority coalition Government. The Government had only 59 seats, out of a 120 member Parliament, and needed 61 votes to not only pass legislation but to survive any confidence motions (assuming no abstentions). Helen Clark was reported as giving the Greens the opportunity to state their preference at a meeting after the Coromandel result had been declared (Boston, 2000). The Green Party appeared divided on the merits of joining Government and chose to offer only a supporting position. Clark requested a letter confirming their support for confidence and supply and support for stable and effective Government. Rod Donald advised me during the interview that this letter was drafted but was not delivered and although it was not in the end actually signed, the spirit of the agreement operated during the term. Certainly coalition agreements were usually written and signed but confidence and supply agreements and supporting agreements were often just oral undertakings.

The Greens decided that they could better serve their policy needs outside of a formal coalition. Policy progress could be gained by developing parliamentary majorities on an issue by issue basis with increasingly autonomous select committees appointed by the House. Jeanette Fitzsimons was elected Chair of the Local Government and Environment Select Committee which enabled the Green leader to become more involved in issues of importance to her party. Rod Donald considered that “the small party on the outside could be a little more stropy without upsetting the relationship, because the relationship was not so close”. The lack of a formal agreement also gave the

Greens the ability to oppose unacceptable Government policy and reduced the risk of a supporter backlash against unpopular positions.

The Greens' agreement with the Government came under pressure towards the end of the term as Parliament grappled with a suggested moratorium on genetically modified organisms. It appeared that the Government was unaware of, or had overlooked, the fact that the support letter from the Green Party had never arrived. The Green Party threatened to withdraw its support for the Government over its position on genetically modified organisms (GM). The Government replied that the Green Party's stance broke a written promise of "unconditional" support on matters of confidence and money supply (Anderton, as cited in Mold, 2001, para. 5). Whether it was written or verbal, the Greens had their own view of what the 'agreement' meant.

Green Party leaders, Jeanette Fitzsimons and Rod Donald, were both reported as saying that the Green Party support for the coalition Government was never unconditional and the Green's would not tolerate the Government taking the country down the "GE road" (Fitzsimons as cited in Mold, 2001, para. 2). "We neither wrote them a letter nor promised to do so, but made it clear through the media that they had our support on confidence and supply. Donald argued that the Greens had "never offered the Government a blank cheque" (Donald as cited in Mold, 2001, para. 11). In the final days of the 1999-2002 Parliament, the Greens walked out of the House rather than being required to vote either way on the Bill's third reading (*NZPD*, 2002b, p. 16395). This event illustrated that, in the absence of any written protocols, parties were unclear as to the exact nature of any agreement. However, the decision by the Greens not to enter into a formal role in the Executive allowed them to distance themselves from Government policy on an issue of utmost importance to their supporters. The Green Party's actions immediately prior to a general election indicated a mix of vote and policy-seeking goals.

Conclusion

The coalition formation between Labour and the Alliance was a relatively smooth event, based on two main factors. The first was that the results on election night allowed for only a centre-left arrangement. The second was that the pre-election discussions and understandings paved the way for a quick, simple and yet concise coalition agreement. However, both Labour and the Alliance compromised their policies and developed a

common policy base, in anticipation of increased electoral support. These negotiations indicate a trade-off between policy and vote-seeking prior to the 1999 election campaign. However, as election-day 1999 neared, the Alliance leadership became fearful of escalating the tension with their potential coalition partner. The Alliance reluctantly accepted the probability of Labour's campaign poaching electoral support from the Alliance in the last days of the campaign. In so doing, the Alliance traded votes for the chance of gaining office. The Alliance's positioning was a long-sighted view and the relationship entered into, and the arrangements provided for, a similar set of understandings for the 2002 General Election and beyond. In this way, the hard work of the 1999 campaign ensured that Labour and Anderton gained office for at least three terms.

Labour-Progressive Coalition 2002

The final results of the 2002 General Election returned an outcome similar to the 1999 election. Although the overall numbers of government MPs were reduced slightly, there appeared to be no possibility of a change from a left leaning Labour-led Government. There was a change in the composition of the left block with the entrance of the Progressives and the loss of all the Alliance seats. The slight change in the parliamentary composition affected changes in the policy dimension positioning of some parties, especially United Future, but did not dramatically affect the overall placing. Labour and the Progressives formed a minority coalition government and separate agreements were signed on policy between the coalition government and the Greens, and on confidence and supply with United Future.

Left (0)-----Right (10)

Greens	Progressives	Labour	United Future	NZ First	National	Act
2.44	2.95	3.65	5.65	6.55	7.07	7.61

Table 5 Party Positioning on Economic Scales in 2002

(Mean = 5.2)

Note: Adapted from “*What happened at the 2002 election?*” (p.13) by J. Vowles and P. Aimer, 2003, April 12-14, Paper presented at the New Zealand Political Studies Association Conference, Auckland, New Zealand.

A Repositioning of the Parties

Vowles’ study after the 2002 election asked respondents to place themselves on a traditional left/right scale (refer Table 5). The very close resemblance between the ordering and scoring of these placements and those given in 1999 suggests perceptions of a fairly settled multi-party format, rather than one still in transition. But perceptions of some parties have shifted. Vowles used a scale that ranged from 0 (left) to 10 (right). He found that the mean location in 2002 for “respondents’ selfplacement” was 5.2, very close to that in 1999 (Vowles & Aimer, 2003, p. 3). The Greens were considered to be the party most to the left at 2.44 (2.7 in 1999). United Future was not assessed in 1999 but appears closest to the centre. New Zealand First had moved more to the right to 6.55 from 5.7 in 1999. In contrast, National had moved closer to the centre 7.07 (formerly 7.5).

The respondent placement results were consistent with Vowles’ 1999 study (refer Table 3). This consistency indicated a “fairly settled multi-party format, rather than one in transition” (Vowles & Aimer, 2003, p. 2). The major change (from the 1999 study) was that the Progressives, who had taken the place of the Alliance, were placed by

respondents to the right of the Green Party whereas Vowles' 1999 study had placed the Alliance to the left of the Greens. Jim Anderton was the former leader of the Alliance and the leader of the Progressives and yet the public perception of his parties had changed over the intervening three years. Although, the Greens position had moved to the 'left' by just over a point, the Progressives had moved considerably to the right and Labour had moved 1.5 points to the right. These changes in ratings indicated that respondents predicted a slight move to the right by the incoming coalition Government.

The centre-left grouping had a reduced majority from 12 to 6 but still occupied an overall commanding position (refer Table 6, p. 192). The National Party had lost a substantial number of seats while the Greens and Labour had gained slightly at the expense of the Alliance, which did not win any seats. A new party consisting of two former Alliance MPs, Jim Anderton and Matt Robson, entered Parliament as Progressive Party members (the Progressives). A Government arrangement consisting of Labour, the Progressives and the Greens continued to enjoy a healthy majority. Labour was again the largest and the pivotal party in the legislature, the player that commanded and dominated the incoming Government (Boston, 2003).

Although the 2002-5 Government continued to be a Labour-led coalition, there were some major differences between the outcome of the 1999 and 2002 elections (Boston, 2003). Firstly the Progressives entered Parliament with only two seats, a significantly weaker position from that which Jim Anderton and his colleagues had enjoyed in the previous term. Also, final election figures provided for a Labour-Green majority Government (of 61 votes) meaning that Labour did not need the Progressive votes to govern. Further any potential Labour-Green Government could probably count on the Progressives' support in most areas whether they were part of the arrangement or not. However, any coalition with United Future would require the support of the Progressives to enable the Government to cross the required 61 seats threshold.

Pre-election

A formal coalition agreement was signed between Labour and the Progressives in the early days following the 2002 General Election. As occurred in 1999, there had been behind the scenes arrangements between key Labour and Progressive officials. The essence of those pre-election arrangements was for continuity as far as possible and

Type of Government	Seats	Supporting Parties	Seats	Opposition	Seats	Effective Government Majority
Labour minority	52	Progressives Greens	11	National NZ First Act United	27 13 9 8	6
Labour-Progressive Minority	54	Greens	9	National NZ First Act United	57	6
Labour-Progressive-Green Majority	63	-	-	National NZ First Act United	57	6
Labour - Green Majority	61	Progressives	2	National NZ First Act United	57	6
Labour Progressive /United Majority	62			National NZ First Act Greens	58	4
Labour-Progressive Minority	54	United	8	National NZ First Greens	58	4

Table 6 Post-2002 Coalition Possibilities

Note: Adapted from “Government formation after the 2002 general election“ (p. 333-360), by J. Boston and S Church, (2003), in J. Boston, S. Church, S. Levine, E. McLeay & N. Roberts (Eds.), *New Zealand votes: The general election of 2002*, Wellington, New Zealand: Victoria University Press.

both parties would signal their intentions to keep working together. Helen Clark had confirmed that she would signal that, if Labour could form a government, Jim Anderton would be in Cabinet whether the Progressives were formally needed or not to make up the numbers. That was considered to be the key signal that the Progressives wanted to show the country that the party was relevant to the next (post-2002) Government. It was also a signal from Labour that it was unconcerned about the remnants of the Alliance Party.

Welcoming the Progressives

Soon after Parliament had risen for the election, Helen Clark had indicated that she would welcome the Progressives as coalition partners, but she would not confirm Jim Anderton back in his role as Deputy Prime Minister saying that it would “depend on the strength of his party” (Luke, 2002, p. 11). Clark went further to declare repeatedly that the Progressives were the only party that she wished to include in any coalition after the election (Boston & Church, 2003; "Mallard safe in role, but Anderton job unclear," 2002). If the two parties could not form a majority, Clark preferred a supporting arrangement with other parties as necessary.

I remember that the general view in the Progressives was that Clark's support was a mixed blessing. It did help to confirm that Jim Anderton was able to work constructively with others and that he had the Prime Minister's endorsement. However, there was anecdotal feedback to the Party that voters considered that there was no need to vote for Anderton or the Progressives as Clark had already stated that he would be back in Cabinet. There was also general confusion after the Alliance's break-up and the emergence of the Progressives. Many of Jim Anderton's supporters thought he had returned to the Labour Party that he had left in the late 1980s. This confusion did not help the Progressives' electoral fortunes. However, the Progressives remained positive about the Party being in a position to contribute constructively to the future of New Zealand through the Government.

I recall that Anderton and Clark had developed a strong personal as well as political relationship between 1999 and 2002 to the extent that they trusted each other. I developed a strong impression that the Prime Minister was satisfied with Anderton's ministerial work and he had ably assisted various Labour Ministers on some

complicated issues. On the other side, Clark had various difficulties with some of the Alliance members who had not supported Jim Anderton and who elected to stay with the Alliance. These reasons probably assisted Clark in lending open support to Jim Anderton's faction towards the end of the forty-sixth Parliament and throughout the election campaign. It was apparent that the Prime Minister greatly valued Anderton's contribution to the Government and it seemed unlikely that Clark would forgo his abilities in her Cabinet in the next Government.

Further, behind the scenes it was mutually accepted that the elected numbers would dictate the final arrangements, including how many Progressive members were to be in Cabinet, policy and the structure of the formal coalition. A more delicate arrangement was reached on Cabinet seniority. Jim Anderton had been Deputy Prime Minister. The question in advance was whether that would continue, or whether it would change, and if so, by how much. Once again, the principle was one of continuity matched with reality, depending on the final numbers. The Cabinet ranking of Anderton at number 3 seemed to make sense to those involved as it would have been difficult for the Prime Minister to justify a higher placing with only two Progressive members. The important aspect of this and the coalition signalling was that all aspects of the process were understood in advance and there were no surprises to any party.

The costs to Labour of a coalition deal with the Progressives were minor. Jim Anderton was keen to continue in the demanding role of Minister of Economic and Regional Development. The addition of the Progressives to a Labour Cabinet, even if the arithmetic showed that they were not needed, indicated a willingness to operate in the MMP environment of constructive cooperation and stability. This aspect was increasingly important given both Anderton's conflict with his former party members and Clark's conflict with the Greens (covered later in this chapter). Jim Anderton had also accepted the loss of his role as Deputy Prime Minister. So, one Cabinet post given up by Labour would be a small price considering that they would probably regain three others (plus additional ministerial posts outside of Cabinet) with the dissolution of the Alliance.

The Government formed a surplus minority coalition and Labour did not need Anderton inside Cabinet to retain his party's votes to support the Government. It is doubtful that Anderton would have supported an alternative government to Labour's if he had

remained outside of the Executive. But, with or without his support, Labour still required another supporting party to gain a majority in the House. The inclusion of Anderton into the ministerial ranks was contrary to Riker's (1975), Downs' (1957), and Gamson's (1961) theories of minimum winning coalitions. However, the phenomenon, of junior coalition partners remaining in office even when their numbers are surplus, has not been unusual in overseas multi-party systems (Boston & Church, 2003).

The coalition agreement between Labour and the Progressives was the shortest of the three agreements signed after the 2002 election. It was even more concise than the agreement Anderton had previously signed with Labour on behalf of the Alliance and was light on policy detail. Recognising strong policy similarities with Labour and mindful of their small numbers, the Progressives aimed to make specific progress on industry assistance programmes, a comprehensive drug strategy and a better work family life balance. The agreement, signed prior to the other parties' supporting documents, also emphasised the virtue of stable government, increasing economic growth, reducing inequality and improving New Zealander's well-being (*Coalition agreement between the Labour and Progressive coalition parties in parliament*, 2002, p. 1). The document agreed to a "good faith and no surprises" (*Coalition agreement between the Labour and Progressive coalition parties in parliament*, 2002, p. 1) policy, cooperation with other supporting parties, a single Cabinet post and an acceptance that Cabinet quorum rules needed to be relaxed if Jim Anderton was absent.⁶¹

There was one other significant paragraph in the Progressive-Labour agreement. The 'agree to disagree' provisions had been broadened to more specifically address issues of party identity as it was widely considered within the Alliance that its identity had been subsumed by its coalition with Labour. A post-election survey conducted by the Progressives indicated that many former Alliance voters had been confused by the split and felt that Anderton had "sold-out" to Labour (NRB, 2002, p. 4). The 'agree to disagree' clause had been rarely invoked in Cabinet. I recall that the inclusion of the phrase "the smaller party being able to maintain a separate but responsible identity" (*Coalition agreement between the Labour and Progressive coalition parties in parliament*, 2002, p. 1) was in a specific response to the need to develop recognition of

⁶¹ The relaxation of the Cabinet quorum rules was for practical reasons. This meant that if required elsewhere, Anderton's absence would not prevent Cabinet from meeting. It also ensured that the Prime Minister retained control of Cabinet's meeting times rather than a single minister.

a new party. As a result, Progressive backbencher, Matt Robson, was “free to express alternative views publicly and in Parliament” (*Coalition agreement between the Labour and Progressive coalition parties in parliament*, 2002, p. 1).

Boston (2003) identified another issue that differentiated the political position following the 2002 General Election from the situation in 1999 concerning the relationships between the parties. The pattern of inter-party relationships had become complicated. The policy positions and support agreements of both the Greens and United had broken the traditional perceptions of New Zealand having parties on a uni-dimensional policy line. The Greens had clashed with Labour over the GM issue and, unlike the agreement made during the 1999-2002 parliamentary term, refused to guarantee confidence and supply. Although one study illustrated that respondents easily placed parties on an ideological left-right dimension, some positions created multiple policy dimensions in proportional systems (Vowles & Aimer, 2003). But the Greens were not the only party that had policies at variance with Labour’s manifesto, and yet entered a supporting arrangement with the incoming Government. This will be discussed later in this chapter during the consideration of the Government’s arrangement with United Future.

Looking Beyond the Greens

The relationship between Labour and the Greens was at a stalemate during the election campaign. The Greens had threatened to withdraw confidence and supply. Further the Greens were suspected, by Labour, of being behind the release of a book, ‘Seeds of Distrust’ by Nicky Hager which cast doubt upon the Prime Minister’s integrity and honesty (Hager, 2002).⁶² Labour was unwilling to change its stance on the GM issue and so a coalition appeared unlikely. In fact, polling showed that Labour did not need to accommodate the Greens’ position. Although the GM debate helped to cast a level of distrust upon the Government, the environment “remained one of the issues of least concern to voters” (Vowles, 2004, p. 46). Importantly, the Greens position of not providing confidence and supply forced the incoming minority coalition to seek support from another party. Labour and the Progressives had ruled out a coalition with NZ First over Peters’ attacks on immigrants and the newly enlarged United Future party led by Peter Dunne was the only party that seemed a viable partner for the coalition (Levine & Roberts, 2002).

⁶² This incident was dubbed ‘corngate’ by the media.

Voters had positioned Peter Dunne's United Future Party close to the centre during the 2002 election while NZ First had "slithered to the right" (Vowles & Aimer, 2003, p. 2). United Future's domination of the centre occurred for a number of factors. Dunne had built a party that deliberately sought to occupy a position in the centre and United Future contained elements of the socially liberal but market oriented members that were former National and Labour supporters. Also in late 2000, this group had joined up with the remnants of the Christian based Future New Zealand Party.⁶³ Critically, United Future leader, Peter Dunne, declared that he would support Labour in any climate where there was a dispute between Labour and the Greens (Boston, 2003). The public no longer had to rely on NZ First or the Greens to enable Labour to form a government. Support for United Future soared to nearly 7% and Dunne led seven new MPs into the 2002-2005 Parliament.

Although United Future was willing to provide the coalition Government with support on confidence and supply, it had marked policy differences in some areas. There was agreement on some policy areas but United Future did not guarantee unconditional support to all Government policies (United Future New Zealand, 2002). There were many areas of difference between the Labour-led Government's policies and those of the more conservative United Future. Colin James (2003) considered United Future MPs "unlikely bedfellows" (p. 14) for Labour because of their policy differences and identified differences in policy over the Air NZ-Qantas merger, workplace law and the Prostitution Bill. James also cited that while United Future was successful in getting the Government to support Bills that it wanted passed, it failed to deter other Government Bills that United Future opposed.

National lists a string of failures or incompatibilities: the Care of Children Bill and the Responsible Gambling Bill; voting through the Local Government Bill after accepting a petition opposing it; failing to stop the workplace safety legislation and to limit change to the Resource Management Amendment Bill; and failure to get the Transmission Gully road out of Wellington on the 10-year programme (James, 2003, p. 14).

⁶³ Formerly the Christian Democrats who had unsuccessfully campaigned in 1996 in coalition with Christian Heritage.

The inference was that United Future should have used the strength of its support position to demand that certain Bills be dropped from the legislative agenda rather than solely voting against them in the knowledge that other parties would ensure their passing. United Future did oppose a number of Bills between 2002 and 2005 including the *Climate Change Response, Education (Tertiary Reform) Amendment Bill*, *Māori Television Bill*, *Industry Training Amendment Bill* and *Injury Prevention, Rehabilitation, and Compensation Amendment Bill*. United Future even opposed the Government on several procedural motions (Gillon, 2004).

United Future's Peter Dunne considered that he had a strong role to play in Government following the Green Party's announcement that they would not support Labour. Dunne considered that the United Future MPs would achieve little on the sidelines and as a centrist party, United Future argued that it could work with either side and moderate each party's extremes. "We were now in a position where we could work with one side more than another", said Dunne. Dunne had two main objectives for supporting a Labour-led Government. United Future wanted to be able to achieve policy wins. However, they deliberately undersold their hand in order to be able to be seen as "getting the job done" Dunne explained to me during the interview.

United Future's support document with the Labour and Progressive coalition included agreements on both policy and process (United Future New Zealand, 2002). The parties agreed to provide stable government and also to a "good faith and no surprises policy" (United Future New Zealand, 2002, p. 1). There was agreement to consult with United Future on a range of issues and that United Future spokespeople would receive briefings on significant issues. It was also agreed that any briefings would be kept confidential. Where there had been full participation in policy development, and an agreed position had been reached, all parties agreed to be bound to publicly support the process and the outcome (United Future New Zealand, 2002). United Future also pledged support to the Government on all procedural motions unless it had previously advised otherwise. As part of the no surprises agreement, the Government also agreed to advise United Future before it put such motions to the House.

There was agreement on three main policies. These were the establishment of the Families Commission, strong victim rights legislation and new transport legislation that included funding options for "accelerated development of new road infrastructure"

(United Future New Zealand, 2002, p. 2). This last item was in obvious reference to Dunne's campaign for an alternative road route into Wellington called Transmission Gully. There was a commitment to develop an agreed position on select committees, and support for the coalition's legislative programme would be negotiated on a case by case basis (United Future New Zealand, 2002).

There was another reason that United Future wished to stay out of a formal arrangement. Joining a coalition would have meant that United Future would have shared seats at Cabinet become bound by the conventions of Cabinet collective responsibility and any Ministers would have been required to answer questions in the House. Dunne expressed his concern to me that, apart from himself, the party comprised a whole new team of political and parliamentary novices. He said in the interview:

While I am not saying I wasn't confident in their abilities, I had seen what happened (with NZ First and later the Alliance). With the best will in the world, I wasn't going to expose them to be torn apart from day one; as sure as hell they would have been.

Some Qualified Support

With United Future promising confidence and supply, the coalition needed additional support for its legislative programme. The Green Party's policy dimension was closer to the Labour-Progressive coalition's economic policy than was United Future's. It was deemed important to confirm a supporting agreement with the Green Party for a number of reasons. The Greens were required to support several issues identified in the policy programme that United Future had already indicated that it would not vote for. Further, it was important for the coalition to repair the deteriorated relationship with the Greens and any reduction in the centre-left vote, or disagreement with United Future, would seriously threaten the Government's ability to pass legislation. During the research, Rod Donald said:

We were thinking ahead to the next election and we wanted to demonstrate an ability to work with Labour. They were still in 'Coventry' from our point of view because of the GE moratorium, but the political reality was, and still is, that Labour is the only party that we could form a government with.

The falling out had damaged relationships between senior members but both parties shared common agreement on many other policies. The Greens were also desperate to implement some of their policy programme and they required access to Ministers, departments and briefings to be able to influence the Government's policy. At the time of the 2002 election, all the organic policies for which the Greens had been able to obtain Budget support were still only part way through the process. Other policies such as an increase in budget for the authors' fund had only just reached the decision-making process. The Greens were in an interesting situation. While the Greens had said they would not give confidence to Labour because of the dispute over the GMO moratorium, they did not vote against the third reading of the Budget in 2002 because that budget included about \$20 million worth of Green initiatives. "That would have been cutting off our nose to spite our face", explained Donald.

The Greens, with an eye to the next election, also wanted to convince the public that, despite their differences, they were capable of working with Labour. Therefore, there were strong incentives for both parties to reach some sort of accommodation.

The Greens dealt solely with the main coalition partner. This had been the case with the Labour-led Government's negotiations with the United Future Party. However, Labour kept the Progressives informed of developments in both negotiations but United Future only received an update after Dunne had signed the support agreement. As would be expected, the agreement between the Greens and the coalition Government was similar to that already agreed between Labour and the other two parties. The main phrases, supporting a stable government and having a relationship based on good faith, were included but the Green's agreement was policy based and did not pledge support and confidence to the coalition Government. Neither did the document provide the Greens with any input or participation in the Budget round. However, many of the Green initiatives were rolled over from the previous parliamentary term and this 'path dependency' effect provided Green spokespeople with an important level of liaison with Ministers and their departments (Boston & Church, 2003).

Even after the round of initiatives closed off, the Government kept a number of Green programmes in place, such as environmental legal aid and funding for environment centres. The budget for the quit smoking programme was the largest amount, and the other policy sector which became a category 'A' issue was all the Green transport

initiatives. Donald explained that the transport package grew out of the Green's support for a four cents excise tax increase which came in January 2002. "That was a commitment that Labour made to the Greens and we made to Labour that they continued to honour even after the election", was the way Donald explained the position to me.

There were three levels to the relationship between the coalition Government and the Greens. The Government and the Green Party engaged on the detail of policy via a number of categories:

Category A: Full participation of Green Party spokespeople in the development of policy positions with the expectation of developing joint positions.

Category B: Consultation on the broad direction of policy, and the development of related legislation, with the aim of achieving support for legislative measures and/or policy proposals.

Category C: Consultation for the purposes of information sharing without any particular expectation of developing agreed positions.

(Green Party of Aotearoa NZ, 2002).

The transport policy issue was the only identified category 'A' relationship, but this form of cooperation has been unique in New Zealand's political history. It is unusual for a non-government party, that was not even supporting the Government's budget, to work closely with Ministers and officials to develop a transport strategy, to put together land transport management legislation, and then to work together on the implementation of that policy.

In an apparent attempt to resolve the GM dispute, both parties agreed that the Environmental Risk Management Authority's (ERMA) operation should be reviewed to ensure that it had the appropriate capability to address the Green's concerns over possible releases of new organisms.

A Three Tiered Government

The coalition Government of 2002 to 2005 operated on three levels: it had a formal coalition agreement with the Progressives, confidence and supply with United Future and cooperation with the Greens. The final arrangement saw a formal minority coalition between Labour and the Progressives. The Progressives operated on the inside as part of Government, but United Future had a close working relationship with the Government with regular meetings at prime ministerial, ministerial and staff levels and a no surprises policy operated there both ways. Even though their policies were further from Labour's position than the Greens, United Future provided a confidence and supply agreement to the Government in exchange for some policy concessions. A lower level of consultation and understanding existed with the Greens who did not guarantee confidence and supply. The Green Party provided the necessary votes on some key policy areas that United Future did not support.

The coalition Government had to rely on NZ First to enact the *Foreshore and Seabed Bill* when it could not gain support from either the Greens or United Future. Although the combination of support agreements necessitated numerous complex negotiations and extra liaising on House processes, it enabled the Government to continue to full term. In addition, the closer working arrangements with NZ First helped to lay the foundations for a developing relationship after the 2005 election.

Overview of the 2005 Election

This research required some consideration of the formation of the Government following the 2005 election. The 2005 election time-frame fell outside the period under study mainly because the questions of 'duration' and termination' would not be able to be evaluated within the timeline of this research. However, the complex political situation that eventuated required consideration. The pre-election announcements of the smaller parties appeared to influence voting patterns in the last week of the campaign which in turn impacted on the resulting government formation (see Chapter 8). In addition, constitutional conventions, particularly those surrounding Cabinet collective responsibility, continued to evolve. At the time of this study, the 2005 Government had served just over half of a full term. The importance of the 2005 election to matters of formation was such that this overview has been included in this chapter.

Another Labour-Led Government

Only four weeks after the general election, Prime Minister Helen Clark announced the formation of a Labour-Progressive coalition supported by the United Future and NZ First parties and a cooperation agreement with the Green Party. The unusual arrangements between the governing parties illustrated the difficult negotiating environment that Clark found herself in after the election. NZ First leader, Winston Peters, and United Future Party's Peter Dunne had both pledged to support the party with the largest number of seats (Dunne, 2005; Peters, 2005b, 2005c). Both United Future and NZ First also expressed strong concern about joining any government that included the Green Party (Donald, 2005b; Peters, 2005a). Donald confided to me that this stance disappointed the Greens who had expressed a strong desire to enter the Executive after the 2005 election.

The final election results provided Labour (50) with a two seat majority over National (48). Although Labour won the largest number of seats they could not easily form a majority. Labour had already announced that they would include Jim Anderton's Progressives (who won only one seat) in any new government. The Greens held on to six seats. A coalition of Labour, the Progressives and the Greens would not provide the Government a majority (57 seats out of a Parliament of 121).⁶⁴ NZ First had seven seats and United Future had 3. Therefore, Clark needed both United Future and NZ First to reach the required 61 seats majority in the House. Those two parties' support was conditional on the Greens being excluded from Cabinet. However, Clark was reluctant to rely on such a slim majority. Labour had worked well with Dunne during the 2002 to 2005 Government. But Labour remembered the difficulties of negotiating with NZ First following the 1996 election. Labour was also nervous about placing the Government in a precarious position that would result in a repeat of the instability of the National-NZ First coalition.

Peters and Dunne Join the Party

Peters and Dunne held true to their pre-election announcements and communicated their parties' support for Labour, which had won the most seats.

⁶⁴ The result of the 2005 general election created an electoral overhang of one extra member to the normal 120 seat Parliament. The Maori Party won more electorate seats (4) than its share of the party vote allocation (3). The mechanism for party vote allocation is made using the Sainte-Laguë formula. For an explanation of how this works refer to Elections NZ http://www.elections.org.nz/mmp/sainte_lague.html

The Māori Party's four seats could have provided Clark and the Greens with a majority coalition. This formation would not have required the support of the centre-right United Future and NZ First parties. However, this arrangement would have been complicated for a number of reasons. Although a Labour-Progressive-Green-Māori coalition would have provided 61 votes in the House, it was a very tenuous majority without some supporting agreement with other parties. Peters and Dunne had already announced that they would not support a coalition which included the Greens. In addition, relationships were strained between the Māori Party co-leader, Tariana Turia, and Labour's Helen Clark. Labour had refused to compromise on the controversial *Foreshore and Seabed Act 2004* which was the trigger to Turia's resignation from Labour. Clark had also stated that the Māori Party would be the "last cab off the rank" for coalition negotiations (TV One, 2005). Labour was confident that the Māori Party would not support National because of disagreements over the retention of the Māori seats. The Māori Party had promised to entrench the Māori seats which National had pledged to abolish (Boston, 2006). Labour considered that the Māori Party could be relied upon to not support a National-led Government, even if it would not always unconditionally support Labour.

The final coalition arrangements in part conformed to traditional coalition theory but aspects of it were unusual. The Labour-led arrangement was described in the Speech from the Throne as a minority government resting on three layers of agreements (*Speech from the Throne*, 2005). The first was a coalition agreement with the Progressives which was referred to as one that allowed party differentiation, terms used in the Speech from the Throne.

As with previous Labour-led coalition agreements, this provides for the maintenance of distinctive political identities in government and Parliament, and a commitment to focus on building a prosperous, safe, and sustainable New Zealand (*Speech from the Throne*, 2005).

The second layer of agreements comprised the two confidence and supply agreements with both the NZ First and United Future parties. These agreements provided for positive support of the Government on confidence and supply. The leaders of those two parties, Winston Peters and Peter Dunne, held ministerial portfolios outside Cabinet. Peters was appointed Minister of Foreign Affairs, Racing and Senior Citizens. Dunne was appointed Minister of Revenue and Associate Minister of Health. The two

Ministers were bound by the conventions of collective responsibility with respect to those portfolios, but not on other matters. ‘Agree to disagree’ provisions applied to matters outside of the portfolio areas. The coalition agreement between the Labour-Progressive Government and NZ First inferred by its wording that NZ First was not part of the formal coalition Government (*Confidence and supply agreement with New Zealand First*, 2005). The Green Party agreement was specific, naming the Government as a “Labour-Progressive coalition Government” (Green Party of Aotearoa NZ, 2005, p.1).

The third layer, as outlined in the Speech from the Throne, was a co-operation agreement with the Green Party. There was agreement on consultation on the broad outline of the government’s legislative programme, on key legislative measures on which support is being sought, on major policy issues, and on broad budget parameters.

The Green Party will have full involvement in the detailed development and implementation of policy proposals for an enhanced energy efficiency programme and a ‘buy kiwi made’ programme. There will also be co-operation on two other levels of issues (*Speech from the Throne*, 2005).

Clark’s third layer, comprising the Greens, was also unusual. Two Green spokespeople were named as Government spokespeople: Fitzsimons as Government Spokesperson for ‘Energy Efficiency’, and Sue Bradford as Government Spokesperson for ‘Buy Kiwi-Made’ (*Office of the Auditor-General*, 2006). Both the Green Party’s official Government spokespeople enjoyed direct access to government officials and attended relevant policy area Cabinet committee meetings. The Greens agreed to provide stability to the Labour-Progressive coalition Government by co-operating on agreed policy and budget initiatives. The Green Party also agreed to not oppose confidence or supply for the 2005-2008 term of Parliament. However, this agreement did not require the Greens to actively support the Government. For example, the Greens abstained on the votes for the Estimates Debate in 2006 (*NZPD*, 2006b, p. 4581). The votes in abstention lowered the threshold that the Government had to reach in order to gain a majority. When the Greens abstained, the Government only had to gain a majority of 58 out of 115. This majority was achieved with the support of NZ First and the United Future Party. The

Green Party was not bound by collective responsibility on Government decisions (Green Party of Aotearoa NZ, 2005).

An Unusual Government?

Not everyone agreed that the Government was a simple multi-levelled arrangement. Jonathan Boston (2005a) argued that, based on the traditional understanding of what a coalition meant, the 2005-2008 arrangement was a coalition Government that included both NZ First and United Future. An additional argument for the parties being in coalition rested on the fact that the leaders of United Future and NZ First were also members of the Executive Council holding ministerial warrants. Boston (2005a) considered that the administration was best understood as “a four-party”, majority coalition Government. With two of the parties not represented in Cabinet then the coalition was quite unusual and that Cabinet collective responsibility had to be applied selectively. The arrangement was considered to be two-tiered with the inner tier comprising Labour and the Progressives and the outer tier consisted of NZ First and United (Boston, 2005a, 2005b). Boston found it difficult to reconcile the arrangements with the international literature on coalitions (Boston, 2006). Both NZ First and United received one ministerial post each, despite NZ First having brought more than double the seats that United contributed to the government. The inclusion of Peters and Dunne in the Executive was seen to be a political decision enabling Peters to publicly reconcile his acceptance with his electoral stance of not entering a coalition (Boston, 2006). Others were more harsh in their criticism citing Peter’s appointment to Foreign Minister outside of Cabinet as both unusual and diminishing the role (McLoughlin, 2005b). The 2005 confidence and supply agreements were unique for New Zealand; certainly those signed in 1999 and 2002 did not include similar provisions for ministerial positions.⁶⁵

The arrangements with Peters and Dunne were a further evolution of the concept of Cabinet collective responsibility. The Cabinet Manual was amended in 2001 to provide for the realities of coalition government. The Manual stated that “the principle of

⁶⁵ The appointment of a member of a junior partner in a coalition is not unusual. Germany previously had a foreign minister from the minor partner party. Hans-Dietrich Gensher, of the Free Democratic Party, was Foreign Minister from 1974 to 1992. In a curious situation, Gensher held the post when in coalition with both the Social Democrats and the Christian Democrats; two different administrations. However, the Free Democratic Party was in a formal coalition arrangement with each main party and Gensher sat in Cabinet.

collective responsibility underpins the system of Cabinet government” and the “acceptance of ministerial office requires acceptance of collective responsibility” (Cabinet Office, 2001, p. 44). The ‘agree to disagree’ processes were established to allow Ministers to maintain different party positions in public. The coalition agreement also went further and stated that where a distinctive policy matter raised an issue of importance to a party’s political identity then the issue might be identified as one of “party distinction” (*Coalition agreement*, 1999, p. 1). If such an issue had been formally identified then disagreement would not be considered a breach of the convention of Cabinet collective responsibility. However, the 2005 coalition and support agreements signed between the parties provided for agreement to disagree on all issues except those for which Peters and Dunne had direct ministerial responsibility.

The ‘agree to disagree’ provisions provided for agreement to disagree and Cabinet would agree collectively to ‘agree to disagree’ on an issue. Former Cabinet Secretary, Marie Shroff, considered that these provisions for disagreement were intended to be used rarely, and only for major cross-party issues. The 2005 position appears to be different from that agreed in 2001 as the publicly portrayed position has been that parties were at liberty to take any party position that the NZ First and United parties chose to adopt (Boston, 2005a). The Cabinet Manual 2001 allowed for ‘agree to disagree’ processes to be established but only in relation to different party positions. The inference is that such processes need not be included in the formal Cabinet Manual as long as they were consistent with its requirements. Some further “tweaks” could be required to the Cabinet collective responsibility provisions in the next edition of the Cabinet Manual to allow for the arrangements with NZ First and United Future (Kitteridge, 2006). The major constraints on excessive differentiation would be the political necessity to minimise disagreement within the Government.

The multi-party arrangements were complex but the resulting combination was not unusual and not unexpected. The Government formation conformed to Riker’s (1975) belief that politicians acting out of self interest would always try to aim for the minimum winning coalition. A minimum winning coalition allowed the spoils of office to be shared with as few people as necessary. The National Party won only 48 seats in the 2005 general election. Their closest partner party from a policy perspective, Act only won two seats. Together, National and Act still needed to attract the support of

eleven more MPs. The resulting coalition would have to have included a total of five parties; National, Act, NZ First, United Future and the Māori Party. National's leader Don Brash attempted to attract Peters into a coalition with Peter Dunne and wrote to Winston Peters claiming to have reached an agreement with Dunne and the Māori Party. Brash failed in his attempt. In contrast, Clark only needed four parties to gain a majority plus the support of the Greens. Clark was also able to clinch this minimum winning arrangement by keeping Peters and Dunne out of Cabinet.

Any attempt to categorise the coalition is probably academic. The Government was a complex multi-party arrangement relying on three tiers or layers of procedures and the important consideration for the Government is the durability of the arrangements. Therefore, the formal Labour-Progressive coalition was positioned to enjoy a high degree of durability. The third layer of Green Party support on particular policy areas and agreement to not oppose confidence or supply for the 2005-2008 term of Parliament was important. The Greens could abstain without upsetting the Government's majority. Potentially, the Government could maintain a majority even in an adverse situation which resulted in the Greens voting against their agreement. The second layer of both NZ First and United Future enjoying ministerial positions outside of Cabinet was probably the most risky of the three. In reference to a statement by Winston Peters, Boston argued that Ministers that enjoyed the power and 'baubles of office'⁶⁶ also shared the restraints and constraints of the Government and as Ministers, Peters and Dunne would inevitably share in any misfortunes of the Government (Boston, 2005a). Potential disputes between parties over policy areas would be mitigated by the modifications to the Cabinet Manual requirements for Cabinet collective responsibility.

Dunne's and Peters' positions also attracted public pressures. This was particularly apparent in Peters' case because as Minister of Foreign Affairs, he attracted a high level of national and international attention. Much of this was not favourable to either the Government or Peters himself, and friction in this portfolio could cause intra-party relationship disputes. On one such occasion, Peters was accused of interrupting United States Senator John McCain during media questions at a meeting. Peters subsequently described the media coverage as "a tissue of lies" (NZPD, 2006a, pp. 4321-4400).

⁶⁶ In an interview during the election campaign, Peters was quoted as saying, "Primarily what is in the interests of this country in terms of our long-term economic and social needs. That's the No. 1 issue that will drive this party, not the baubles of office, the political preferment, being ministers, ministerial homes, all those things" (Peters as cited in Armstrong & Young, 2005).

Although, Peters balked at being portrayed badly by the media, he had a strong incentive to maintain credible representation of the Government. After the collapse of the National-NZ First coalition (in 1998), both Peters and Dunne publicly stated their strong desire to be associated with stable governments. Whatever the conventional constraints on the parties in Government, it was this aspiration for providing a successful Government that might ensure its durability.

Conclusion

Instead of providing a road map for the coalition, the detailed National-NZ First coalition agreement of 1996 contributed towards the coalition's collapse. By 1998, National felt trapped into an unattractive agreement in order to retain their positions and National Ministers became increasingly reluctant to implement much of the agreed coalition policy. The coalition eventually collapsed over policy disputes amid deteriorating and acrimonious relations between the partners.

A number of coalition or supporting options were available to the centre-left parties following the 2002 general election. Gamson (1961) had argued that potential coalition partners would expect a proportional share of the payoff and if those entering a coalition were considering what positions they might gain, other members would be considering what they might have to give up.

Riker (1975) believed that politicians acting out of self interest would always try to aim for a minimum winning coalition because politicians had an incentive to share the spoils of office with as few people as necessary to form a majority. However, these theories of self-interest did not account for the reality of a large incidence of minority single party governments or coalitions that occurred in Western European democracies and recently in New Zealand.

Riker's theories accounted for the actions of the larger party between 1999 and 2005 but not those of the supporting parties. As Warwick (1998) had argued, the extra parties in majority coalitions soaked up valuable ministerial and other resources. If a minority government was able to avoid formal coalition arrangements but rely on another supporting party or parties to provide the extra votes, it would not have to relinquish valuable posts. This strategy was employed by the incoming Labour-led coalition in New Zealand during the 1999 formation process and again in 2002.

The Government after the 2002 General Election was a minority coalition, relying on both of the other parties to enable it to govern and this support was provided although not in exchange for positions of office. All four parties in the arrangement wanted to ensure a stable, co-operative government as well as some specific policy objectives. United Future's policy gains were in their leader's own view quite modest. What is also apparent is that all parties considered a close working relationship as essential to achieving their political objectives. If self-interest had been the dominant motive for the Greens and United Future parties then they would not have signed support agreements in such a short time.

Minority governments relied upon the inherent deep divisions between the opposition parties for their continuance and a coalition of interests formed a majority in the House. This dependence was especially apparent on those occasions when the Government parties' interests did not coincide (Laver & Budge, 1992; Warwick, 2001). This was also the case during the 2002 to 2005 parliamentary period. The Green Party's votes were needed to ensure the passage of several Bills that United Future had already indicated that it would not support. On another occasion, the Government sought the support of NZ First when it lost the support of both United Future and the Greens over the *Foreshore and Seabed Bill*. In this way, the members of the 47th Parliament proved that MMP could provide stable governments even in a complex MMP environment.

The next chapter explores the events during the actual periods of government focusing on those specific crises that led to the termination of two coalitions: National-NZ First and Labour-Alliance.

Chapter 10: Coalition Terminations

Coalition terminations can be spectacular or mundane. A government might cease because of catastrophic political events or simply because the mandated time for a general election has arrived. Two coalition terminations are discussed in this chapter: the dramatic collapse of the National-NZ First coalition in 1998 and the early election of 2002. The dissolution of the National-NZ First coalition did not trigger an early election, the National Party reformed the government and continued until the constitutionally required date. In contrast, the comparatively controlled implosion of the Alliance did prompt (however indirectly) an early election. Both Governments, in the case studies, formed under different circumstances and exhibited quite different attributes. Also, both case studies illustrate the impact of the poll, policy and other shocks that affected the Governments. The third government that falls within this period of study, the 2002-2005 Labour-Progressive coalition Government, terminated normally at the end of the parliamentary term. For this reason, it has not been analysed as a separate case study. This chapter naturally falls into two main divisions, each a case study of the relevant dissolution.

The National-NZ First Coalition of 1996-98

The National-NZ First coalition Government lasted only 20 months. The coalition was formed in controversy and dissolved acrimoniously, suffering throughout its brief span from a severe drop in poll ratings, intra and inter party disputes and policy shocks. Such critical pressure points form the basis of assessment of the events that contributed to the dissolution of the coalition.

The termination of the National-NZ First Government began on 10th December 1996, the day that Winston Peters announced that NZ First was to form a government with National. There was widespread belief that NZ First would shun a coalition with National (Miller, 1998). As discussed previously, this perception was based on various statements made by Winston Peters and his deputy, Tau Henare, in the months leading up to the campaign. Polls indicated that NZ First voters preferred a coalition with either Labour or the Alliance and significantly, there was little “enthusiasm among New

Zealand First and National voters for a coalition with each other” (Miller, 1998, p. 128). Even though Peters was a former National party MP, only 17% of NZ First voters preferred a coalition with National; even National voters preferred a coalition with Labour or the Alliance rather than with NZ First. Similarly, nearly half of NZ First voters disliked or strongly disliked National and National’s leader, Jim Bolger, and indicated greater tolerance towards Labour. National and NZ First formed their coalition in a climate where their respective supporters both distrusted and disliked each other.

A Tactical Error

The formation of a coalition between NZ First and National was a tactical error made by both parties indicated by the almost immediate draining of electoral support for both NZ First and National. The National Party, which had scored 33.8% of the party vote on election night 1996, dropped to below 30% eight months later. Even though National had lost significant support, NZ First was the bigger loser of the two parties that comprised the government (Aimer & Miller, 2002). Soon after the coalition agreement was announced, Winston Peters took the mantle, from Richard Prebble, of the highest negative rating of all the main political leaders (Ward, 1996). By March 1997, support for NZ First had dropped by two-thirds to 5.3% and slipped further to 3% by July (Gibson, 1997; Trotter, 1997). Clerk of the House, David McGee, placed MPs’ increased concern about the low polls for the eventual collapse of the coalition.

McGee observed to me that tension within the coalition started when NZ First became too associated with the Government and was perceived to have lost its identity. “They increasingly felt that they had to break-out into the light”, noted McGee. This view, reflected in the downward poll spiral, was also held by the public. However, opinion polls do not directly affect a party’s voting strength in the House. Once elected a party retains its strength regardless of changing public fortunes. “From the House’s point of view, they could quite easily run out their term but it was the extra political events that overwhelmed them”, recalled David McGee. As the NZ First Party increasingly felt that it was being overshadowed, it considered breaking away from the Government in order to survive.

Incidents and Events

NZ First had suffered from a number of uncomfortable incidents that contributed to the drop in the polls. A NZ First MP was accused of using funds from a publicly funded entity to purchase expensive clothes including some underwear. Also, in May 1997 Winston Peters was found not guilty by Parliament's Privileges Committee for contempt but found that there was an "assault of a technical nature" against National MP, John Banks (*NZPD*, 1997a, p. 1897). When the Privileges Committee requested that Peters apologise to the House for his conduct towards Banks; Peters refused (*NZPD*, 1997a, p. 1917). Peters had also raised allegations for several years previously against particular corporations and 'big business' and an inquiry, labelled the 'Winebox Inquiry' was held into the suspected tax evasion. The Inquiry's decision was released in August 1997 and the ruling was considered to have gone against Peters. The leader of NZ First embarrassed his coalition partner by refusing to apologise, and threatened to appeal the Commission's findings (*NZPD*, 1997c, pp. 3908-25). National members were also embarrassed by their coalition partner's continued railing against some of the National Party's business supporters.

Two other incidents illustrated rising tension within the coalition and they both involved NZ First MPs. Minister Robyn McDonald was accused of travelling to Paris to "sort out a finishing school for her daughter" (*NZPD*, 1998a, p. 8948) while supposed to be on official business at the OECD. The second incident involved NZ First Deputy Leader and Minister of Māori Affairs, Tau Henare. In July 1998 Henare was replaced, by a vote in the NZ First Caucus, as deputy leader. Several MPs from NZ First, including Henare, swaggered around Parliament wearing 'Dirty-Dog' sunglasses and labelled themselves as the 'tight five' (*NZPD* 1997b, p. 3432; 1998c, pp. 10635-6). Henare had caused several embarrassments to NZ First and the National Party and his caucus' tolerance ran out (Peters, 2005a). Also, the Prime Minister had to answer questions in the House over Henare and his entourage's first-class travel to London to collect mokomokai (shrunken Māori heads) (Boston et al., 2004; *NZPD*, 1998b, pp. 9885-6). Brian Donnelly maintained that NZ First members became concerned about Henare's behaviour when on at least one occasion Henare had over-ruled the NZ First Whip by allowing a member leave from Parliament. In doing so Henare was seen, by the NZ First caucus, as having threatened the Government's majority vote. Henare, walking out of the NZ First caucus meeting, threatened to form a new Māori party with other NZ First MPs (Boston

et al., 2004). This led to his sacking which prompted speculation that both he and Associate Minister Tuariki Delamere had challenged Peters for the leadership of NZ First (Venter, 1998). These incidents contributed towards the continuing deterioration of relations both within NZ First and with their coalition partner.

Relationships soured further over a proposal for compulsory superannuation. The proposal for a referendum on a superannuation scheme was part of the coalition agreement and Ministers were given leave to disagree over the proposal even to the point of campaigning against it. National Minister, Jenny Shipley, was one of the scheme's strongest opponents and electors in a 1997 referendum overwhelmingly voted against the plan and it was cast aside ("Shipley makes presence felt", 1997). The episode gave Shipley added impetus to replace Jim Bolger as leader of the National Party and become Prime Minister. Shipley openly criticised Peters in a speech to the Wellington Chamber of Commerce after the superannuation referendum. "Threatening or frightening people has no place in such a debate", she said in a pointed reference to Peters' recent comments about a 'no' vote in the superannuation referendum (Shipley as cited in Boyd, 1997, p. 2).

The Polls

As the coalition's troubles continued, they affected business confidence. The National Business Review reported continuing pessimism with the country's economic position and disapproval ratings for the coalition rose to 77% by August 1997 (Hunt, 1997a; "Labour maintains top party position", 1997; Ward, 1997). But the two coalition party leaders were prepared to ride out the polls, convinced the "media crises" were just embarrassments and that the government was implementing the right policy for New Zealand, recalled Bolger.

NZ First dismissed the drop in the polls to the realities of the coalition. Peters considered that many NZ First voters began to see little difference between the parties as the policy battles had been held behind closed doors. As a result, NZ First's supporters felt that the Party's silence on some issues was a betrayal and that they had turned their backs on the people who had put them into Government (Peters, 1999).

"Well, the polls were coming down but the reality is you had to tough it out", remembered Peters.

But the declining polls, sagging business confidence and plummeting coalition approval ratings all contributed to strains on the coalition relationship which National MPs in particular blamed on NZ First ("Labour maintains top party position", 1997).

More generally, a party's leader is loosely attached to any political party's rise and fall in the polls and towards the end of 1997, National's leader and Prime Minister, Jim Bolger, became increasingly held responsible by the National caucus as the cause of the party's misfortunes (Aimer & Miller, 2002). Bolger was widely regarded as being too close to NZ First's leader, Winston Peters. Bolger maintained that, although members of the National caucus blamed the declining level of public support on the coalition, he had put the Government together and was therefore culpable. Bolger considered that the tension that was underpinning the change of leadership in late 1997 was that there was not sufficient key policy demarcation to demonstrate that the National Party had distinctly different positions from NZ First.

The tension between National and its coalition partner was compounded by Labour's leader Helen Clark's increasing popularity and Bolger's reduced approval ratings. Clark overtook Bolger as 'preferred prime minister' in May 1997 and the gap widened over the next few months ("Labour maintains top party position", 1997). By August 1997, National's fifth ranked Minister Jenny Shipley had increased her approval ratings by 4 points to 9% (Aimer & Miller, 2002). Shipley confirmed her numbers by November 1997 and mounted a successful leadership coup against Bolger which in the following months saw a successive rise in both National's and Shipley's poll ratings at the expense of Labour (Aimer & Miller, 2002; Hunt, 1997b; "Labour's support drops," 1998). NZ First's poll rating slumped further to only 2% ("National-Act coalition increasingly likely at next general election", 1998). NZ First were neither informed nor consulted about the imminent change in Prime Minister and they were unhappy about the coup.

"But you can't panic like that and we were in the situation that she moved against Bolger on the basis that she could deal to us", argued Peters.

Following the change in Prime Minister, the continuing slump of NZ First in the polls confirmed in some National MPs' minds that Peters had indeed been an albatross around Bolger's (and hence National's) neck ("Labour maintains top party position",

1997). In turn, NZ First felt that they were sidelined in the whole process and Peters and the NZ First caucus became very angry. They considered they had negotiated in good faith with the leadership of the National Party and then without NZ First being consulted, they were told to support another PM. Bolger surmised during the interview that was the ultimate reason why the coalition didn't last very long after Shipley became Prime Minister.

The poll fortunes and misfortunes did not trigger immediate coalition dissolution. However, they were an identifiable public opinion shock and a destabilising event. As predicted by Laver and Shepsle (1998) and Lupia and Strøm (1995), it was the way that important actors reacted that determined whether or not the events became meaningful.

The Labour-Alliance Coalition of 1999-2002

The second of our case studies focuses on the early election in 2002. A coalition had been formed between the Alliance and Labour parties in 1999. The two parties' policy dimensions were very close but declining opinion polls created inter-party and intra-party friction. This tension was exacerbated by several issues, but the predominant event was the Government decision to send New Zealand's Special Air Service (SAS) troops into Afghanistan. The Alliance split into two groups, with one group attempting to change the Alliance's leadership. The split became formalized in early 2002 and was one of the events offered by the Prime Minister as a reason to call an early election (Levine & Roberts, 2002). Although the coalition did not formally break down, the events during this period provided insights into the stresses and strains that existed within and between the parties.

A Lack of Policy Progress?

The mainly process based coalition agreement between Labour and the Alliance could not provide a remedy for healing internal party conflicts. However, the lack of any written agreement on major policy might have contributed towards the growing disillusionment within the junior partner. The Alliance entered the coalition after achieving a modest 7.7% of the party vote but their support dramatically dropped almost immediately after the coalition deal was signed with Labour. Subsequent nationwide opinion polls indicated consistently dropping support for the Alliance reaching lows of 2% over the following two years ("National closes on Labour", 2000; "National

surges to 5pc lead", 2000; "Labour's support slips", 2001; Young, 2000). I recall that one main contributor to the loss of support was that many Alliance members transferred support to Labour, as they (erroneously) thought that as the Alliance had joined up with Labour, then it had become a single entity. The Alliance had been formed, in the early 1990s, out of opposition to many of Labour's right-wing policies and some members thought that the task of bringing Labour back to the 'left' had been achieved. Others strongly opposed such a close deal with Labour and felt bitter towards the decision to form a coalition. Even some members that supported the coalition were disappointed with the seeming lack of progress towards some key Alliance social policies.

A turning point occurred in the middle of the first year of the coalition. During the so-called 'winter of discontent', many businesses balked at several legislative changes focussed on employment and accident compensation legislation. Some business leaders accused the Government was of living by the "Leninist doctrine" that, "Those who are not for us are against us," and was further charged with being a "Marxist/feminist/Māori/fixationist" government (Coote, 2000). Further, there were also comparisons with Zimbabwe's dictator, Robert Mugabe, and Government policy was blamed for some leading companies' decision to move overseas (Coote, 2000). I recall that the open and often harsh criticism by business leaders prompted a 'charm offensive' by Ministers who deliberately set out to court this sector. Government concern about the hostility by some business leaders and the sagging business confidence levels was perceived as the reason for a moderate Budget being delivered by the Finance Minister Michael Cullen in June 2000 (Gamlin, 2000a).

In the 2000 Budget, Cullen emphasised the need to grow fiscal surpluses and called for "patience" (*NZPD*, 2000a, p. 2935). Most of the 2000 budget was directed at soothing the concerns of the business world and communicating an air of fiscal responsibility (Gamlin, 2000b; *NZPD*, 2000a, p. 2935). The Government promised to reassess some employment law changes as part of its so-called 'charm offensive' on business. Alliance initiatives such as an extra paid week of holiday for workers, paid parental leave and increases in the minimum wage were delayed (Aimer, 2004; Miller, 2002). To achieve this goal several pieces of planned legislation were postponed. One item was the planned amendment to employment law that enhanced the rights of contractors when their employer's contract was terminated or the firm sold. Another law change that was

suspended in face of the employers' discontent was planned increases to the minimum leave entitlements to four weeks. Both suspended policies were key Alliance policies and the Alliance Ministers continued to press for the changes in spite of strong and successful resistance by Labour.⁶⁷

The cancelling of the policies because of business opposition placed further and almost unsustainable pressure of the junior coalition partner. Disquiet swelled within the Alliance and several commentators pointed to the junior coalition partner as being the big loser in the budget (Small, 2000). When the expectations of increases in social spending were also dashed, the unrest within the Alliance was publicly voiced by President Matt McCarten, who accused Alliance MPs of being "too cooperative" (Young, 2000).

Coalition Management and Tension

In June 2001, a meeting was called of the Government's Coalition Management Committee. The Alliance Caucus and Alliance Council asked for new items to be added to the Coalition Management Committee's agenda. These were a reference to legislative, electoral and public appointment issues. The meeting was attended by Prime Minister Clark, Michael Cullen, advisor Heather Simpson and Rick Barker from Labour and Jim Anderton, Sandra Lee, advisor Andrew Ladley, Matt McCarten and me (as whip) from the Alliance. The meeting was tense and little if anything positive was achieved.

Anderton recalled that McCarten came to that one Coalition Management Committee meeting and "McCarten then lectured Clark and went on and on and you could see the PM starting to bristle". Anderton considered that it was only his presence that prevented the Prime Minister from "completely blowing her stack"; and during his interview he recalled asking:

Who was this cretin coming along and lecturing the Prime Minister what to do and what not to do and going on as if he owned the country? It was ridiculous. Matt McCarten had an incredible gall about these things.

⁶⁷ Most of the shelved policy has since been implemented with the final postponed item, relating to contractors' conditions, introduced to Parliament in September 2006.

A variance in strategy became more apparent from that time. One faction within the Alliance wanted to adopt a more pressured position with Labour. The other position was to argue for policy gains on their merit. Anderton was always mindful that Labour's sixteen votes in Cabinet would always dominate the Alliance's four and he was a strong believer in negotiating policy gains. Anderton's stance was to negotiate policy gains rather than adopt aggressive tactics. This tactical difference, within the Alliance, was illustrated at the time of the Kiwibank policy negotiations. Anderton recalled during the interview that:

McCarten wanted us to picket Labour's offices at the time when we were arguing for the Kiwi bank. And I said how is that going to help us get the Kiwibank? Oh! It will raise our profile. Yes but with who? The Prime Minister will notice, that is true, and Michael Cullen, when they picket his office too. And, when I come to talk to them about the Kiwibank, what do you think is going to happen then?

There was increasing tension between members of the Alliance and between some Alliance Ministers and Labour Ministers. Two occasions serve as examples. Two Alliance Ministers strayed close to breaching Cabinet collective responsibility during the Labour-Alliance administration. The Prime Minister publicly rebuked the two Alliance Ministers (Harre and Robson) and made it clear that they had not reflected the views of their party or the Government (Harre, 2001b; Milne, 2001; "Review deals with disagreement", 2001).

In the first case, Minister Harre made public comments about the substance of a paid-parental leave scheme that had yet to be decided by Cabinet. Harre quickly recovered by issuing a joint statement (with Finance Minister Cullen) stating that the decisions were still to be made (Harre, 2001b).

Matt Robson faced criticism when announcing personal support for some aspects of penal reform that had not been endorsed by Cabinet. The comments were immediately rejected in a rare joint statement by the Prime Minister and Robson's own party leader. "But what I (Clark) have to convey very strongly is that the views he [Robson] expressed are not the views of the...Government and must not be mistaken for the views of the...Government" (Clark as cited in Milne, 2001, p. 2).

Another occasion occurred on Anzac Day when Minister Robson criticised New Zealand's defence arrangements with Australia. The Prime Minister publicly responded that the Cabinet Manual changes did not give Robson the ability to speak out in the way that he had ("Review deals with disagreement", 2001). "But statements like this stray outside the portfolio area and don't represent the views of the government" said Clark (as cited in Milne, 2001, p. 2). The PM's criticism of the Alliance Minister was made with the approval of the Alliance leader and tensions within the Alliance started to spill out of control.

A further example of inter-party tension was highlighted in an incident that started in late 2000 and lasted several months. The Alliance Council instructed the Whip to investigate certain allegations made by Alliance Minister Phillida Bunkle. Bunkle claimed that the Alliance President had made disparaging remarks about her to members of the Labour Party. Further, she claimed that a Ministerial Services driver had overheard some Labour Ministers plotting her downfall. Only anecdotal evidence was found to support Bunkle's claims.

However, by late 2000 Bunkle was embroiled in an embarrassing set of circumstances and was accused of two transgressions. The first accusation involved Bunkle's claim of an accommodation allowance and the second centred on her enrolment in the Wellington Central electorate. Parliamentary Services and the Controller and Auditor-General investigated the issues and at the same time investigated similar concerns about Labour Minister Marian Hobbs. Parliamentary Services cleared Bunkle of any wrong doing over the accommodation claims. The Controller and Auditor-General released a report that also cleared Bunkle and Hobbs of any inconsistencies over their accommodation allowances, but was less specific over Bunkle's electoral enrolment (Controller and Auditor-General, 2001). Mounting pressure convinced Bunkle to stand down from her ministerial positions on the 23rd February 2001 (Bunkle, 2001). Even though Hobbs was returned to her former post, Bunkle was never reinstated to her ministerial office. I recall that the incident soured relations within the Alliance as some members considered that Bunkle had let them down while others felt that Labour members were behind the leaking of misinformation about her.

In 2001, a number of incidents occurred that illustrated the level of discord, both between the general Alliance membership and caucus members, and also within the

caucus. Alliance Minister Robson was one MP who faced criticism from some elements within the Alliance membership. The Hamilton Branch of the Alliance issued a press release criticizing Robson's proposal as the Minister of Corrections to build a new South Auckland prison in the Waikato (McPherson, 2001). Further unrest was apparent at an Alliance Council meeting that was held on the 16th and 17th of June in Auckland.

Concern was expressed at the Alliance Council meeting about the planned actions of Alliance Minister Laila Harre to address striking workers from the Herald newspaper. The strikers had received a letter from the Herald warning of a possible lock-out. The concern focussed on Harre being an Associate Minister of Labour and Anderton was apprehensive in case Harre's intentions were seen as the Government interfering in an industrial relations issue. Harre proposed a motion to the Alliance Council in an attempt to force the Alliance leadership to allow her to attend the meeting. The motion was "that in principle it is appropriate for ministers to discuss their portfolio responsibilities or other matters relating to Government policy with workers, whether or not the workers are on strike" (Alliance National Council, 2001b, p. 3). After a lengthy and heated discussion, the motion was amended and withdrawn the next day. Tensions remained even though the motion was withdrawn, and dissidents asserted that it was pulled out because Anderton had threatened to resign. The Alliance's internal troubles continued.

A Reallocation of Officers and Offices

Also, boiling away in the background was concern amongst some of the Alliance's Auckland MPs over the reallocation of their offices (Alliance National Council, 2001f). The President of the Alliance, Matt McCarten, supported by Laila Harre proposed that the offices of MPs Matt Robson and Grant Gillon be combined into a single office in Central Auckland. This involved the closing of the Alliance offices and reducing the party's presence in South Auckland and on the North Shore. The new location was planned to be in the same building and perhaps combined with Sandra Lee's office in Trades Hall. Laila Harre was also to move to the new location from West Auckland and the complex would be operated by her staff and managed by the Alliance President. There was concern that the move was an overt move by one faction to grab the MPs' resources, providing the group with total control of the Alliance's 'out-of-parliament office' budget and campaign activity. This single action helped to firm the Alliance

caucus divisions into two clear sides and these blocs became more apparent as the year progressed.

Also in June 2001 Alliance Minister Sandra Lee was replaced as (Alliance component party) Mana Motuhake leader by backbencher MP Willie Jackson. Jackson maintained that the Māori based party desired a leadership change to enable the party to raise Māori issues. The action was also justified on the grounds that it would allow Lee to be able to concentrate on ministerial obligations and not have her time split with party commitments. Rumours circulated within the Alliance that the Mana Motuhake Party's leadership vote at the scheduled annual hui (meeting) had been suddenly moved forward a day to strategically facilitate the vote. Further, it was alleged at an Alliance caucus meeting that numerous foreign students had been transported to the hui in a minibus and enrolled as temporary voting members. I recall hui delegates complaining that Lee had been rolled only with the extra votes of those students. Lee came under strong attack on several other occasions. A bundle of documents was dropped to the NZ Herald newspaper that highlighted some aspects of the Minister's private life. Many in the Alliance considered that the leaked documents originated from Lee's critics within the Alliance. Lee was also publicly criticised by Alliance members for the *Local Government Amendment Bill* that she was promoting as Minister of Local Government. In response, Lee maintained that her provisions regarding water privatization had been deliberately misrepresented by some Alliance MPs and activists. This prompted Sandra Lee to later write to all Alliance Branch Chairs to try to address the situation (Lee, 2002). Some Alliance members believed that the attacks on Lee were designed to weaken Lee, an Anderton loyalist, in her role as deputy-leader of the Alliance, paving the way for a leadership change at the next annual conference. Alliance Minister Matt Robson (personal communication, March 6, 2002) believed that Alliance President, McCarten "helped to depose Sandra" (Lee). The result of these subversive activities added further pressures within the small caucus.

The New Labour Party (NLP) formally dissolved in July 2001. The NLP was a founding member of the Alliance and decided to dissolve into the Alliance structure. The convener of the NLP Management Committee advised that she looked forward to "greater control by members" instead of the "entrenched top down structure" (Alliance National Council, 2001e, p. 3). This move was complemented by a change in the voting

structure of the Alliance National Council delegates as the former (NLP) Alliance National Council members hoped to at least maintain their four previous votes under the new structure. They only gained two of the four votes and the outcome created further tension within the Alliance groupings. Compounding this outcome was a set of regional meeting resolutions.

Policy Debates and Disputes

A number of strategic and policy proposals were debated by Alliance regional conferences in the lead up to the 2001 annual conference. The most controversial of the policy motions involved opposing Ministers' positions on prisons (Robson) and water provision (Lee). The most damaging were several proposals that called for a reassessment of the coalition arrangements between the Alliance and Labour. These motions won support at a majority of the conferences where they were debated⁶⁸ (Alliance National Council, 2001g). So there was already a high level of intra-party disagreement within the Alliance by the time the Party had to confront more of the realities of Government.

Alliance Leader Jim Anderton was acting-Prime Minister on September 12th (New Zealand time) when terrorists attacked the Twin Towers complex in New York. In that role Anderton communicated with US President Bush expressing shock and offering New Zealand's support (NZPD, 2001b, p. 11618). Anderton also moved a motion expressing "New Zealand's strong resolve to work with all other countries in the international community to stamp out terrorism and swiftly to bring terrorists to justice" (NZPD, 2001b, p. 11618). The motion was agreed to by the House.

Only a few weeks later Parliament endorsed military action. A special debate was held in the House on the motion of endorsing the commitment of "Special Air Services troops (SAS) and other assistance as part of the response of the United States and the international coalition to the terrorist attacks" (NZPD, 2001b, p. 11996). The Alliance, in an attempt to ensure that any military action was legitimate, was successful in obtaining a declaration of support for UN resolutions 1368 and 1373 included in the motion. There was a fear in the Alliance caucus, that if it failed to use its position in the coalition to moderate any armed response, then Parliament, by majority vote, might

⁶⁸ Not all of the regional meetings debated or voted on the remits.

endorse full military action instead of only sending SAS troops. An opinion poll average showed that the Alliance had dropped to 3.8% during this period of disarray (Alliance Caucus Secretary, 2001). The Alliance caucus' support of the motion and some of the membership's reaction to this support hastened the party along the path of destruction.

The Alliance National Council meeting in October set the debate that was to follow. The Council contradicted the Alliance caucus's position only a week after the Alliance Party's MPs had supported a parliamentary motion that approved sending the SAS to Afghanistan. The Alliance National Council passed a motion that required all caucus decisions "impacting on future NZ involvement be made in close consultation with Council", and "the immediate withdrawal of the offer to send SAS troops to Afghanistan in particular" (Alliance National Council, 2001c). The motion was endorsed at another Council meeting a fortnight later and series of resolutions were prepared for the Alliance Annual Conference scheduled for December (Alliance National Council, 2001d).

The Alliance Conference was a tense and at times bitter meeting. I recall that no-one at the meeting supported a war, let alone sending New Zealanders to war. While some individuals were genuine in their opposition to the caucus' support for the parliamentary motion, others used the issue to further divide the leadership from the members. A call for the caucus to withdraw its support for the SAS deployment was defeated. However, a motion that called for the caucus to review its support for the deployment of SAS troops was passed unanimously (Alliance National Council, 2001a). The division over the Afghanistan SAS deployment provided the issue on which Alliance dissidents could attempt a leadership coup.

The Implosion Begins...

Even though the Alliance Council reaffirmed their support for a Labour-Alliance coalition at their December 2001 meeting, the Party was irreversibly split at the 2001 conference and events unfolded quickly and dramatically (McCarten, 2001). A meeting was held over the Christmas and New Year break between the Party Whip (Grant Gillon) and the President (Matt McCarten). I recall that McCarten proposed that the most sensible way forward was for the Alliance to formally recognise that there existed

(and the Party should operate in) two distinct camps and the President embarked on a series of membership meetings (McCarten, 2002b). The Leader, Jim Anderton, decided to write to the membership to outline his views. The membership list was held by the Party Secretary who refused to give Anderton (personal communication, March 21-22, 2002) a copy. This action, plus the suspicion about the contents of any letter that Anderton might send to the general membership, created further discontent. The membership database was eventually obtained by the whip enabling Anderton and Sandra Lee to post a plea to members. In this letter the leadership blamed a significant number of members of the Alliance Council for wanting to reconsider the coalition arrangements with Labour (Anderton & Lee, 2002). The Alliance Constitution was repeatedly and substantially amended at Alliance Council meetings in early 2002. The changes were seen by some Alliance MPs as a direct attack on their positions within the Alliance making it difficult for them to remain within the Party (Democrat Leader, John Wright, personal communication, April 11, 2002). It was then reported that some senior Alliance members and Parliamentary staff from the Alliance's Electoral Liaison Office had actively campaigned to have Anderton replaced as leader (McCarten, 2002b). Further, it was alleged that they had used parliamentary funding and some Alliance MPs' tithing money to fund the anti-Anderton campaign (Anderton & Lee, 2002; McCarten, 2002b). The accused staff members had allegedly, during work hours, used party funds to participate in regular telephone calls and an "e-mail club" to attack the policies and actions of Anderton (Alliance Minister, Matt Robson, personal communication, April 3, 2002). The Alliance Members of Parliament were called "cowardly" in a newsletter drafted for the President and one staff member sent a fax threatening to "take the party back" (Alliance Minister, Matt Robson, personal communication, April 3, 2002, p. 3). During this time, Harre apparently advised Alliance Minister Matt Robson to join her and McCarten to "save the Alliance" (Alliance Minister, Matt Robson, personal communication, April 3, 2002). These events assisted Anderton to conclude that there was more than simply a squabble over policy occurring in his party ranks.

Anderton and several other MPs withdrew their tithing and placed it in a separate holding account. The Alliance Council decided that this action breached the MPs' pledge to tithe 10% of their salary to the Alliance and cancelled the relevant Alliance MPs' membership (Alliance President, Matt McCarten, personal communication, April

8, 2002; McCarten, 2002b). At this time a constituent party, the Democrats had decided that the dispute within the Alliance was becoming too damaging to remain a constituent member and withdrew its membership of the Alliance (Gillon & Kane, 2002; McCarten, 2002a). Further, the Democrats objected to the changes to the Alliance Constitution that reduced their ability to play “a constructive role” (Gillon & Kane, 2002, p. 1). The discord resulted in the Alliance leader musing that he would not stand for the Alliance at the next election. As a result, the split within the party was formalised.

...And Ends

Anderton and the MPs that remained loyal to him pledged to continue as Alliance MPs to enable “stable, progressive government until the next election” (Anderton & Lee, 2002, p. 2). The MPs planned to stand for a new party at the 2002 election, but in the meantime promised to not leave the Alliance as they had been elected to represent it at the 1999 election (Anderton & Lee, 2002; Milne, 2002a). Difficulties arose when the MPs “had their membership revoked” by a faction of the Alliance Party who also elected a new leader, Alliance Minister, Laila Harre (Milne, 2002b, p. 2). The two parliamentary factions, one lead by Anderton and the other by Harre, met separately in Parliament. The parliamentary budget was maintained through Anderton’s leader’s office, but arrangements were made to allocate a proportional share to Harre’s group (Grant Gillon, personal communication, May 14, 2002).

Parliamentary Versus Party

Policy disagreements and personal ambitions were not the only influences on the dissolution of the Alliance. The Alliance’s poor polling created nervousness amongst some list MPs and membership (Anderton & Lee, 2002). Muller and Strøm (1999, p. 299) referred to this expectation of electoral support as “initial endowments”. As a party realised that its expectations of electoral support were threatened then it might be prepared to take unprecedented risks to protect it. Conversely as the expected electoral support became more bountiful then its relative value reduced. As Luebbert (1986) observed the energy needed to maintain the cohesion of diverse factions in a single bloc was tremendous. “The leaders of such a bloc must constantly be on their guard to settle such internal differences as may arise or else some new or unresolved issue can polarise the factions within the bloc and lead to a split and dissolution of the unit” (Luebbert 1986, p. 51).

The Alliance's slumping poll ratings were a concern to the Party's membership and leadership and Harre's advisors adopted a harder policy line with the Labour partner (Harre, 2001a; McCarten, 2001; Pidgen, 2001). The strains of being a junior coalition partner heavily impacted upon the Alliance (Ovens, 2002). The membership praised the Alliance MPs for their policy wins including the establishment of a Kiwibank and the introduction of the paid-parental leave based legislation, however other policy positions caused disquiet. These policies included support for SAS troops to Afghanistan, the Government's free trade deals and the lack of support for the Alliance's policy of a students' unemployment benefit. Alliance Council member, Jill Ovens, considered that the Alliance parliamentary leadership placed the interests of Labour ahead of the Alliance (Ovens, 2002). Despite this view, and some members' opinion that the Alliance Party was heading for electoral extinction, the Party did not dissolve the coalition (Pidgen, 2001).

Neither side wished to destabilise the Government and trigger an early election. Anderton remained Alliance leader within Parliament and was not challenged in this position by Harre and both Anderton and Harre remained Ministers inside Cabinet. The Alliance and the Government as a whole came under mounting criticism in Parliament as a group of Anderton's supporters, outside of Parliament, formed a new party called the Progressive Coalition (NZPD, 2002a, pp. 15231-2, 15478, 15688, 15784-5). Anderton and his supporters inside Parliament stated that they would campaign as members of the new party after the House rose for the general election. A poll correctly predicted that no faction was winning the public battle for support and Harre's group achieved only 1.5% support and Anderton's little better on 1.9% ("Labour up again in latest poll", 2002).

An Early Election

In late February or early March 2002, I had heard serious discussions about an early election. The coalition had begun with a pledge to "provide stable effective long term government for New Zealand" (*Coalition agreement between the Labour and Progressive coalition parties in parliament*, 1999, p. 1) but by May 2002 it had started to appear anything but united. Bill English, the Leader of the Opposition called across the House for an early election and the Leader of the House threatened to comply

(*NZPD*, 2002a, p. 15689). The Prime Minister announced the date in Parliament on 11th June.

The actual reasons for an early election were unclear. A Herald-DigiPoll the previous month showed 58% of voters, including 64% of Labour supporters, saw no need for an early election (Mold, 2002). Polling support for Labour rose to over fifty percent while support for the Alliance drained to below one percent (Aimer, 2004). Clearly, Labour's position in retaining confidence in the House was not threatened. Clark listed several reasons for the early election date including the break-up of the Alliance and the slow progress of Government Bills through Parliament. Relations between Labour and both factions of the Alliance remained steady and Cabinet collective responsibility was maintained right up to election-day. However, Prime Minister Clark told the press that problems with Labour's junior coalition partner had brought it to "breaking point". "While this change has not affected the functioning of the Government, it is now undoubtedly having an impact on our ability to progress our programme in Parliament" (Clark as cited in Steeds, 2002, p. 1). But other reasons for an early election became apparent.

The minority coalition relied on the Greens for support but they refused to grant the coalition urgency in the House which meant that legislation did pass more slowly than the Government would have liked. The Government was relying on the Greens "unconditional" support on matters of confidence and money supply (Mold, 2001). But, the Green Party threatened to withdraw its support for the Government over its position on GMO legislation. Then in May 2002, the Greens walked out of the House rather than vote on the Bill's third reading (*NZPD*, 2002b, p. 16395). The Labour Party became rattled over the situation within their coalition partner, and the lack of certainty in relying on the Green Party even though both factions of the Alliance had pledged to continue to support the Government (*NZPD*, 2002b, 16366; *NZPD*, 2002c, 16792). The Green Party voted in support of the Government in the Appropriation (2002/03 Estimates) Bill (Budget debate), a confidence and supply issue (*NZPD*, 2002c, 16615, 16778). Although there might have been an appearance of uncertainty, there was no real threat to the stability of the coalition government. At the same time, Labour's poll rating shot above the 50 percent mark, a gain in support was at the expense of the smaller parties but the changed level of support provided Labour with an opportunity (Cone,

2002). This misplaced confidence in winning a majority, single party government could have been the real incentive to go to the polls early. However, it seems certain that without the internal breakdown of the Alliance, the coalition would have continued and the Government would not have terminated early.

International Comparisons

The Alliance Party has not been the only coalition partner party that has had to face dramatically changing poll fortunes. Party leaders have followed different strategies to ensure their party's survival during such times. In the 1980s, polling indicated that the Irish Labour Party faced a severe electoral loss during its coalition with Fine Gael. The predicted losses reached a level so critical that the party's survival was threatened under the STV electoral system (Muller & Strøm, 1999). Faced with the potential extinction of their party, the Irish Labour Party's leadership decided to dissolve the coalition that had governed for much of the 1970s and 1980s (Muller & Strøm, 1999). As a result, the Labour Party recovered some support but opted out of the next coalition in order to rebuild the party.

In the early 1990s, the Dutch Labour Party similarly suffered from its decision to form a coalition with the Christian Democrats. The Dutch Labour Party had to consider whether it should stay in office if it was unable to carry out its most wanted policies. The most obvious trigger for dissent was the previous government's tax reforms that favoured high earners at the expense of low-income groups, especially elderly people on small pensions. The Labour Party had demanded that the inequities be rescinded but dropped the demands in order to enter government (Hillebrand & Irwin, 1999). The Labour Party sought to reverse the downwards trend in the polls in a new government budget however, provincial elections were close by the time extended negotiations had been completed and the interim budget announced. Labour came under fire by the media for increased taxation and they had little opportunity to publicise the positive aspects of the benefits that were expected. As a result the Dutch Labour Party plummeted nearly 11.5% in the polls and the party was unable to convince voters that it was providing a policy difference with the policies of the previous centre-right Cabinets (Hillebrand & Irwin, 1999). Labour Party leader, Kok, announced that he was going to continue with the party's objective of trying to influence policy from office. However his party's commitment to the coalition was to be tested even further.

In 1991, the Christian Democrats argued for restrictions on the increasing payments to social security programmes. The Labour Party initially supported the idea to the outrage of its traditional union supporters. The Labour Party's polls slumped further and their party headquarters was swamped with membership resignations. Minor policy amendments agreed to by Cabinet in response to the backlash proved ineffective to halt the rising tide of opposition. Labour leader Kok tied his own future and that of the coalition to the amended proposals. Kok faced down the party membership at a conference and won support from members who were not willing to lose both the Government and their leader at the same time. Labour had decided to continue in office in order to influence policy and so attract electoral support and this strategy, though highly risky, worked. Although, opinion polls continued to drop the Dutch Labour Party recovered during the following election and became the largest part in the Dutch Parliament.

Concluding Discussion

Both the attributes of the coalitions and critical events played a considerable role in the dissolution of both coalitions studied in this chapter. As King, Alt, Burns and Laver (1990) identified, the length of time taken to form a government indicated the degree of cohesion in the resulting coalition with a longer time taken indicating a more difficult bargaining period. The National-NZ First coalition was formed in a complex bargaining environment and failed after only 20 months. By contrast, the Labour-Alliance coalition formed extremely quickly and withstood multiple crises until the 2002 election-day. Causative events and the reactions to them were very similar in both case studies and both governments faced a series of negative events. Each on their own would not have destroyed the relationship but each helped erode the coalition.

The junior partner in both coalitions was dominated by the actions of the larger party. Early poll shocks affected the confidence of both NZ First and the Alliance and both parties were divided over their reactions to the polls and other political blows. Both NZ First and the Alliance suffered from leadership challenges, divisiveness and negative publicity as well suffering failures at having their key policies implemented or publicly recognised as having been won. It is apparent that episodes such as the Government's moves to placate business interests early in the Labour-Alliance coalition contributed to

the Alliance's poll drop. With NZ First, it was the coalition arrangement itself that caused the first considerable drop in the opinion polls.

These events added to the tensions within the parties causing eventual implosions. However, only Anderton and a small group of Alliance MPs recognised that driving hard political bargains risked the perception of instability and losing public support. They were prepared to protect and not squander their political capital. The actions of the larger parties, in both case studies, hindered the ability of the smaller one to retain their independent identities in the coalition environment. In both cases, it was the larger parties that made the decision to terminate the arrangement.

In the first instance, the Prime Minister advised the Governor-General to cancel the NZ First ministerial warrants because of a break-down in relations between the two partners. In the instance of the Alliance, Clark called an early election. Unlike the NZ First situation, the Prime Minister did not dissolve parliament because of deteriorating inter-party relations. It was the intra-party, not the inter-party stresses that contributed in the main to the break-up of the coalitions. However, the inter-party tensions contributed to the internal pressures exhibited in both cases.

NZ First had changed its goal from when it first entered the coalition. In 1996, NZ First had risked the loss of electoral support in order to gain office and implement policy change but, by 1998 Peters had assessed that the loss of support threatened the very viability of his party. National had shown by their actions that they were increasingly less willing to accommodate the coalition agreement's policy direction and Peters had little to gain from staying within the coalition and everything to lose. He and the remaining NZ First MPs terminated the coalition in order to rebuild their party in the hope of regaining office in the future. However the NZ First dissolution also suited the goals of the National Party.

The Alliance faced a similar dilemma in 2001. The Alliance's polls had slumped to such an extent that the survival of the party was under question. The party had already compromised some policy, and lost a measure of electoral support, before the 1999 election. So, the Alliance had already sacrificed electoral support in order to gain office and implement policy change and by 2001, one faction within the party grew increasingly nervous as the polls slumped even further. Labour had already slowed the

agreed policy reform process indicating that little new policy change could be achieved by the Alliance. However, Anderton and another group of MPs considered that the Alliance would be rewarded by the electorate for the popular policy that had been introduced by the Government.

One faction within the Alliance, led by McCarten and Harre, had moved from the initial goal of seeking office (in order to implement policy) to vote-seeking. Harre and McCarten's position was popular within the party. It is speculation as to whether the Alliance could have reached the necessary 5% threshold if it had dissolved the coalition and forced an early election, but they did not or could not terminate the coalition.

The second faction, lead by Anderton, wanted to continue with the initial strategy. They considered that they could still make electoral gains from continuing with the coalition's policy programme. Anderton's position was moderately successful enabling him and another MP to survive as Progressive MPs and form a second coalition with Labour after the 2005 election.

Additional factors emerged during both case studies that affected the continuation of both governments. It cannot be overlooked that part of the success of the National-NZ First coalition was due to the warm relationship between the two party leaders and it was rumoured that Bolger and Peters conducted business over a whiskey bottle. The relationship between National and NZ First broke down shortly after Bolger was replaced as Prime Minister by Shipley. Peters believed that Shipley had been elected as National Party leader to 'deal with' NZ First and that she set out to renege on the coalition agreement. Peters considered that the coalition would have survived if both sides had kept to the rule of no surprises, no secret agendas and two or three years of hard work together. Then both parties would have been prepared to face the electorate alone.

Relationships also broke down during the 1999-2002 coalition. It is true that tensions within the Alliance were exacerbated, if not caused by, Government policy decisions. However, the main conflict was between the factions of the junior coalition partner. The Alliance had already given ground on policy in order to enter coalition and few members were willing to concede any more. Tensions increased at the time of the 2000 business 'winter of discontent' when key Alliance policies were postponed and Harre's

desire to address striking workers at the Herald increased disquiet within the party. Jackson's clash with Lee and Bunkle's dismissal from her ministerial post intensified conflict within the Alliance caucus. The various personal disputes ensured that future issues further divided the caucus rather than caused a quarrel with Labour and the caucus was already in conflict by the time it had to debate the Afghanistan SAS deployment issue.

Two main features ensured that the fracture was within the Alliance rather than a split between the parties. The first was that Anderton's relationship with key Labour figures remained warm. He considered that greater gains could be achieved from a long-term relationship with Labour than with terminating the coalition. Unlike Anderton, Harre's faction had fallen out with Labour members over policy areas including the deferment of her prized paid parental leave policy. Harre and McCarten also differed with Anderton and other caucus members over the strategy to advance Alliance policy within the Government. Labour enjoyed a warm relationship with one part of the Alliance but not with the other. The combination of a lack of agreement on strategy and a breakdown in relations ensured the inevitability of an early election.

Both Governments were comprised different coalition attributes. The National-NZ First Government was a majority coalition and yet it terminated early. The Labour-Alliance government was a minority coalition and according to theorists should have been less stable. However, in spite of the smaller partner collapsing, it survived until the election; even though the election was called early. But, the attributes of each government did determine how critical events affected the coalition members. The long time taken for the National-NZ First Government to form as well as the complex policy based coalition agreement indicated deep seated policy differences between the parties. By contrast, the Labour-Alliance Government formed almost before the election and agreed to a smaller process-based agreement indicating a close agreement on the policy direction. Both case studies confirmed King, Alt, Burns and Laver's (1990) argument that both a government's inherent attributes and the political events must be considered when assessing a government's potential termination. However, as Lupia and Strøm (1995) had pointed out, it was the politicians' reactions to those events that determined whether they were critical or not.

Some coalitions reach a point where the rewards of office and the allure of future policy wins become outweighed by the costs of staying in government. This situation becomes more critical closer to an election and parties may seek to minimise losses and increase votes (Boston et al., 2004; Muller & Strøm, 1999). However, there were occasions when parties were willing to risk reduced electoral support and even the survival of the parties themselves to stay in government. This was apparent with one faction of the Alliance in 2002, the Progressives in 2002 and 2005 and United in 2005. The party leaders, on these occasions, considered the stability of the government as of equal if not greater importance than their own positions. However, party leaders Anderton and Dunne, considered their personal constituencies to be sufficient barriers to any voter backlash which enabled them to consider not only the short-term benefits of office and policy wins but also take the long-view. Both Anderton and Dunne had developed such strong relationships with the senior party in Government that they successfully gambled on being returned to a position of influence in the Government that was formed after the next election.

The next chapter brings together the case studies of all three coalition governments with a summary of the affect each of the three influences of policy, personality and opportunity had on the coalitions. The New Zealand political events have been considered within the coalition literature and theories. Politician's motives during this period have been assessed as to whether or not they were crucial to predicting coalition formation and its susceptibility to early dissolution. However, the study points to an additional consideration or influence affecting the formation and dissolution of coalition governments that has not been addressed in the literature.

Chapter 11: Conclusions and Analysis

This research explored the relevant impact of each of the three influences of policy, personality and opportunity on New Zealand governments between 1996 and 2005. Party leaders undoubtedly play a significant role in making political decisions and many politicians view the attainment of office as not only the vehicle for achieving these goals, but also the pinnacle of their political careers. Parties and their leaders negotiate and compromise to achieve policy wins for their supporters in an environment that is not only affected by external influences but also contains other politicians where the action of one influences the other. This system influences the activities of all the entities of which it is comprised and in turn, each entity is similarly affected by the other and by the system itself. This political system is constrained and assisted by institutional features, laws and norms.

The Political System

Systems theory has assisted in the approach taken to analyse the New Zealand political environment since the introduction of MMP. As Cortes et al. (1974, p. 6) described it, a system is “internally interdependent and externally autonomous”. Systems theory takes a holistic perspective as the component parts cannot be studied independently and separately from the whole as a viable method of understanding the greater system (Gharajedaghi & Ackoff, 1985). Coalitions can be analysed as sub-systems of the New Zealand political system retaining their own identities, properties and autonomy (Guiasu & Malitza, 1980). However, to do this we need to evaluate coalitions within the whole political setting rather than in isolation. With this in mind, all three coalitions between 1996 and 2005 have been assessed along with a brief overview of the formation of the 2005 Government. This approach has enabled strong parallels to be drawn between apparently unrelated events and circumstances.

New Zealand’s Coalition Governments

New Zealand has experienced a long tradition of two-party competition between the National and Labour parties. The public familiarity and acceptance of single party dominance in the Legislature has been one cause of minor parties in a coalition being

subsumed by the major partner. Almost without exception the junior coalition partner achieved significant policy wins but still suffered dramatically in the public opinion polls. Leaders of the smaller parties might consider that the electoral cost of staying in office was far greater than the office and policy benefits accrued. Large losses in public support can only be tolerated by parties the further out from an election date these poll slumps occurred but even small slumps in voter support could create insurmountable pressure close to election-day. Often, strategically the only course available to the smaller partners in a coalition was to wreak vengeance on their larger partner in the hope that electoral losses could be minimised or even turned around. However, this has been usually perceived as a self-defeating tactic.

Some select committee procedures have resulted in reduced rather than increased levels of democracy. Select committees were no longer required to report a committee view to the House. Increasingly, committees included each member party's viewpoint on an issue or a bill. On occasion, committees were unable to table any report in the House so the end result has been that the Government was not guided by the committee or public submissions and continued along its original course. Only the Government view was put to the House for a vote. On most occasions, the Government was able to get its way because it could command a majority in the House even if it could not do so in the committees.

The three coalition governments to date have generated an evolution in the way collective responsibility was regarded in the political realities of the MMP environment. But it remained to be seen if future junior coalition partner parties considered whether the benefits and perquisites of ministerial positions outweighed the considerable constraints of Cabinet collective responsibility, even if the 'agree to disagree' practice continued in Cabinet management.

Since the introduction of MMP, the amended view of Cabinet collective responsibility had allowed it to become a more effective instrument in managing disagreements, ensuring stability and security in coalition governments. Coalition governments no longer required that everything Cabinet decided needed to be seen as 'one voice'. In the future, the changing role of Cabinet collective responsibility might see it viewed positively as an enabling, rather than a solely negative, instrument of political management. The acceptance of coalition partners to be able to disagree without

threatening the stability of governments was a step towards mature coalition governments. The way that Cabinet collective responsibility was imbued into each Cabinet was an aspect of the coalition's attributes. This has strengthened the attributes of the coalitions that relaxed the principle and ensured each government's resistance to policy shocks and improved their durability.

Increased consensus in both the Cabinet and the House contributed towards increased government durability. The National-NZ First Government arrangement contained few coalition safeguards. Instead, the parties relied upon a constraining coalition agreement and tight Cabinet rules to ensure compliance. As a result, the coalition was too rigid to react to shocks and critical events.

Successive governments introduced a degree of flexibility into their procedures. The Cabinets between 1999 and 2005 have enjoyed increased relaxation of the collective responsibility principle. Parties have been allowed to 'agree to disagree' over policy issues which might otherwise have led to a terminal dispute. Even though the Government formally tolerated controlled dissent, the Labour-Alliance coalition dissolved early in part over policy disputes. Learning from this experience, after the 2005 election, the Cabinet collective responsibility doctrine was relaxed further to accommodate the political needs of NZ First and United parties.

Senior politicians identified their strong relationships with other party leaders as instrumental in being able to influence policy development. Jim Bolger had built a strong personal relationship with Winston Peters. Bolger considered it important to ensure that all ministers treated each other and each party's policies with respect. Both party leaders developed a strategy of keeping each other well informed and ensuring that neither party was surprised by the actions of the other. Both Bolger and Peters identified a breakdown in personal relations (but not between Peters and Bolger) as the key to the National-NZ First coalition collapse in 1998.

Senior members of the Labour-led Governments between 1999 and 2005 agreed that the success or otherwise of their Governments rested on their dealings with each other. Both Anderton and Dunne pointed to their strong personal relationship with the Prime Minister. That relationship was built on trust, respect and 'no-surprises'. The structure of the relationship determined how each party dealt with the added stresses that

occurred within governments. Formal structures proved powerless to prevent the collapse of the National-NZ First or the Labour-Alliance coalitions once the personal relationships had fallen apart. Small issues were less likely to escalate into terminal shocks if the partners trusted each other's actions.

National and NZ First, 1996-1999

In 1996, NZ First embarked on a high risk strategy forming a coalition with National even though Winston Peters and his deputy, Tau Henare, had promised that they would not countenance the return of a National administration. Further, nearly two-thirds of NZ First voters preferred a coalition with Labour or with Labour and the Alliance. Peters' office-seeking goals had a costly trade-off against his vote-seeking ambitions and he had hoped to counteract any detrimental effects this decision would have by a series of policy wins. The coalition agreement between NZ First and National was the most detailed seen in New Zealand; then or since. By Peters own admission, when he realised that NZ First was destined for a coalition with National, he renegotiated a number of additional policy concessions but, while the policy wins were considerable, so were the office gains. Peters was appointed to the positions of Deputy Prime Minister and Treasurer and five of his NZ First colleagues were appointed to Cabinet, along with the promise of another three more within the term. In addition, four NZ First members were appointed to ministerial posts outside Cabinet. Except for Peters, all of these appointees were inexperienced MPs who had the task of driving a huge policy workload alongside high public expectations.

Studying critical events can be misleading if taken in isolation. A coalition might survive what on face value appears to be a catastrophic event and yet succumb shortly afterwards to a relatively minor slight. The sudden drop in NZ First's poll ratings in the early days of the National-NZ First coalition did not trigger any obvious dissention between partners. Similarly, Winston Peters appeared willing to sack one of his Ministers, Neil Kirton, from Cabinet for publicly criticising the National Minister of Health. But, tensions between National and NZ First became public when a fracas between Winston Peters and National MP John Banks occurred in the voting lobbies of Parliament.

Two other 'newsy' incidents illustrated rising tension within the coalition and both involved NZ First MPs, Minister Robyn McDonald and NZ First Deputy Leader and Minister of Māori Affairs Tau Henare. In July 1998, Henare was replaced, by a vote in the NZ First Caucus, as deputy leader. Relationships also soured further in the coalition over a proposal for a compulsory superannuation scheme. National's Jenny Shipley was one of the scheme's strongest opponents. About this time, Shipley replaced Jim Bolger as National Party leader. Peters claimed that Shipley won the leadership on a promise to do something about NZ First. Relationships had deteriorated almost to the point of no return by the time the proposed sale of Wellington Airport was on the Cabinet agenda. No one issue was strong enough to defeat those prepared to work together but the accumulation of crises eroded and eventually broke the goodwill and commitment in both parties. No amount of coalition agreed protocols and dispute mechanisms were able to rebuild the level of trust and respect between Shipley and Peters that had been experienced between Bolgers and Peters, and the coalition dissolved. The policy-seeking goals did not achieve the desired results and the electoral cost for NZ First (and National) was high.

Labour and the Alliance, 1996-2002

Similarly, prior to the 1996 election there was a low level of trust and respect between the Alliance and Labour and neither party was able to convince the public that they could work together as a government. Even though the Alliance was conceived as a backlash against Labour's 'neo-liberal' policies of the 1980s, the Party approached Labour with the view of forging a commitment to work together after the election. However, the Alliance still did not trust Labour enough to believe that they had discarded their old policies and the approach was dependant upon Labour agreeing to twelve 'non-negotiable' bottom-line policies. Labour perceived any such commitment as a trap and publicly spurned the Alliance and their policies. Clark thought Anderton was untrustworthy and in turn the Alliance viewed Labour's non-agreement as further proof that they had not really changed their ways. Even though both parties strongly desired the opportunity to gain the Treasury benches and so bring about policy change, they were unable to reach agreement on cooperation with the result that both parties gained insufficient electoral support to successfully form a government. Animosity and distrust over-rode electoral, office and policy seeking motives.

Both the Alliance and Labour changed their strategy as a result of their failure to form a government in 1996. The respective party leaders realised that unless agreement could be reached then they would probably spend another term in opposition and officials from both parties met and discussed protocols for working together. Labour's leader Helen Clark was invited to attend the Alliance's annual conference, the invitation was accepted and relations started to warm. The Alliance modified some of its policies to bring them closer to Labour's position and both parties reached agreement on aspects of the 1999 campaign strategy and the conduct of coalition processes. There were public displays of cooperation between the two parties and policy discussions had softened some of the most glaring points of conflict.

By 1999, the two parties gave an appearance of a government in waiting. Election Day 1999 saw a political scene that was in stark contrast to the chaotic events following the 1996 General Election as Labour and the Alliance won a comfortable majority with 63 seats on Election Night results. However, the Alliance's policy and vote-seeking goals had been sacrificed in favour of gaining office. Warwick (2000) noted (with reference to the larger party) that a negotiating party often becomes more policy accommodating to a potential partner. As a result, the potential partner is more comforted that it is not likely to breach its own policy horizon and so becomes more office-seeking. In this case it was the smaller partner, the Alliance, which became more accommodating and provided comfort to Labour. This strategy served the Alliance's immediate goals of entering government, but soon started to cause problems within the party.

The developing relationship between Clark and Anderton stood the Government in good stead as it faced its most difficult time. Despite the warmth apparent in the relationship between the two leaders, other Alliance members grew increasingly chilly towards Labour. Some Alliance members viewed with suspicion the hastily signed, mainly process-based coalition agreement concerned about the extent of Labour's commitment to social democratic policies. These fears were realised as early as six months into the new Government as the 'winter of discontent' caused Labour to postpone amendments to the Employment Relations Act and other of the Alliance's most cherished policies. In addition, the Alliance were forced to vote against one of their own policies; a student allowance bill promoted by the Green Party. But the Alliance caucus support for, and internal party opposition to, sending SAS troops to Afghanistan was the point when

open bitterness erupted between factions within the party. This unexpected external shock created immense stress upon the coalition but one Alliance grouping, led by Anderton, considered the coalition was still the best way to achieve policy wins for Alliance supporters. The other faction was increasingly fearful of a continuous drop in the opinion polls and resented Labour's policy dominance. This antipathy towards Labour manifested into opposition towards Anderton's close relationship with Labour and eventually against Anderton himself.

The break-down in trust and respect between the coalition's partners developed into intra-party conflict. One faction of the Alliance reacted against the loss of electoral support and accepted the potential of government instability and loss of office in an effort to regain popularity. This acceptance also included the rejection of future policy gains in exchange for potentially increased votes. Anderton's group maintained their stoicism in the face of dropping public support motivated by office as well as current and future policy gains. There was a belief that the Alliance would be rewarded at the election by being returned to office but with its MPs pursuing two different strategies, one group chasing votes and the other office, ensured that the party was doomed. Clark took the advantage of the Alliance melt down to call an early election at the time when Labour's polls soared above the fifty percent mark, a result seemingly gained at the Alliance's expense.

Government 2002-2005

Anderton's close relationship was rewarded by Clark after the 2002 election, with the Progressive's leader Jim Anderton included in the Cabinet. The Progressive's were able to gain office in the form of Anderton's ministerial position. However, the Progressive's policy goals were less specific and so this post cost Labour few policy concessions in return.

The minority Government needed the support of another party. Labour (52 MPs) and the Green Party (8 MPs) could have formed a majority coalition without the Progressive's two MPs. However, the Greens had fallen out with Labour over the GM moratorium issue and as a result, the Greens had vowed to not support Labour on confidence and supply if the GM moratorium was lifted. Labour and the Progressives formed a minority coalition relying on United Future's support on confidence and

supply even though the Green's policy dimension was closer to the Government's than to United Future's position. Therefore, the Green Party's support was required on some policy areas where the Government could not rely upon United Future's votes.

United Future Party Leader Peter Dunne maintained that he agreed to support the Labour-led Government in the interests of providing stable government. However, Dunne was in a similar position that Peters had found himself in after the 1996 election; that of leading a team of inexperienced MPs. United Future had benefited by a late surge of electoral support but Dunne was the only United Future MP who had been previously in Cabinet or even Parliament. Therefore, Dunne spurned a formal coalition as such an inexperienced team risked serious negative exposure in the House.

Dunne's decision to stay outside of Cabinet allowed United Future to achieve considerable policy wins without the risk of being associated too closely with the Government. United was able to achieve Labour's agreement to a number of policies such as establishing a Families Commission. There were also a number of policy areas where the two parties clashed including differences over the Prostitution Reform Bill, the Civil Union Bill and the establishment of the new Supreme Court. By staying out of a formal coalition, United Future avoided being associated with controversial legislation. United Future's decision reflected sacrificing office ambitions in order to reduce the risk of losing votes while at the same time, United Future was still able to achieve sufficient policy wins to become a formal member of the 2005 government, albeit with fewer MPs than in 2002.

This Government reached full-term relatively uneventfully. Most interview participants placed great emphasis on the high level of trust and respect that each partner conveyed for the other as a major reason for this Government's success.

The Dynamics of Coalitions

Factors affecting the formation or the termination of governments are not divorced from each other. Often the influences and motives overlap and wax and wane in importance, so each stage of a government cannot be studied in isolation. A study of the dynamics in play during the formation stages of a coalition indicates their effect on the level of the government's effectiveness over the term of office. These indicators reveal the potential for the government achieving full-term or dissolving early.

Individual politicians can be one of the greatest influences on a government. The desire for office motivated National to accept major policy concessions as the price of retaining the Treasury benches. As we have seen with NZ First in 1998, a drop in electoral support motivated Peters to dissolve the coalition in order to survive. The Alliance in 1999 conceded aspects of its fundamental policy in order to reduce the barriers to forming a government with Labour. A subsequent drop in voter support compelled some in the Alliance to take drastic action in 2002. One faction of the party membership wanted to campaign against Labour including picketing Helen Clark's electoral office. However, the party leadership was split with Anderton relying upon electoral rewards for achieving significant policy wins such as the Kiwibank. Both the Green Party and United Future recognised the dangers of being too closely bound into a government. Both parties in 2002 stayed out of government but offered support in exchange for policy wins. This position allowed both parties to retain electoral support and at the same time placate their followers by achieving some policy-goals.

Motives and Shocks

Leaders' motives of seeking office, votes or policy, as explained by Muller and Strøm (1999) do not fully explain one government's survival and another's failure. The motives as described by Muller and Strøm provide a human element to the usual statistical analyses of politics, which had included policy dimensions and raw numerical calculations of legislature composition. Further, policy dimensions were considered important, as was the ability to gain majority support of the House. However, as we saw in the case studies, the major partner party was able to gain support from a variety of supporting parties for its legislative programme. If one party would not support a Bill, then support was sought from another. Similarly, coalition theorists argued that a 'minimum winning coalition' was the most desirable for stable government. However, despite being a 'minimum winning coalition', the National-NZ First coalition forged in 1996 failed. The successive minority coalitions led by Labour have proved to be the more stable combinations.

Cabinets are subjected to a variety of critical events or shocks during their tenure. The extent of the vulnerability of a Cabinet to unexpected events depends upon the exact nature and timing of the shocks (Laver & Shepsle, 1998). Some events might lead to some Cabinets to fail and yet others survive similar shocks (Grofman & van

Roozendaal, 1994; Grofman & van Roozendaal, 1997). Not all critical events in the coalitions under study were terminal as some coalition governments survived on-going tensions for some time. For example, the NZ First Party withstood a series of poll shocks and intra-party crises during the first two years of its coalition with National. It was National's decision to place the sale of Wellington Airport on the Cabinet agenda that sparked the formal beginning of the end. This event might have been used by both Peters and Shipley as an excuse to dissolve the coalition but both parties each blamed the other for slumping popularity and dropping polls. With time, policy failures and errors of judgment tended to accumulate and increasingly counted against the government in the minds of voters (Warwick, 1992b).

Similarly, the Alliance withstood several policy shocks in the 1999-2002 Government. It was the accumulation of policy shocks that contributed to the intra-party conflict within the Alliance and eventually open conflict between its factions.

But Boston et al. (2004) dismissed the notion of a rising hazard rate risk to a government's survival. Boston found that dissolution appeared to be more complex and the threat to a government of being replaced was constant or reasonably flat. However, Lupia & Strøm (1995) found that the opportunity cost for coalition termination reduced the closer a government got to the next scheduled general election. Therefore, there was an increased risk, of coalitions collapsing early, the nearer the end of a government's term in office. On those occasions there appeared to be an event or shock that was the 'last straw'. The same 'straw' might have been easily dismissed early in a government's term, but assumed increased importance closer to the scheduled election time.

Poll shocks or critical events could also be viewed as a positive affair. A political event could cause an upward swing in public opinion and still cause politicians to reassess their situation. Labour's polling increased to above the fifty percent mark and appears to have been a major consideration for Clark when she decided upon an early election. It seems that Labour reassessed their position at the time of the Alliance turmoil and benefited from the break-down of the Alliance in 2002 by calling an early election leading to an increase in their number of MPs.

Motives and events are not enough on their own to fully explain critical events. Bolger and Peters faced shocks together and survived but, Shipley and Peters crumbled at the

first sign of trouble. Clark and Anderton succeeded in preserving the Government as the Alliance crumbled. In fact, Anderton survived the onslaught of some of his own former NLP colleagues. Both Labour and the Greens had disputes and as a result the Greens were left out of Government even though their policies were close to the government's policy position. Relations between Clark and Anderton were so robust that Anderton was included in the 2002 Labour-led Cabinet even though his vote was not essential to its formation. Trust was built between Labour and United Future in 2002, a factor that led to Dunne being included in the Executive in 2005. Labour also developed an increasingly positive relationship with NZ First beginning with that party's support for the Seabed and Foreshore Bill. This event also contributed to Peters' inclusion in the Executive in 2005. Conversely, the fallout between Labour and the Greens and the Maori Parties created a lack of trust preventing their inclusion in the Executive in 2005.

The case studies illustrated that party leaders changed their goals according to events. In no case was one goal completely ignored. Neither were two or more goals able to be pursued with the same vigour at the same time. Both NZ First and National were able to withstand slumping polls in 1997 and 1998 while each enjoyed a strong relationship in the coalition. NZ First had driven a hard coalition bargain and achieved almost all of their office and policy goals. However, it was not until National changed its leader in 1998 that relations between the two parties deteriorated. Peters and Bolger had enjoyed a growing friendship based on respect and trust. Peters and Shipley were suspicious of each other's motives. The coalition collapsed over a policy dispute that was eventually resolved according to agreed coalition policy. However by that time, both party leaders had resorted to verbal personal exchanges in the House. It would have taken an extremely strong desire to retain office or achieve additional policy wins for Winston Peters and his group to stay in the coalition. Even if Peters had wanted to remain in government, National were confident of retaining office without his support. In addition, National was empowered to change the policy direction of the government away from that which they had been forced to accept under the coalition agreement with NZ First. Peters' motives swung strongly in favour of ensuring the survival of his party. National recognised that their electoral chances hinged on distancing themselves from NZ First. However, in the short term they pursued policy gains while recognising that National could retain office.

People or Policy

Like NZ First, the junior partner in the Labour-Alliance Government experienced deep divisions within its caucus. Similarly, the coalition's internal disputes were focused mainly on the Alliance's internal relationship. The Alliance's polls had started to fall early on in the coalition and it had also experienced the postponement of several of its key policies within six months of the coalition being formed, but it was not until the 2002 election date neared that the Alliance began to shift its focus from retaining office to the survival of the party. At the same time the Alliance suffered from several policy shocks such as the Government's decision to become involved in the war in Afghanistan. At this point some in the Alliance's caucus changed their goals. Although both factions were exposed to the same electoral risks, each pursued different goals. Anderton's faction focused on staying in office to gain future policy wins and hence electoral support. Harre's faction pursued electoral support by distancing themselves from both Anderton and the Government. The determining factor appeared to come down to the fact that Anderton now experienced a warm friendship with Clark while Harre had a tense relationship, close to animosity, with both Anderton and Clark.

The 2002 to 2005 coalition Government relied heavily on interpersonal camaraderie. To start with, Clark announced before the election that she would invite Anderton into Cabinet whether the Progressives support was required or not. The Greens stayed outside of Government and were not invited to join the coalition partly because of terse words between Fitzsimons and Clark while Peter Dunne's United Future Party was willing to support the Government without any significant office win. Both United Future and the Greens achieved modest policy wins. Liaison between the parties during the respective policy discussions assisted in developing trust and respect between the Government and supporting parties which greatly assisted in the formation of the Government following the 2005 general election.

No interviewee identified compatible policy positions as essential to forming a successful coalition but party leaders, MPs and officials all placed a high importance on personal and professional relationships. Party leaders such as Anderton and Dunne had previously enjoyed strong personal relationships with Clark when all three were members of the Labour Party together. Even though Anderton and Dunne had left the Labour Party to form new parties of their own, both MPs were able to rekindle the

previously warm relationship. Parties also relied upon formal processes of relationship management to ensure that there were ‘no surprises’ in the relationship. The party leaders relied upon their informal communications using frequent meetings and formal party liaison operated on a number of levels. Party leaders met on a regular basis and officials from the leaders’ offices also met formally over legislative and House strategy or other policy decisions. The spokespeople from the small parties met with their opposite number or Ministers’ departmental officials. The leaders placed a high value on the partner parties enjoying a high level of trust. At times, the importance of this close relationship outweighed any consideration of cabinet posts or close policy positions. Taken together, all interviewees considered that the key elements to successful, robust coalition relationships were trust, respect and ‘no surprises’.

All three party objectives of policy-seeking, vote-seeking and office-seeking have been clearly identified in the case studies outlined in this research. However, parties and party leaders placed different weightings on each objective at different times and it was difficult to extract the precise influence of the inter-relationship of each objective. Sometimes, as we saw in the Alliance case in 2002, the party leaders had different objectives from others in their party. It is likewise just as difficult to analyse the effect each motivation had on the outcome of the coalition. As Elklit (1999) pointed out, this difficulty is due to both theoretical and empirical problems.

The ‘Missing’ Link

Traditional coalition theory provides perceptive insights into governmental events. This research indicates that understanding politician’s motives is crucial to predicting coalition formation, its durability and its susceptibility to early dissolution. Parties’ policy dimensions cannot be dismissed when considering coalition formation possibilities and any resulting government effectiveness. Although New Zealand has few institutional constraints upon the formation process, some consideration has to be given to the sovereignty of Parliament and the powers of the Prime Minister. Similarly, political crises, poll shocks and critical events cannot be dismissed as influencing the decision-making of politicians. In many cases, it is a combination of all the above factors that become essential considerations when studying and predicting coalition events. However, none of the above, even when combined together, adequately provides all the answers, especially when considering events in New Zealand since 1996.

It is a given that a government needs to have the majority support in a parliament to enable it to carry out the business of governing. If the government is not a majority single party arrangement then this support is obtained through a number of arrangements. These include formal coalition agreements and supporting agreements based on power sharing and policy agreements. So, the foundation of any government is numerical, it has to gain a majority through a variety of mechanisms to retain the confidence of the House and to pass legislation.

However, events show that pragmatism is not an enduring motive. The desire to gain office and form a government has been seen to quickly dissolve in the face of critical events and shocks. It is the politicians' reactions to those shocks that provided a clue to whether they were terminal events or just distractions. It is Muller and Strøm's (Elections NZ, 2005b) theory of motivating factors that adds the necessary human dimension to the many often mathematical answers offered to political situations. This research indicates that students of political events need to add a further human dimension to their calculations, the depth of relationship between the key actors. This coalition attribute of inter-party and intra-party relationships is an important consideration when assessing the government's and party's ability to withstand shocks.

A coalition's attributes helped determine a government's ability to resist the onslaught of external and internal events. The impact of these adverse incidents influenced party leaders' strategic decision-making as politicians would always decide their future direction on what appeared to be the best strategic approach to survive and thrive. The coalition's inherent attributes provided the foundation on which a party leader was able to make the decision as to whether to stay in Government or to terminate the relationship early. Government compositions since 1996 indicate that closeness of policy dimensions were important but not the over-arching criteria. For example, the Green Party's policies were closer to the Labour and Progressives' policies than were United or NZ First. Yet, following the 2002 election the Labour-Progressive coalition formed a closer relationship with United than the Greens. Similarly, United and NZ First formed a strong supporting role with the Labour-Progressive coalition following the 2005 election. This was despite the Greens and the Maori Party having closer policies to Labour and the Progressives. In addition, Peter Dunne and Winston Peters did not gain posts inside Cabinet. However, as the relationships improved between the

leaders of the Labour, Progressive (Alliance), United and NZ First parties over the 1996 to 2005 period so did their various supporting roles in government.

One of the governmental attributes that assumed increasing prominence during the research was the type of relationship each party, faction and individual enjoyed within the coalition. This view was supported by the evidence. The research shows that numerical advantage was important for forming a stable government but a majority coalition was less important than has been argued by previous writers. Minority coalition governments (for example 2002-05 and 2005-current) with support from other parties proved stronger governments than majority coalitions (for example 1996-98 and 1999-2002). Further, office-seeking played a role in government formation but many party leaders forsook Cabinet posts for other less senior roles. Also, while governments during this period did not form from parties from the political extremes (for example between Labour and Act or National and the Alliance) they did form between parties that were not the closest in a policy sense. In addition, parties whose policy dimensions were closest to each other were rejected as government partners (for example the Greens in 2002 and 2005 and the Maori Party in 2005).

All of the politicians interviewed for this study considered that the various elements of relationship building, trust, honesty, respect and 'no surprises' were the most important factors that affected whether a coalition could be formed, would survive or would terminate. These personal aspects assumed greater importance than the rewards of office, policy positions and at times even the desire to gain increased electoral support. While, research to date has focused on numerical strength and politicians' motives such relationship aspects have been overlooked. This might be due to most research having been developed from empirical Western European studies since 1945. However, this research on New Zealand coalitions since 1996 indicates a high level of importance should be placed on politicians' relationships with each other when attempting to predict the formation and durability of governments. This research shows that post-election seats and politicians' motives are important factors for prediction. However, an important component that must be included in any assessment has to be the relationships between parties and politicians. That is an additional factor or component for consideration. But, the very fact that the study includes only three governments and that relationships between people are by their very nature unpredictable provides a

warning about attempting to use this study as a reliable means of predicting future government possibilities.

Appendix A: List of Interviewees

United Kingdom and Eire Interview Schedule

Mary Hanafin, T.D., (Fianna Fail). Interviewed Dublin, 15th June 2004

Mary Hanafin is a Fianna Fáil TD for Dún Laoghaire. She was first elected to Dáil Éireann in the 1997 General Election. Ms Hanafin was re-elected to the Dáil on May 18, 2002. She was the top female vote-getter (per quota) in the country. On September 29, 2004, Ms Hanafin was appointed Minister for Education and Science. On June 6, 2002, Mary was promoted by An Taoiseach Bertie Ahern TD to Government Chief Whip and Minister of State at the Department of the Taoiseach (with responsibility for the Information Society) and as Minister of State at the Department of Defence. <http://www.maryhanafin.ie/maryprofile.htm>

Prof. Stephen Ingle, (University of Stirling), Interviewed Stirling, Scotland, 11th June 2004

Stephen Ingle was Head of Politics at the University of Stirling during 1991-2002 having previously been Head of Politics at the University of Hull. He was awarded an Emeritus Professorship in 2006. Stephen Ingle's research has principally been in on British parties and the relationship between Politics and Literature. He has published extensively in both areas and his latest publication is 'The Social and Political Thought of George Orwell', London: Routledge, 2005.

<http://www.politics.stir.ac.uk/staff/list/stepheningle-politics-universityofstirling.php>

Prof. Michael Laver, (Trinity College). Interviewed Dublin, 15th June 2004

Michael Laver is a Full Professor in the Department of Political Science at Trinity College, Dublin Eire. In 1981, he attained his PhD (Political Theory and Institutions) from Liverpool University. Professor Laver was also co-editor of the European Journal of Political Research for seven years, and academic convenor of the first pan-European political science conference (as opposed to workshop sessions) – ECPR2001 – which included a substantial political “fringe” program. He is currently convenor of the epsNet pan-European conference in Paris.

<http://faculty.virginia.edu/partyswitching/members/laver.html>

Dr. Peter Lynch, (University of Stirling), Interviewed Stirling, Scotland, 11th June 2004

Peter Lynch joined the Department in February 1994 following completion of a PhD at London School of Economics on minority nationalism and European integration. Peter Lynch researches in Scottish and European politics, in terms of both regionalist parties and political institutions. He is a co-editor of a book on European regionalist parties and part of a research group analysing this phenomenon. He is also a specialist in the history and development of the Scottish National Party and the devolved Scottish Parliament established in 1999. <http://www.politics.stir.ac.uk/staff/list/peterlynch.php>

HE Rt. Hon. Russell Marshall (NZ High Commissioner), Interviewed London, 8th June 2004

Following this interview, the Hon Russell Marshall was appointed to the Chair of the Tertiary Education Commission. As a Minister in the 1984-1990 Labour government, his portfolios included Education and Foreign Affairs and from 1995 to 1999, he represented New Zealand on the UNESCO Executive Board. He has held posts as Chairman of the Tertiary Education Advisory Commission, Chancellor of Victoria University, Chairman of Education New Zealand, and Chairman of PINZ, an international education consultancy that won an export award in 2002. He was also New Zealand's High Commissioner in the United Kingdom until the end of March 2005. <http://www.giab.govt.nz/members/index.html#russell-marshall>

Liz O'Donnell TD (Progressive Democrats). Interviewed Dublin, 15th June 2004

Liz O'Donnell is a lawyer, a T.D. for Dublin South and the present Chief Whip of the Progressive Democrats. In November 1992 she was elected to Dáil Éireann for the Progressive Democrats, representing Dublin South. She was opposition spokesperson on Health and Social Welfare from 1992 to 1993. She was Party Whip and Justice spokesperson from 1993 to 1997. Ms. O'Donnell was re-elected to the Dáil in May 2002 as T.D. for Dublin South. She has an ongoing interest in human rights and justice issues, international affairs and British-Irish relations. Ms. O' Donnell is a member of the Committee on Procedure and Privileges, the Foreign Affairs Committee, the Broadcasting Committee and a Member of the British-Irish Inter-Parliamentary Body. She is also a Member of the Commission of the Houses of the Oireachtas. <http://www.lizodonnell.ie/biography/>

Dr. Ben Seyd (Senior Research Fellow), Interviewed London, 8th June 2004

Constitution Unit School of Public Policy University College London

Mr. Seyd is Lecturer in Politics. He studied History at Cambridge (1987-90), and went on to study Politics and International Relations at Master's level at the LSE (1992). His PhD - which

has just been submitted - has been undertaken at London University. Mr. Seyd joined the department in 2005, having been Senior Research Fellow at the Constitution Unit, School of Public Policy, UCL. Mr. Seyd's principal areas of research interest are in political attitudes and political behaviour, specifically on public attitudes to, and behaviour around, political institutions.

<http://www.kent.ac.uk/politics/aboutus/staff/academic/seyd.htm>

NZ Interview Schedule

Hon. Jim Anderton MP (Leader, Alliance, Progressive), Interviewed Wellington, 6th April 2005

Jim Anderton is Leader of the Progressive Party, coalition partner with Labour in government. He is the Minister of Agriculture, Minister for Biosecurity, Minister of Fisheries, Minister of Forestry, Minister Responsible for the Public Trust, Associate Minister of Health, and Associate Minister for Tertiary Education. In the last term, 2002-2005, he was Minister for Economic, Industry and Regional Development, Minister of Forestry, Minister Responsible for the Public Trust, and Associate Minister of Health. Jim Anderton was the Deputy Prime Minister in the 1999-2002 term of Parliament.

<http://www.beehive.govt.nz/Biography.aspx?MinisterID=15>

Hon. Rick Barker MP (Labour). Interviewed Wellington, 13th October 2004

Rick Barker is a Cabinet Minister, currently holding portfolios as Minister for Courts, Minister of Internal Affairs, Minister of Civil Defence and Minister of Veterans' Affairs. In the Labour-led government of 2002-2005, Mr Barker was Minister of Customs, Minister for Courts, Minister for the Community and Voluntary Sector, Minister for Small Business, Associate Minister of Justice, Associate Minister of Social Development and Employment. In the Labour-Alliance Government of 1999-2002, Mr Barker was Senior Government Whip. In the 1996-1999 parliamentary term, he was Junior Opposition Whip.

<http://www.beehive.govt.nz/Biography.aspx?MinisterID=65>

Rt. Hon. Jim (James) Bolger (former Prime Minister) Interviewed Auckland, 15th March 2005

The Rt. Hon Jim Bolger was Prime Minister of New Zealand from October 1990 to December 1997. He led the National Party for almost 12 years and had three consecutive terms as the country's head of government. Following the October 1996 General Election, Mr Bolger formed

a Coalition Government with the New Zealand First Party. In December 1997 Mr Bolger retired as Prime Minister and Leader of the National Party, and was appointed Minister of State and Associate Minister of Foreign Affairs and Trade (with special responsibility for APEC). In 1998 Mr Bolger was appointed New Zealand Ambassador to Washington and he resigned as a Member of Parliament in March 1998.

<http://www.primeminister.govt.nz/oldpms/1990bolger.html>

Sue Bradford MP (Green) Interviewed Auckland, 1st November 2004

Ms. Sue Bradford is the Government spokesperson for Buy Kiwi Made Green spokesperson for: ACC, Agriculture, Arts and Culture (Assoc.), Community and Volunteer Sector, Community Economic Development, Employment, Foreign Investment & Control, Gambling, Housing, Industrial Relations, Internal Affairs, Mental Health, National Library and Archives, Racing, Regional Development, Rural Affairs, Small Business, Social Services. Ms. Bradford was first elected to Parliament in 1999, now a 3rd term MP and 3rd on the 2005 Green Party List.

<http://www.beehive.govt.nz/Biography.aspx?MinisterID=81>

John Carter MP (National) Interviewed Wellington, 13th October 2004

John Carter is the Member for the electorate of Northland for the National Party. Mr. Carter is currently the Deputy-Chairperson, Local Government and Environment Committee Spokesperson, Civil Defence Spokesperson, Local Government. John Carter has been the spokesperson for a number of areas and National Party Senior Whip between 19 December 1996 and August 2004. He was the senior Government whip between 1996 and 1999.

<http://www.parliament.govt.nz/en-Z/MPP/MPs/c/a/b/cab0d6d71f6042428d2dab8b7f39a617.htm>

Hon. Dr. Michael Cullen (Deputy Prime Minister, Labour) Interviewed Wellington, 5th April 2005

Hon Dr Michael Cullen holds several ministerial portfolios: Deputy Prime Minister, Minister of Finance [including responsibility for the Government Superannuation Fund, Minister for Tertiary Education and Leader of the House. In the Labour-Alliance Government of 1999-2002, Michael was Leader of the House, Minister of Finance and Minister of Revenue.

(<http://www.beehive.govt.nz/Biography.aspx?MinisterID=30>)

Rod Donald MP (Leader, Green) Interviewed Christchurch, 8th October 2004

Rod Donald joined the Greens early in 1994, and in June 1995 was elected to the position of Co-leader. He was placed at number 10 on the Alliance list and was elected to Parliament with fellow Green and co-leader Jeanette Fitzsimons in the 1996 election. At the time of this interview, Rod Donald was spokesperson for: Buy Kiwi Made, Commerce, Electoral Reform, Finance and Revenue, Land Information, Regional Development and Small Business, Superannuation, Sustainable Economics, State Services, Statistics, Tourism, Trade, Waste. He was a Member of Parliament until his death in 2005.

http://www.greens.org.nz/people/donald_r.asp

Hon. Brian Donnelly MP (NZ First) Interviewed Wellington, 6th April 2005

Brian Donnelly is a list member of Parliament for the New Zealand First Party. He was elected to Parliament in the first MMP election (1996) and immediately became the Minister of ERO, Associate Minister of Education and Associate Minister of Pacific Island Affairs. Mr Donnelly is currently the NZ First spokesperson for: Education, ERO, Pacific Island Affairs, Science and Technology, Crown Research Institutes, Arts & Culture, Biosecurity, Local Government, Regional Development, Communications and IT, Industry Training. He is also the Chairperson of the Education and Science Select Committee.

<http://www.nzfirst.org.nz/members/donnelly.php>

Hon. Peter Dunne MP (United NZ) Interviewed Wellington, 13th October 2004

Hon Peter Dunne has been Minister of Revenue and Associate Minister of Health since October 2005. He was a Labour MP from 1984 to 1994, resigning from the Labour Party in October 1994 to become a founding member of United New Zealand (now United Future New Zealand) a few months later. He has been party leader since October 1996.

Mr Dunne has also been a Minister on two earlier occasions serving as Minister of Regional Development; Associate Minister for the Environment and Associate Minister of Justice in the Palmer and Moore Labour Governments; and Minister of Revenue and Minister of Internal Affairs in the National/United Coalition Government of 1996.

<http://www.beehive.govt.nz/Biography.aspx?MinisterID=78>

Rob Eaddy (Chief of Staff United NZ) Interviewed Wellington, 11th June 2005

Rob Eaddy, was appointed the United Future Party Chief of Staff in 2003. Mr Eaddy has been general manager, communications, consultation and relationships, for Hutt Valley Health since 1997. Before that, he was Chief of Staff for former Prime Minister Jim Bolger from 1986 to 1997.

http://www.unitedfuture.org.nz/press/show_item.php?t=0&i=10

Dr. Liz Gordon (former MP, Alliance) Interviewed North Shore City, 27th October 2004

Liz Gordon was an MP between 1996 and 2002. Ms. Gordon was Chairperson of the Education Select Committee and Alliance spokesperson on: Education, Tertiary Institutions, Schools, Disabilities, Social Security, Children, Crown Research Institutes, Research, Science, and Voluntary Organisations. In 2004, Dr Liz Gordon was elected as Pro Chancellor of Massey University.

<http://www.alliance.org.nz/info.php3?Type=PeopleSummary&ID=469>

Rodney Hide MP (Leader, Act) Interviewed Auckland, 6th December 2004

Rodney Hide is the current Member of Parliament for Epsom and the ACT Party leader (13 June 2004-present). He was the ACT representative on the Parliamentary Service Commission, the Privileges Committee, the Commerce Select Committee, the Finance and Expenditure Select Committee and the Government Administration Select Committee.

<http://www.act.org.nz/news-article.aspx?id=20745>

Darren Hughes MP (Labour Whip) Interviewed Wellington, 6th April 2005

Darren Hughes is the Member for the electorate of Otaki for the Labour Party. He is the Junior Government Whip and a Member of the Officers of Parliament Committee. Mr. Hughes is a former Member of the Commerce select committee 27 August 2002-3 March 2004, Member, Justice and electoral select committee 27 August 2002-26 May 2004 and Member, Health select committee 26 May 2004-13 April 2005.

<http://www.parliament.govt.nz/en-NZ/MPP/MPs/8/e/4/8e4a684f13e14922857cc91889433f31.htm>

Rt. Hon. Jonathan Hunt MP (Speaker) Interviewed Wellington. 13th October 2004

Jonathan Hunt is the current New Zealand High Commissioner based at New Zealand House in London. His formal title is the Rt. Hon Jonathan Hunt, ONZ, New Zealand High Commissioner

to the United Kingdom and Nigeria, Ambassador to Ireland. Known as the 'father of the House', Mr Hunt was the longest-serving Member of Parliament until he resigned in March 2005 to take up his current position. He served as Whip, Deputy Speaker and was a Minister in the Fourth Labour Government from 1984-1990, holding portfolios of Telecommunications and Broadcasting, Postmaster General, Tourism and Housing. He was leader of the House from 1987-1990. In November 1989 he was appointed to the Privy Council. He was unanimously elected Speaker in December 1999 and returned to the position in 2002.

<http://www.nzembassy.com/info.cfm?c=14&l=56&CFID=959319&CFTOKEN=8425861&s=g o&p=61477>

Hon. Doug Kidd (former Speaker), Interviewed Wellington, 5th April 2005

Kidd was first elected to Parliament in the 1978 elections, becoming MP for Marlborough. In the Bolger Government, Kidd held a number of minor ministerial portfolios, including Fisheries, Energy and Labour. He held his Marlborough seat until the 1996 elections, when the seat was superseded by the new (and larger) Kaikoura electorate. Kidd held Kaikoura until the 1999 elections, when he opted to become a list MP. After the 1996 elections, Kidd was appointed Speaker of the House of Representatives. Kidd lost the speakership when the National Party lost the 1999 elections. After serving a term in Opposition, he chose to retire from politics at the 2002 elections. He was appointed to the Waitangi Tribunal in 2004.

http://en.wikipedia.org/wiki/Doug_Kidd

Ron Mark MP (NZ First), Interviewed Wellington, 13th October 2004

Ron Mark is a List Member of Parliament and was elected to Parliament in 1996 and is a New Zealand First list MP. He is the NZ First spokesperson on: Law and Order, Defence, Corrections, Mental Health, Civil Defence, Disarmament and Arms Control, Youth Affairs, Veterans' Affairs, Sport and Recreation. Mark is the Deputy Chairperson of the Law and Order Select Committee.

<http://www.nzfirst.org.nz/members/mark.php>

David McGee QC (Clerk of the House) Interviewed Wellington, 6th April 2005

David McGee has been Clerk of the House of Representatives since 1985. He was a member of the officials Committee on Constitutional Reform 1984-85 and of the Electoral Referendum

Panel 1992-93. He was appointed a Queen's Counsel in 2000 and made a Companion of the New Zealand Order of Merit in 2002 (McGee, 2005).

Rt. Hon. Winston Peters MP (Leader, NZ First) Interviewed Wellington, 5th April 2005

Rt. Hon Winston Peters is (2006) Minister of Foreign Affairs, Minister for Racing, and Associate Minister for Senior Citizens. He is the Leader of the New Zealand First Party. A former member of the National Party: Winston Peters entered Parliament for the first time as the National Party Member for Hunua in 1978. He was MP for Tauranga for 21 years until 2005.

<http://www.beehive.govt.nz/Biography.aspx?MinisterID=77>

Hon. Matt Robson MP (Alliance, Progressive), Interviewed Auckland, 29th April 2005

In the Labour-Alliance government of 1999–2002, Matt Robson was appointed Minister of Corrections, Minister for Courts, Minister for Land Information; Associate Minister of Foreign Affairs (Overseas Aid) Member of Foreign Affairs, Defence and Trade Select Committee and Chair of the Privileges Committee. Between 1996 and 1999 Matt was the Alliance Spokesperson on Foreign Affairs, Defence & Disarmament, Immigration, Justice and Pacific Island Affairs.

<http://www.progressive.org.nz/modules.php?name=Content&pa=showpage&pid=11>

Marie Shroff (former Secretary Cabinet), Interviewed Wellington, 5th April 2005

Marie Shroff, is currently the Privacy Commissioner. Ms. Shroff was appointed to the independent statutory position of Privacy Commissioner in September 2003 for a term of five years. Prior to joining the Office, Ms. Schroff held the position of Secretary of the Cabinet/Clerk of the Executive Council for 16 years.

<http://www.privacy.org.nz/about-us/who-we-are>

Appendix B: Questionnaire (Example)

Sample Questionnaire

(Please note that different questionnaires were used for international and New Zealand participants as well as for officials and MPs. The questions were drafted to suit the individual within each of the groups.)

Question 1. Name and contact details? Role or Position.

Question 2. Thinking back to pre-1996 election, what role did you expect small parties to play in coalition?

Question 3. Thinking back to pre-1996 election, what role did you think that the public expected small parties to play in coalition?

Question 4. What role did your party play following the 1996 election?

Question 5. What role have you seen minor other coalition parties play in government since the last election?

Question 6. (With reference to Question 5) Was this role expected?

Question 7. (With reference to your answer to Question 6) If this role was not expected what aspects were unexpected?

Question 8. What role do you see minor coalition parties play in government during the previous Parliament?

Question 9. (With reference to Question 7) Was this role expected?

Question 10. (With reference to your answer to Question 9) If this role was not expected what aspects were unexpected?

Question 11. What role do you see minor coalition parties play in supporting any majority coalition government in the future?

Question 12. What role do you see minor coalition parties play in supporting any minority government in the future?

Question 13. What policy influences has your party had in government or supporting a minority government since the last election?

Question 14. Was this expected?

Question 15. (With reference to your answer to Question 14). If this was not expected what aspects were unexpected?

Question 16. What policy influences has your party had in government or supporting a minority government previous to the last election?

Question 17. How effective do you think your party has been in enacting the policies of its voters and supporters?

Question 18. What governmental or parliamentary processes have changed as a result of the influence of your party (either in government or supporting a minority government)?

Question 19. Were these changes expected?

Question 20. (With reference to your answer to Question 19). If these changes had not been expected what aspects were unexpected?

Question 21. Do you think that policy-making has become more centralised or less centralised since the introduction of MMP?

Question 22. What are some examples?

Question 23. Has policy-making become more or less robust since the introduction of MMP?

Question 24. What are some examples?

Question 25. Do you think that the public participation in policy making process has increased since the introduction of MMP?

Question 26. What are some examples?

Question 27. Do you think that the legislature has gained more or less influence over the Executive since the introduction of MMP?

Question 28. What are some examples?

Question 29. Has the budgetary round management changed from the way it was managed prior to the previous election? If so in what way has it changed?

Question 30. What other influence (other than policy, budgetary or process) have minor coalition parties had in government or supporting a minority government?

Question 31. Were these expected?

Question 32. (With reference to your answer to Question 31). If these were not expected what aspects were unexpected?

Question 33. Have the techniques of political management involving your party under minority or coalition government changed from prior to the last election?

Question 34. What changes in the public policy development process have come about (other than those involving your party) as a result of coalition governments, since the last election?

Question 35. What changes in the public policy development process have come about as a result of smaller parties (other than your party) In Parliament (in opposition or supporting the government but not in a formal coalition) since the last election?

Question 36. Were these expected?

Question 37. (With reference to your answer to Question 36). If not expected what aspects were unexpected?

Question 38. What changes in the constitutional processes have occurred as a result of the influences of your party?

Question 39. Were these expected?

Question 40. (With reference to your answer to Question 31) If not what aspects were unexpected?

Question 41. In your view have any process, policy making or constitutional changes introduced because of the influence of the small party in a coalition government been comparable with their electoral strength? If so why and if not why not?

Question 42. Please name the individual stakeholders that you believe have played an important role (positive or negative) in the various coalition governments over the last two election periods?

Question 43. What particular roles have these stakeholders played, or actions that they have taken, in the various coalition governments or parliaments that leads you to consider that role to be important?

Question 44. *Thinking back to the coalition negotiations that formed the government since the last election;*

What were the main influences driving the process of your party's involvement in support of the coalition government formation?

Question 45. *Thinking back to the coalition negotiations that formed the government since the last election;*

What were the main influences leading to the appointment of Cabinet Ministers from each coalition partner party?

Question 46. In your view, have the actions of the minor partner parties in coalition governments enhance political durability and governmental stability and if so how?

Question 47. In your view have small parties increased the availability of information, about parliamentary and legislative processes, events and developments, to the public?

Question 48. What are some examples?

Question 49. In your view have small parties increased the political response to electoral desires in a way that larger parties find more difficult?

Question 50. What are some examples?

Question 51. Is there anything else that you would like to add?

That's all the questions we have for you today. Thank you for participating in this Research.

Appendix C: Information Sheet (example)

Information Sheet

Formation, Durability and Susceptibility

Coalition Traits that Affected the MMP Governments of 1996-2002

Researcher:- Grant Gillon

The Researcher

My name is Grant Gillon, and I am a student of Massey University, Albany. I am a former Member of Parliament (1996-2002) and a current member of the Progressive party. I can be contacted by phone on 09 480 1835, or 0274 764 679 or by e mail grantgillon@ihug.co.nz. The post-graduate study that I am undertaking is supervised by Prof. Marilyn Waring and Dr. Raymond Miller. Prof. Waring can be contacted c/- Massey University by phone 09 414 0800 x 9085 or by email M.J.Waring@massey.ac.nz. Dr. Miller can be contacted c/- University of Auckland by phone 64-9 373 7599 ext.88074, facsimile 09 373 7449 or by email rk.miller@auckland.ac.nz.

The Study

The aim of the research is to discover what theoretical model of coalition governments can be developed for New Zealand and to explore the role and policy, process or other influence small parties possess in the MMP parliament. Part of this research will involve a study of coalition governments in Eire, Scotland and Australia.

In the course of this research I also wish to answer a number of other questions.

1. What theoretical models of coalition government, observed overseas, can be applied to New Zealand?
2. How does New Zealand compare with other Westminster types of governments that have coalition governments?
3. What theoretical models of coalition government can be observed overseas?

4. What roles do junior party coalition partners play in Westminster-style coalition governments?
5. What changes in New Zealand's constitutional and other processes have occurred as a result of coalition governments since the introduction of MMP? and,
6. What role have individual stakeholders played in the various coalition governments since MMP?

This research will compare the success or otherwise of the different models of coalition governments in New Zealand since the 1996 advent of the mixed-member proportional (MMP) system of parliamentary representation. I am also interested in identifying any unanticipated constitutional and parliamentary processes that have changed since 1996.

Your Participation

Should you agree to participate in this study, I will meet you on a single occasion for an interview that should take between forty minutes and an hour. The time and place of the interview will be a matter for you to decide. The interview will be tape-recorded, and transcribed by myself or else by an administrative assistant who will have signed a confidentiality agreement. As soon after the interview has taken place as is practicable, I will provide you with the transcript of our discussion. I will ask you to check, correct and amend this transcript, in any way you think necessary. Both the tapes and the transcript will be securely stored at Massey University, and access to these will be limited to the researcher and his supervisor.

Prior to publication of the research, you will have the opportunity to review those sections of the transcribed interview that I wish to use. Please note that given the very nature of your role, your responses can never be anonymous and the absolute guarantee of anonymity cannot be given.

All tapes will be destroyed at the completion of the research. However, I request permission for the transcripts to be retained for the purposes of future research and publication. Alternatively you may wish to request that the transcripts are also destroyed or returned directly to you.

Participant's Rights.

Should you decide to participate in the research you have the right to:

1. refuse to answer any question or request that any specific information that you provide not to be used in the research,

2. ask any further questions about the research that may occur to you during the time of your participation,
3. withdraw from the project at any time,
4. be given access to a summary of the project's findings upon its completion,
5. have the audio tape recorder turned off at any time during the interview.

I desire, whenever possible to attribute your responses to you in any written proceedings that may arise out of the research. However, you have the right at all times to withhold any information. You also have the right to request that all information provided by you be withdrawn from the research project.

In acknowledgment of your contribution to my research, I will provide you with access to a copy of my completed research project. I plan to have it completed by the end of 2006.

Many thanks,

Grant Gillon

This project has been reviewed, judged to be low-risk, and approved by the Researcher and supervisor under delegated authority from the Massey University Human Ethics Committee, If you have any concerns about the conduct of this research, please contact Professor Sylvia Rumball, Kerry P Chamberlain, Assistant to the Vice-Chancellor (Ethics and Equity), telephone 06 350 5249, email humanethics@massey.ac.nz.

Appendix D: Consent Form (example)

Consent Form

(For participants where confidentiality cannot be granted)

This Consent Form will be held for a period of Five (5) Years.

Formation, Durability and Susceptibility

Coalition Traits that Affected the MMP Governments of 1996-2002

Researcher: Grant Gillon

I have read the Information Sheet and have had the details of the research project explained to me. My questions have been answered to my satisfaction, and I understand that I may ask further questions at any time.

I agree to this interview being audio-taped however I also understand that I have the right to ask for the tape recorder to be turned-off at any stage. I also understand that I have the right to withdraw from the study at any stage and to decline to answer any particular question that is asked of me. I have the right to request that any information that I have provided not be used in the context of the research.

Such information as I provide I do so on the understanding that:

Either

1. The researcher is permitted to attribute my responses to me in the written report that arises out of the research, however prior to the conclusion of the project, the research will provide me with a transcript of the interview for perusal.

Following the completion of the research I wish the transcripts of the interview to be: (please delete as appropriate)

1. I wish the transcripts to be archived;
2. I wish the transcripts to be destroyed; or
3. I wish the transcripts to be returned to me.

I am willing to participate in the research under the conditions as outlined in this Consent Form and the Information Sheet.

Signed

Name:

Dated:

This project has been reviewed, judged to be low-risk, and approved by the Researcher and supervisor under delegated authority from the Massey University Human Ethics Committee, If you have any concerns about the conduct of this research, please contact Professor Sylvia Rumball, Kerry P Chamberlain, Assistant to the Vice-Chancellor (Ethics and Equity), telephone 06 350 5249, email humanethics@massey.ac.nz

Reference List

- Aimer, P. (2004). Polls that count: From one election to the next. In J. Vowles, P. Aimer, S. Banducci, J. Karp & R. Miller (Eds.), *Voters' veto: The 2002 election in New Zealand and the consolidation of minority government* (pp. 1-15). Auckland, New Zealand: Auckland University Press.
- Aimer, P., & Miller, R. (2002). New Zealand politics in the 1990s. In J. Vowles, P. Aimer, J. Karp, S. Banducci & R. Miller (Eds.), *Proportional representation on trial: The 1999 New Zealand general election and the fate of MMP* (pp. 1-15). Auckland, New Zealand: Auckland University Press.
- Aimer, P., & Vowles, J. (2004). What happened at the 2002 election? In J. Vowles, P. Aimer, S. Banducci, J. Karp & R. Miller (Eds.), *Voters' veto: The 2002 election in New Zealand and the consolidation of minority government* (pp. 16-32). Auckland, New Zealand: Auckland University Press.
- Alliance Caucus Secretary. (2001). *Recent opinion polls*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance Election Review Committee. (1997). *Post election review report*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance National Council. (2001a). *2001 Alliance conference report to Alliance Council 8th and 9th December*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance National Council. (2001b). *Action list: From the Alliance Council*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance National Council. (2001c). *Draft minutes of the Alliance National Council telephone conference 14 October 2001*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance National Council. (2001d). *Draft minutes of the Alliance National Council telephone conference 31st October 2001*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)

- Alliance National Council. (2001e). *Draft minutes of the Alliance National Council telephone conference*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance National Council. (2001f). *Minutes of the Alliance National Council*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance National Council. (2001g). *Regional conference remits 2001: Results*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance Party. (1996a). *1996 Alliance manifesto for all voters: Leadership you can trust*. Auckland, New Zealand: Author.
- Alliance Party. (1996b). *Agreement on Alliance support for a Labour/NZ First minority government on confidence matters*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance Party. (1998). *Constitution*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance Party. (1999a). *Partnership 2000: A springboard for growth*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance Party. (1999b). *'A' policy: Election 1999*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Alliance's non-negotiable election policies. (1994, November 21). *Jobs Letter*, 5. Retrieved November 27, 2005, from <http://www.jobsletter.org.nz/jbl00500.htm>
- Anderton, J. (1996). An end to breaking election promises. In C. James (Ed.), *Understanding MMP: The implications of New Zealand's new electoral system* (pp. 13-15). Wellington, New Zealand: ANZ Treasury.
- Anderton, J., & Lee, S. (2002). *Supporting the Alliance in government*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Anderton not fussed over not being deputy PM. (2002, July 23). *Stuff*. Retrieved June 18, 2007, from Knowledge Basket's Newztext Newspaper database.
- Armstrong, J., & Young, A. (2005, July 30). Interview: Winston Peters, NZ First party leader. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/section/1/story.cfm?c_id=1&objectid=10338212

- Austen-Smith, D., & Banks, J. (1988). Elections, coalitions, and legislative outcomes. *American Political Science Review*, 82(2), 405-422.
- Austen-Smith, D., & Banks, J. (1990). Stable governments and the allocation of policy portfolios. *American Political Science Review*, 84(3), 891-906.
- Axelrod, R. (1970). *Conflict of interest*. Chicago, IL: Markham.
- Back, H. (2003). Explaining and predicting coalition outcomes: Conclusions from studying data on local coalitions. *European Journal of Political Research*, 42(4), 441-472.
- Back, H., & Dumont, P. (2004). *A combination of methods: The way forward in coalition research*. Paper presented at the 2004 Annual Meeting of the American Political Science Association, Chicago. Retrieved June 18, 2007, from <http://www.asu.edu/clas/polisci/cqrm/APSA2004/BackDumont.pdf>
- Bale, T., Boston, J., & Church, S. (2005). 'Natural because it had become just that.' Path dependence in pre-electoral pacts and government formation: A New Zealand case study. *Australasian Journal of Political Science*, 40(4), 481-498.
- Barker, F. (1997). Negotiating with NZ First: A study of its coalition agreements with National and with Labour. In J. Boston, S. Levine, E. McLeay & N. Roberts (Eds.), *From campaign to coalition: New Zealand's first general election under proportional representation* (pp. 247-273). Palmerston North, New Zealand: Dunmore Press.
- Baron, D. (1991). A spatial bargaining theory of government formation in parliamentary systems. *American Political Science Review*, 85(1), 137-164.
- Baron, D. (1998). Comparative dynamics of parliamentary governments. *American Political Science Review*, 92(3), 593-610.
- Bauer, M. W., & Gaskell, G. (2000). *Qualitative researching with text, image and sound: A practical handbook*. London: Sage.
- Beetham, D. (2002). Introduction to country reports for the international IDEA state of democracy project. In J. Henderson & P. Bellamy (Eds.), *Democracy in New Zealand: International IDEA country study* (pp. 1-12). Christchurch, New Zealand: Macmillan Brown Centre for Pacific Studies.
- Berg, B. L. (2001). *Qualitative research methods for the social sciences* (4th ed.). Boston, MA: Allyn & Bacon.

- Bergman, T. (2003). Democratic delegation and accountability: Cross-national patterns. In K. Strøm, W. Muller & T. Bergman (Eds.), *Delegation and accountability in parliamentary democracies* (pp. 109-122). Oxford, United Kingdom: Oxford University Press.
- Berry, R. (2004, April 24). Decision day looms for Tariana Turia. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/secton/1/story.cfm?c_id=1&objectid=3562350
- Birss, N. (1993, June 2). MMP a threat, says Telecom chief. *Christchurch Press*, p. 35
- Bolger, J. (1996). Stability, consensus and inclusive politics. In C. James (Ed.), *Understanding MMP: The implications of New Zealand's new electoral system* (pp. 8-10). Wellington, New Zealand: ANZ Treasury.
- Boston, J. (1998). *Governing under proportional representation: Lessons from Europe*. Wellington, New Zealand: Institute of Policy Studies
- Boston, J. (2000). Forming the coalition between Labour and the Alliance. In J. Boston, S. Church, S. Levine, E. McLeay & N. Roberts (Eds.), *Left turn: The New Zealand general election of 1999* (pp. 239-275). Wellington, New Zealand: Victoria University Press.
- Boston, J. (2003). Forming a government. In R. Miller (Ed.), *New Zealand government and politics* (3rd ed., pp. 111-131). Auckland, New Zealand: Oxford University Press.
- Boston, J. (2005a, October 26). Features: An unusual government. *Dominion Post*, p. B5.
- Boston, J. (2005b). *An unusual government: Coalition politics and inter-party arrangements following the 2005 general election*. Paper presented at the 2005 Post Election Conference, House of Representatives, New Zealand.
- Boston, J. (2006). Forming a government. In R. Miller (Ed.), *New Zealand government and politics* (4th ed., pp. 117-134). South Melbourne, Australia: Oxford University Press.
- Boston, J., & Church, S. (2000). Pre-election wheeling and dealing: the New Zealand experience. In J. Boston, S. Church, S. Levine, E. McLeay & N. S. Roberts (Eds.), *Left turn: The New Zealand general election of 1999* (pp. 217-238). Wellington, New Zealand: Victoria University Press.

- Boston, J., & Church, S. (2003). Government formation after the 2002 general election. In J. Boston, S. Church, S. Levine, E. McLeay & N. Roberts (Eds.), *New Zealand votes: The general election of 2002* (pp. 333-360). Wellington, New Zealand: Victoria University Press.
- Boston, J., Church, S., & Pearse, H. (2004). Explaining the demise of the National-New Zealand First Coalition. *Australian Journal of Political Science*, 39(3), 585-603.
- Boston, J., Levine, S., McLeay, E., & Roberts, N. (1996). *New Zealand under MMP: A new politics?* Auckland, New Zealand: Auckland University Press.
- Boston, J., & McLeay, E. (1997). Forming the first MMP government: Theory, practice and prospects. In J. Boston, S. Levine, E. McLeay & N. Roberts (Eds.), *From campaign to coalition: New Zealand's first general election under proportional representation* (pp. 207-246). Palmerston North, New Zealand: Dunmore Press.
- Bowers, J. W., & Courtright, J. A. (1984). *Communication research methods*. Glenview IL: Scott, Foresman
- Boyd, S. (1997, September 11). Rebuild trust in super: Shipley. *Evening Post*, p. 2.
- Brechtel, T., & Kaiser, A. (1999). Party system and coalition formation in post-reform New Zealand. *Political Science*, 51(1), 17-18.
- Browne, A. (2002, July 24). Left takes aim at Dunne. *Evening Standard*, p.1.
- Browne, E., & Franklin, M. (1973). Aspects of coalition payoffs in European parliamentary democracies. *American Political Science Review*, 67(2), 453-469.
- Browne, E., & Frensdreis, J. (1980). Allocating coalition payoffs by conventional norm: an assessment of the evidence for Cabinet coalition situations. *American Journal of Political Science*, 24, 753-768.
- Browne, E., Frensdreis, J., & Gleiber, D. (1986). The process of cabinet dissolution: An exponential model of duration and stability in western democracies. *American Journal of Political Science*, 30(3), 628-650.
- Browne, E., Gleiber, D., & Mashoba, C. (1984). Evaluating conflict of interest theory: Western European coalitions 1945-80. *British Journal of Political Science*, 14, 1-32.

- Budge, I., & Laver, M. (1986). Office seeking and policy pursuit in coalition theory. *Legislative Studies Quarterly*, 11(4), 485-506.
- Bunkle, P. (1994). *Media release: Alliance rejects unionist's assertion: The Alliance's 12 core policy principles are common sense*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Bunkle, P. (2001). *Media statement: Phillida Bunkle stands down*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Burdon, P. (1996, October 14). Peters unlikely to play ball with Nats. *Evening Post*, p. 5.
- Burns, J. (1997). Introduction and communication technology: More than just computers! In J. Burns (Ed.), *Technology in the New Zealand curriculum: Perspectives on practice* (pp. 15-30). Palmerston North, New Zealand: Dunmore Press.
- Butler, D. (1981). Electoral systems. In D. Butler, H. Penniman & A. Ranney (Eds.), *Democracy at the polls: A comparative study of competitive national elections* (pp. 7-25). Washington, DC: American Enterprise Institute.
- Butler, D., Penniman, H., & Ranney, A. (1981). *Democracy at the polls: A comparative study of competitive national elections*. Washington, DC: American Enterprise Institute.
- Butler, I. (2005, September 15). Greens to demand two posts in cabinet. *Manawatu Standard*, p. 1.
- Cabinet Office. (1996). *Cabinet Office manual*. Wellington, New Zealand: Cabinet Office, Department of the Prime Minister and Cabinet.
- Cabinet Office. (2000a). *Cabinet Office circular: Coalition management: Amendments to Cabinet Office manual CO (00) 10*. Wellington, New Zealand: Cabinet Office, Department of the Prime Minister and Cabinet.
- Cabinet Office. (2000b). *Report of the Cabinet Policy Committee: Period ended 29 September 2000. CAB (00) 630*. Wellington, New Zealand: Cabinet Office, Department of the Prime Minister and Cabinet.
- Cabinet Office. (2001). *Cabinet manual 2001*. Wellington, New Zealand: Cabinet Office, Department of Prime Minister and Cabinet.

- Cabinet Office. (2002a). *Changes to Queen's Counsel and Privy Council*. Wellington, New Zealand: Cabinet Office, Department of Prime Minister and Cabinet.
- Cabinet Office. (2002b). *Changes to Queen's Counsel: Legislation Cabmemo 02/8/1*. Wellington, New Zealand: Cabinet Office, Department of Prime Minister and Cabinet.
- Campbell, G. (1993, October 9-15). Vote MMP. *Listener*, 140, 16-23.
- Capoccia, G. (2002). Anti-system parties: A conceptual reassessment. *Journal of Theoretical Politics*, 14(1), 9-35.
- Carmignani, F. (2001). Cabinet formation in the coalition systems. *Scottish Economic Society*, 48(3), 313-329.
- Checkland, P., & Scholes, J. (1999). *Soft systems methodology: A 30-year retrospective* (2nd ed.). New York: Wiley.
- Church, S. (2003). Going early. In J. Boston, S. Church, S. Levine, E. McLeay & N. Roberts (Eds.), *New Zealand votes: The general election of 2002* (pp. 28-44). Wellington, New Zealand: Victoria University Press.
- Cioffi-Revilla, C. (1984). The political reliability of Italian governments: An exponential survival model. *American Political Science Review*, 78(2), 318-337.
- Clark comes to senses: Donald. (2002b, July 25). *Stuff*. Retrieved June 18, 2007, from Knowledge Basket's Newztext Newspaper database.
- Clark predicts talks with Alliance. (1994, November 11). *Waikato Times*, p. 2.
- Clark spurns Alliance bid to 'stitch up' coalition deal. (1996, September 18). *Press*, p. 1.
- Coalition agreement between the Labour and Progressive coalition parties in parliament*. (2002, August 8). Retrieved July 5, 2007, from <http://www.beehive.govt.nz/Documents/Files/coalition%20Lab%20and%20PCP.pdf>
- Coalition agreement: The coalition agreement between the Labour and Alliance Parties*. (1999) Retrieved May 5, 2000, from <http://ww.executive.govt.nz/coalition/index.html>
- Collins concise dictionary*. (3rd. ed.)(1995). Glasgow, United Kingdom: HarperCollins.
- Cone, D. H. (2002, April, 12). National's core voters desert to Labour as vote slumps to 28%. *National Business Review*, 1.

- Confidence and supply agreement with New Zealand First*. (2005) Retrieved August 23, 2006, from <http://www.beehive.govt.nz/Documents/Files/NZFirst.pdf>
- Considine, M. (1994). *Public policy: A critical approach*. South Melbourne, Australia: Macmillan.
- Considine, M. (2005). *Making public policy: Institutions, actors, strategies*. Cambridge, United Kingdom: Polity Press.
- Controller and Auditor-General. (2001). *Members of parliament: Accommodation allowances for living in Wellington*. Wellington, New Zealand: Office of the Controller and Auditor-General.
- Coote, M. (2000, June 23). *Kiss goodbye to foreign investor support till the next election*. Retrieved June 18, 2007, from <http://www.sharechat.co.nz/features/nbr/article.php/eff8070f>
- Cortes, F., Przeworski, A., & Sprague, J. (1974). *Systems analysis for social scientists*. New York: Wiley.
- Creech, W. (1995). Parliamentarians' perspectives on decision-support and decision-making under MMP. In *Who's in charge here?: Members, ministers and MMP: Proceedings of an IPA seminar held at Downstage Theatre, Wellington, October 1995* (pp. 13-18). Wellington, New Zealand: New Zealand Institute of Public Administration.
- Crombez, C. (1996). Minority governments, minimal winning coalitions and surplus majorities in parliamentary systems. *European Journal of Political Research*, 29(1), 1-29.
- de Mesquita, B. B. (2001). Minimum winning coalition, in politics. In *International encyclopaedia of the social and behavioural sciences* (pp. 9889-9891). Amsterdam: Elsevier.
- de Swaan, A. (1973). *Coalition theories and cabinet formation: A study of formal theories of coalition formation applied to nine European parliaments after 1918*. Amsterdam: Elsevier.
- Dicey, A. V. (1959). *Introduction to the study of the law of the constitution* (10th ed.). London: Macmillan.
- Dodd, L. C. (1976). *Coalitions in parliamentary government*. Princeton, NJ: Princeton University Press.

- Dodd, L. C. (1984). The study of cabinet durability: Introduction and commentary. *Comparative Political Studies*, 17, 155-161.
- Donald, R. (2005a, August 30). *Pick a horse, Winston*. Retrieved June 18, 2007, from <http://www.greens.org.nz/searchdocs/PR9155.html>
- Donald, R. (2005b, September 7). *Winston wants a bob each way*. Retrieved June 18, 2007, from <http://www.greens.org.nz/searchdocs/PR9226.html>
- Downs, A. (1957). *An economic theory of democracy*. New York: Harper.
- Dunne, P. (2005). *Greens the albatross around Clark's neck*. Retrieved August 18, 2007, from <http://www.scoop.co.nz/stories/PA0509/S00357.htm>
- Easton, B. (1997). Policy-making under MMP. In R. Miller (Ed.), *New Zealand politics in transition* (pp. 306-314). Auckland, New Zealand: Oxford University Press.
- Easton, B. (1999). *The whimpering of the state: Policy after MMP*. Auckland, New Zealand: Auckland University Press.
- Easton, D. (1965). *A framework for political analysis*. Englewood Cliffs, NJ: Prentice-Hall.
- Education (Establishment of Universities) Amendment Bill 2005, as reported from the Education and Science Committee: Commentary*. Retrieved June 18, 2007, from http://www.parliament.nz/NR/rdonlyres/DF47E311-EADC-4A81-A8EB-DFAF5704B717/46851/DBHOH_BILL_6413_29999993.pdf
- Edwards, B. (1996, October 3). Backbench Nats rule out NZ First deal. *Evening Post*, p. 16.
- Edwards, B. (1999, November 20). Prebble dangles by a thread. *Evening Post*, p. 1.
- Elections New Zealand. (2005a). *General elections 1996-2002: Seats won by party*. Retrieved December 6, 2005, from http://www.elections.org.nz/elections/article_126.html
- Elections New Zealand. (2005b). *General elections 1996-2005: Seats won by party*. Retrieved August 8, 2007, from http://www.elections.org.nz/elections/article_126.html
- Elklit, J. (1999). Party behaviour and the formation of minority coalition governments: Danish experiences from the 1970s and 1980s. In W. Muller & K. Strøm (Eds.), *Policy, office or votes?: How political parties in Western Europe make hard decisions* (pp. 63-88). Cambridge, United Kingdom: Cambridge University Press.

- Fisher, F. (1988). *Tutorial papers in science and systems theory*. Clayton: Graduate School of Environmental Science, Department of Geography and Environmental Science, Monash University.
- Fitzsimons, J. (2002a, May 22). *GE bottom line for support of next Govt*. Retrieved December 4, 2003, from <http://www.greens.co.nz/searchdocs/PR5300.html>
- Fitzsimons, J. (2002b March 28). *Greens and Gov't clash over GE moratorium*. Retrieved December 4, 2003, from <http://www.greens.co.nz/searchdocs/PR5167.html>
- Fitzsimons, J. (2003, May 7). *Government shafts Greens over GE committee*. Retrieved December 4, 2003, from <http://www.greens.co.nz/searchdocs/PR6280.html>
- Frankfort-Nachmias, C., & Nachmias, D. (1996). *Research methods in the social sciences* (5th ed.). New York: St. Martin's Press.
- Fraser, I. (Executive Producer) (1996, September, 15). *Meet the press: Election special: Interview with Jim Anderton* [Television broadcast]. Wellington, New Zealand, TV One.
- Friedman, J. R. (1970). Alliance in international politics. In J. R. Friedman, C. Bladen & S. Rosen (Eds.), *Alliance in international politics* (pp. 3-32). Boston: Allyn & Bacon.
- Gamlin, J. (2000a, June 23). Labour's charm offensive saved it from worse predicament. *National Business Review*, 28.
- Gamlin, J. (2000b, June 30). No easy task for Labour to wrest back the initiative. *National Business Review*, 26.
- Gamson, W. A. (1961). Theory of coalition formation. *American Sociological Review*, 26, 373-382.
- Genetic Engineering Moratorium and Commission of Inquiry Bill No. 275-1, 1999.*
- Gharajedaghi, J., & Ackoff, R. (1985). Toward systemic education of systems scientists. *Systems Research*, 2(1), 21-27.
- Gibson, N. (1997, July 11). Confidence boost bypasses coalition. *National Business Review*, 1.
- Gillon, G. (2004). *80% of laws gain broad support; MMP is working*. Retrieved December 9, 2005, from <http://www.progressive.org.nz/modules.php?name=News&file=article&sid=1096>

- Gillon, G., & Kane, P. (2002). *Dear Democrats*. (Available from Democrats for Social Credit, PO Box 18-907, New Brighton, New Zealand)
- Golder, S. N. (2005). Pre-electoral coalitions in comparative perspective: A test of existing hypotheses. *Electoral Studies*, 24(4), 643-663.
- Green Party of Aotearoa New Zealand. (2002, August 26). *Co-operation agreement between the Labour/Progressive Government and the Green Parliamentary Caucus*. Retrieved December 4, 2003, from <http://www.greens.org.nz/searchdocs/other5555.html>
- Green Party of Aotearoa NZ. (2005). *Labour-led Government co-operation agreement with Greens*. Retrieved August 23, 2006, from <http://www.greens.org.nz/searchdocs/other9314.html>
- Greens raise questions over Labour-United alliance. (2002, July 24). *Stuff*. Retrieved June 18, 2007, from Knowledge Basket's Newztext Newspaper database.
- Grofman, B., & van Roozendaal, P. (1994). Towards a theoretical explanation of premature cabinet termination. *European Journal of Political Research*, 26, 155-170.
- Grofman, B., & van Roozendaal, P. (1997). Modelling cabinet durability and termination. *British Journal of Political Science*, 27(3), 419-451.
- Guiasu, S., & Malitza, M. (1980). *Coalition and connection in games: Problems of modern game theory using methods belonging to systems theory and information theory*. New York: Pergamon Press.
- Gustafson, B. (1980). *Labour's path to political independence: The origins and establishment of the New Zealand Labour Party, 1900-19*. Auckland, New Zealand: Auckland University Press.
- Gustafson, B. (1986). *The first fifty years: A history of the New Zealand National Party*. Auckland, New Zealand: Reed Methuen.
- Gustafson, B. (1993). Regeneration, rejection or realignment: New Zealand political parties in the 1990s. In G. R. Hawke (Ed.), *Changing politics? The electoral referendum 1993* (pp. 68-102). Wellington, New Zealand: Institute of Policy studies.
- Hager, N. (2002, July 10). *Book tells the story of GE contamination cover-up*. Retrieved June 18, 2007, from <http://www.scoop.co.nz/stories/HL0207/S00068.htm>

- Harre, L. (2001). The (he)art of a new government. *New Zealand Political Review*, 10(2), 20-23.
- Harre, L. (2001b). *Timeline announced for paid parental leave*. Retrieved June 9, 2005, from <http://www.executive.govt.nz/speech.cfm?speechralph=34635&SR=0>
- Harrington, A. (Ed.). (2005). *Modern social theory: An introduction*. New York: Oxford University Press.
- Henderson, J. T., & Bellamy, P. (2002). *Democracy in New Zealand: International IDEA country study*. Christchurch, New Zealand: Macmillan Brown Centre for Pacific Studies.
- Hill, M. (Ed.). (1997). *The policy process: A reader* (2nd ed.). New York: Prentice Hall.
- Hillebrand, R., & Irwin, G. (1999). Changing strategies: The dilemma of the Dutch Labour Party. In W. Muller & K. Strøm (Eds.), *Policy, office or votes?: How political parties in Western Europe make hard decisions*. (pp. 112-140). Cambridge, United Kingdom: Cambridge University Press.
- Hinish, M., & Ordeshook, P. (1970). Plurality maximisation vs vote maximisation: A spatial analysis with variable participation. *American Political Science Review*, 64(3), 772-791.
- Hopper, J. (1988). Systems theory, system boundaries, system flows. In F. G. Fisher (Ed.), *Tutorial papers in science & systems theory* (pp 43-6). Clayton: Graduate School of Environmental Science, Department of Geography and Environmental Science, Monash University.
- Hunt, G. (1995, May 23). Labour spurns public coalition preference. *National Business Review*, 1.
- Hunt, G. (1996a, May 3). NZ First catapults into second place with 28%. *National Business Review*, 12.
- Hunt, G. (1996b, May 31). Peters consolidates grip on protest vote. *National Business Review*, 1.
- Hunt, G. (1996c, June 28). Too early to celebrate as Peters' support peaks. *National Business Review*, 14.
- Hunt, G. (1996d, July 26). National's fortunes look up as Peters' party dips. *National Business Review*, 14.

- Hunt, G. (1997a, February 21). Coalition fails to convince Kiwis on its economic management. *National Business Review*, 10.
- Hunt, G. (1997b, December 19). National boosted. *National Business Review*, 1.
- International Institute for Democracy and Electoral Assistance. (2002). *The international IDEA handbook on democracy assessment*. Retrieved June 29, 2006, from http://www.idea.int/publications/sod/democracy_assessment.cfm
- Jackson, K. (2003). Parliament. In R. Miller (Ed.), *New Zealand government and politics* (3rd ed., pp. 77-88). Auckland, New Zealand: Oxford University Press.
- James, C. (1996). A constraint on major policy change. In C. James (Ed.), *Understanding MMP: The implications of New Zealand's new electoral system* (pp. 3-5). Wellington, New Zealand: ANZ Treasury.
- James, C. (2003). Unlikely bedfellows. *New Zealand Management*, 50(7), 14.
- James, C. (2005). *Whatever it takes: Government formation after the first four MMP elections*. Retrieved September 8, 2006, from http://www.colinjames.co.nz/speeches_briefings/Parlt_group_05Nov30.htm
- James, C., & McRobie, A. (1993). *Turning point: The 1993 election and beyond*. Wellington, New Zealand: Bridget Williams.
- Jesson, B. (1997). The jester steals the crown. *New Zealand Political Review*, 6(1), 12-17.
- Johansson, J. (2003). Leadership and the campaign. In J. Boston, S. Church, S. Levine, E. McLeay & N. Roberts (Eds.), *New Zealand votes: The general election of 2002* (pp. 59-74). Wellington, New Zealand: Victoria University Press.
- Joseph, P. A. (1982). The Honourable D.F. Quigley's resignation strictly political: Not constitutional. *Canterbury Law Review*, 1, 428-436.
- Joseph, P. A. (2001). *Constitution and administrative law in New Zealand* (2nd ed.). Wellington, New Zealand: Brookers.
- Karp, J. (2002). Members of Parliament and representation. In J. Vowles, P. Aimer, J. Karp, S. Banducci, R. Miller & A. Sullivan (Eds.), *Proportional representation on trial: The 1999 New Zealand general election and the fate of MMP* (pp. 130-146). Auckland, New Zealand: Auckland University Press.

- Kerr, R. (1998, March 18). *The New Zealand Business Roundtable's view of lobbying*. Retrieved November 28, 2005, from <http://www.nzbr.org.nz/documents/speeches/speeches-98/the-nzbr-view-of-lobbying.doc.htm>
- King, G., Alt, J. E., Burns, N. E., & Laver, M. (1990). A unified model of cabinet dissolution in parliamentary democracies. *American Journal of Political Science*, 34(3), 846-871.
- Kitteridge, R. (2006). *The cabinet manual: Evolution with time*. Retrieved August 23, 2006, from <http://www.dPMC.govt.nz/cabinet/reports-and-speeches/the-cabinet-manual.html>
- Klingermann, H., Hofferbert, R., & Budge, I. (1994). *Parties, policies and democracy*. Boulder, CO: Westview Press.
- Labour maintains top party position. (1997, August 14). *Dominion*, p. 2.
- Labour's support drops. (1998, March, 25). *Press*, p. 3.
- Labour's support slips. (2001, November 12). *Dominion*, p. 2
- Labour up again in latest poll. (2002, April 16). *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/section/1/story.cfm?c_id=1&objectid=1392424
- Laugesen, R. (1995a, May 25). Anderton again courts Labour for coalition. *Dominion*, p. 2.
- Laugesen, R. (1995b, May 27). Anderton has 'viper up sleeve': Clark. *Dominion*, p. 2.
- Laugesen, R. (1996, September 23). Old war horses stake out alternatives in run-up to election. *Dominion*, p. 2.
- Laver, M. (1974). Dynamic factors in government formation. *European Journal of Political Research*, 2, 259-270.
- Laver, M. (1997). *Private desires, political action: An invitation to the politics of rational choice*. London: Sage.
- Laver, M., & Budge, I. (Eds.). (1992). *Party policy and government coalitions*. New York: St Martins.
- Laver, M., & Schofield, N. (1990). *Multiparty government: The politics of coalition in Europe*. New York: Oxford University Press.

- Laver, M., & Shepsle, K. (1990). Coalitions and cabinet government. *American Political Science Review*, 84(3), 873-890.
- Laver, M., & Shepsle, K. (1996). *Making and breaking governments: Cabinets and legislatures in parliamentary democracies*. Cambridge, United Kingdom: Cambridge University Press.
- Laver, M., & Shepsle, K. (1998). Events, equilibria, and government survival. *American Journal of Political Science*, 42(1), 28-54.
- Laws, M. (1998). *The demon profession*. Auckland, New Zealand: HarperCollins.
- Layder, D. (1993). *New strategies in social research: An introduction and guide*. Cambridge, United Kingdom: Polity Press.
- Lee, S. (2002). *To Alliance branch chairs throughout New Zealand* (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- Levine, S., & Roberts, N. (2002). The 2002 general election. In R. Miller (Ed.), *New Zealand government and politics* (3rd ed., pp. 219-234). Auckland, New Zealand: Oxford University Press.
- Lijphart, A. (1984). *Democracies: Patterns of majoritarian and consensus government in twenty-one countries*. New Haven, CT: Yale University Press.
- Lijphart, A. (1999). *Patterns of democracy: Government forms and performance in thirty-six countries*. New Haven, CT: Yale University Press.
- Luebbert, G. (1986). *Comparative democracy: Policy making and governing coalitions in Europe and Israel*. New York: Columbia University Press.
- Luhmann, N. (1995). *Social systems* (J. Bednarz, Trans.). Stanford, CA: Stanford University Press.
- Luke, P. (2002, July 1). The battle for Jim's turf. *Press*, p. 11.
- Lupia, A., & Strøm, K. (1995). Coalition termination and the strategic timing of parliamentary elections. *American Political Science Review*, 89(3), 648-665.
- MacLennan, C. (1995, January 19). PM and Nats leader split over coalition strategy. *Dominion*, p. 2.

- Mallard safe in role, but Anderton job unclear. (2002, July 20). *Waikato Times*, p. 2.
- March, J., & Olsen, J. (1984). The new institutionalism: Organisational factors in political life. *American Political Science Review*, 78(3), 734-749.
- Marsh, M., & Mitchell, P. (1999). Office, votes, and then policy: Hard choices for political parties in the Republic of Ireland, 1981-1992. In W. Muller & K. Strøm (Eds.), *Policy, office or votes?: How political parties in Western Europe make hard decisions* (pp. 36-62). Cambridge, United Kingdom: Cambridge University Press.
- Marshall, G. (1993). *Constitutional conventions: The rules and forms of political accountability*. Oxford, United Kingdom: Oxford University Press.
- Martin, J. (2004). *The House: New Zealand's House of Representatives 1854-2004*. Palmerston North, New Zealand: Dunmore Press.
- Martin, K. (2005, September 13). No Dunne deal downtown. *Press*, p. 5.
- Maykut, P. S., & Morehouse, R. (1994). *Beginning qualitative research: A philosophic and practical guide*. London: Falmer Press.
- McCarten, M. (2001). *Alliance President's report*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- McCarten, M. (2002a). *Alliance NZ*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- McCarten, M. (2002b). *President's report to the Alliance Caucus and Council*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- McGrath, J. (1999). The Crown, the parliament and the government. *Waikato Law Review*, 7, 1-22. Retrieved August 8, 2007, from <http://www.crownlaw.govt.nz/uploads/HarkHenry.pdf>
- McGee, D. (1994). *Parliamentary practice in New Zealand* (2nd ed.). Wellington, New Zealand: Government Printer.
- McGee, D. (2005). *Parliamentary practice in New Zealand* (3rd ed.). Wellington, New Zealand: Dunmore Press.
- McLeay, E. (1999). What is the constitutional status of the New Zealand cabinet office manual? *Public Law Review*, 10, 11-16.

- McLeay, E. (2000). The new parliament. In J. Boston, S. Church, S. Levine, E. McLeay & N. S. Roberts (Eds.), *Left turn: The New Zealand general election of 1999* (pp. 203-216). Wellington, New Zealand: Victoria University Press.
- McLeay, E. (2003). Cabinet. In R. Miller (Ed.), *New Zealand government and politics* (3rd ed., pp. 89-105). Auckland, New Zealand: Oxford University Press.
- McLeay, E. (2006a). Leadership in cabinet under MMP. In R. Miller & M. Mintrom (Eds.), *Political leadership in New Zealand* (pp. 92-112). Auckland, New Zealand: Auckland University Press.
- McLeay, E. (2006b). Scrutiny and capacity: An evaluation of the parliamentary committees in the New Zealand Parliament. *Australian Parliamentary Review*, 21(1), 158-182.
- McLoughlin, D. (2005a, September 1). Hide and seek on Lambton Quay. *Dominion Post*, p. 2.
- McLoughlin, D. (2005b, October 22). Strange days on the hill. *Dominion Post*, p. 10.
- McNab, D. (2002). *Research methods in public administration and nonprofit management: Quantitative and qualitative approaches*. New York: M. E. Sharpe.
- McPherson, D. (2001). *News release: Waikato Alliance branch opposes prison decision*. (Available from the Alliance Party, PO Box 123, Auckland, New Zealand)
- McRobie, A. (1995). The electoral system. In P. A. Joseph (Ed.), *Essays on the constitution* (pp. 312-343). Wellington, New Zealand: Brookers.
- Miller, R. (1997). *New Zealand politics in transition*. Auckland, New Zealand: Oxford University Press.
- Miller, R. (1998). Coalition government: The people's choice? In J. Vowles, P. Aimer, S. Banducci & J. Karp (Eds.), *Voters' victory?: New Zealand's first election under proportional representation* (pp. 120-134). Auckland, New Zealand: Auckland University Press.
- Miller, R. (2002). Coalition government: The Labour-Alliance pact. In J. Vowles, P. Aimer, J. Karp, S. Banducci, R. Miller & A. Sullivan (Eds.), *Proportional representation on trial: The 1999 New Zealand general election and the fate of MMP* (pp. 114-129). Auckland, New Zealand: Auckland University Press.

- Miller, R. (2003). *New Zealand government and politics* (3rd ed.). Auckland, New Zealand: Oxford University Press.
- Miller, R. (2005). *Party politics in New Zealand*. South Melbourne, Australia: Oxford University Press.
- Miller, R. (2006). Minor party leadership under proportional representation. In R. Miller & M. Mintrom (Eds.), *Political leadership in New Zealand* (pp. 113-133). Auckland, New Zealand: Auckland University Press.
- Milne, J. (2001, April 10). Rapped Robson falls into line. *Dominion*, p. 2.
- Milne, J. (2002a, April 4). Alliance split: no early poll. *Dominion*, p. 1.
- Milne, J. (2002b, April 22). Anderton supporters kicked out. *Dominion*, p. 2
- MMP Review Committee. (2001). *Inquiry into the review of MMP: Report of the MMP Review Committee*. Wellington, New Zealand: House of Representatives.
- Mold, F. (2001, October 19). You promised, Anderton tells Greens. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/topic/story.cfm?c_id=220&objectid=223497
- Mold, F. (2002, May 6). Survey shows voters don't want early poll. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/feature/story.cfm?c_id=774&objectid=1843711
- Mold, F., & Armstrong, J. (2002, July 22). Poll leap turns Dunne into powerbroker. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/feature/story.cfm?c_id=774&objectid=2098886
- Morelli, M. (1999). Demand competition and policy compromise in legislative bargaining. *American Political Science Review*, 93(4), 809-820.
- Mulgan, R. (1994). *Politics in New Zealand*. Auckland, New Zealand: Auckland University Press.
- Mulgan, R. (2004). *Politics in New Zealand* (3rd ed.). Auckland, New Zealand: Auckland University Press.
- Muller, W. (2000). Political parties in parliamentary democracies: Making delegation and accountability work. *European Journal of Political Research*, 37, 309-333.

- Muller, W., & Strøm, K. (1999). *Policy, office or votes?: How political parties in Western Europe make hard decisions*. Cambridge, United Kingdom: Cambridge University Press.
- Murdoch, S. (1999). MMP: The constitutional and policy challenges. In G. Simpson (Ed.), *Governing under MMP: The constitutional and policy challenges* (pp. 15-20). Wellington, New Zealand: Institute of Policy Studies, Victoria University of Wellington.
- National-Act coalition increasingly likely at next general election. (1998, March 19). *Taranaki Daily News*, p. 6.
- National closes on Labour, poll shows. (2000, July 17). *Press*, p. 9.
- National surges to 5pc lead: Poll. (2000, September 15). *Evening Post*, p. 1.
- New Zealand National Party, & New Zealand First Party. (1999). Coalition agreement between the New Zealand National Party and the New Zealand First Party (11 December 1996). In J. Boston, S. Levine, E. McLeay & N. Roberts (Ed.), *Electoral and constitutional change in New Zealand: An MMP source book* (pp. 316-337). Palmerston North, New Zealand: Dunmore Press.
- New Zealand Parliamentary Debates (NZPD)*. (1996a), 555, 12733-4.
- New Zealand Parliamentary Debates (NZPD)*. (1996b), 557, 14145-52.
- New Zealand Parliamentary Debates (NZPD)*. (1996c), 558, 35.
- New Zealand Parliamentary Debates (NZPD)*. (1997a), 560, 1897, 1917.
- New Zealand Parliamentary Debates (NZPD)*. (1997b), 562, 3432.
- New Zealand Parliamentary Debates (NZPD)*. (1997c), 564, 3908-25.
- New Zealand Parliamentary Debates (NZPD)*. (1998a), 568, 8948.
- New Zealand Parliamentary Debates (NZPD)*. (1998b), 569, 9885-6.
- New Zealand Parliamentary Debates (NZPD)*. (1998c), 570, 10635-6, 11318, 11355, 11356-61.
- New Zealand Parliamentary Debates (NZPD)*. (1998d), 571, 11794-95, 11805-6.

- New Zealand Parliamentary Debates (NZPD)*. (1999a), 575, 7-16.
- New Zealand Parliamentary Debates (NZPD)*. (1999b), 577, 16551-3, 16556-7.
- New Zealand Parliamentary Debates (NZPD)*. (1999c), 581, 580.
- New Zealand Parliamentary Debates (NZPD)*. (2000a), 584, 2935.
- New Zealand Parliamentary Debates (NZPD)*. (2000b), 588, 6357, 7289-97, 7382-93.
- New Zealand Parliamentary Debates (NZPD)*. (2001a), 593, 10170-87.
- New Zealand Parliamentary Debates (NZPD)*. (2001b), 595, 11618, 11895-97, 11996.
- New Zealand Parliamentary Debates (NZPD)*. (2002a), 599, 15231-2, 15478, 15688, 15689, 15784-5, 15793.
- New Zealand Parliamentary Debates (NZPD)*. (2002b), 600, 15935-52, 16256-64, 16366, 16395.
- New Zealand Parliamentary Debates (NZPD)*. (2002c), 601, 16615, 16778, 16792.
- New Zealand Parliamentary Debates: Weekly Hansards. (NZPD)*. (2003), 39, 9122-41.
- New Zealand Parliamentary Debates: Weekly Hansards. (NZPD)*. (2006a), 632, 4321-4400.
- New Zealand Parliamentary Debates: Weekly Hansards. (NZPD)*. (2006b), 633, 4581.
- Newbold, G. (2003). Historical research. In C. T. Davidson, M. Tolich (Ed.), *Social science research in New Zealand: Many paths to understanding* (2nd ed., pp. 287-98). Auckland, New Zealand: Pearson.
- NIST/Sematech. (2006). *E-handbook of statistical methods*. Retrieved May 7, 2007, from <http://www.itl.nist.gov/div898/handbook/eda/section3/eda366j.htm>
- No grand coalition: Peters. (2002, July 24). *Waikato Times*, p. 2.
- NRB. (2002). *Political Issues Research*. (Available from National Research Bureau, PO Box 10-118, Dominion Road, Mt Eden, Auckland, New Zealand)
- Office of the Auditor-General. (2006, April 4). *Inquiry into funding arrangements for Green Party liaison roles*. Retrieved August 8, 2007 from <http://www.oag.govt.nz/2006/greens/docs/greens.pdf>

- Office of the Clerk. (2005). *Making a submission to a parliamentary select committee*. Wellington, New Zealand: House of Representatives.
- O'Sullivan, F. (1996, April 26). Law's fall comes giftwrapped for both National and Act. *National Business Review*, 11.
- Ovens, J. (2002). Strange saga of the Alliance. *Red and Green*, 3, 66-75.
- Palmer, G. (1979). *Unbridled power? An interpretation of New Zealand's constitution and government*. Wellington, New Zealand: Oxford University Press.
- Palmer, G. (1992). *New Zealand's constitution in crisis: Reforming our political system*. Dunedin, New Zealand: McIndoe.
- Palmer, G. (1997). *Bridled power: New Zealand government under MMP* (3rd ed.). Auckland, New Zealand: Oxford University Press.
- Palmer, G., & Palmer, M. (2004). *Bridled power: New Zealand's constitution and government* (4th ed.). Auckland, New Zealand: Oxford University Press.
- Parliamentary Counsel Office. (2004). *Report of the Parliamentary Counsel Office for the year ended 30 June 2004*. Wellington, New Zealand: House of Representatives. Retrieved August 20, 2007, from <http://www.pco.parliament.govt.nz/corporatefile/annualreport/2004/2004report.pdf>
- Parliamentary Service. (2006). *Parliament the place to visit*. Retrieved August 2, 2006, from <http://www.parliament.nz/en-NZ/Visiting>
- Parra-Luna, F. (Ed.). (2000). *The performance of social systems: Perspectives and problems*. New York: Kluwer.
- Patton, M. Q. (2002). *Qualitative research & evaluation methods* (3rd ed.). Thousand Oaks, CA: Sage.
- Perry, P. E., & Webster, A. (1999). *New Zealand politics at the turn of the millennium: Attitudes and values about politics and government*. Auckland, New Zealand: Alpha.
- Peters, W. (1999). *New Zealand can regain greatness with the right economic and social policies 12 May 1999*. Retrieved November 27, 2005, from http://www.nzfirst.org.nz/content/display_item.php?t=1&i=35

- Peters, W. (2002, July 18). *As predicted: Labour turns guns on New Zealand First*. Retrieved July 5, 2007, from http://www.nzfirst.org.nz/content/display_item.php?t=0&i=255
- Peters, W. (2005a, September 7). *Who will New Zealand First go with?* Retrieved July 5, 2007, from http://www.nzfirst.org.nz/content/display_item.php?t=1&i=2092
- Peters, W. (2005b, September 12). *NZ First's position totally clear Peters*. Retrieved July 5, 2007, from http://www.nzfirst.org.nz/content/display_item.php?t=0&i=2095.
- Peters, W. (2005c, September 19). *Peters asks Herald to stop lying*. Retrieved July 5, 2007, from http://www.nzfirst.org.nz/content/display_item.php?t=0&i=2102
- Pickering, H. (1999, May 25). Genetic bill "insupportable". *Timaru Herald*, p. 6.
- Pidgen, C. (2001). Gedda life. *New Zealand Political Review*, 10(2), 24-34.
- Poguntke, T. (1999). Winner takes all: The FDP in 1982-1983: Maximising votes, office, and policy? In W. Muller & K. Strøm (Eds.), *Policy, office, or votes: How political parties in Western Europe make hard decisions* (pp. 216-236). Cambridge, United Kingdom: Cambridge University Press
- Poll: Labour could govern on its own. (2005, September 16). *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/feature/story.cfm?c_id=1&objectid=10345819
- Powell, G. B. (1982). *Contemporary democracies*. Cambridge, MA: Harvard University Press.
- Quigley, D. (1994). The end of one party government in New Zealand. *Public Sector*, 17(1), 2-3.
- Radio New Zealand Newswire. (2005). *Dunne and Brash discuss coalition*. Retrieved July 3, 2006, from http://tvnz.co.nz/view/news_minisite_story_skin/609280
- Residential Tenancies Amendment Bill, As reported by the Social Services Committee: Commentary*. Retrieved August 20, 2007 from http://www.parliament.nz/NR/rdonlyres/0D837394-2C01-4465-8379-E547B8D577E7/46240/DBHOH_BILL_4497_7999991.pdf
- Review deals with disagreement. (2001, April 10). *Dominion*, p. 2.

- Richardson, R. (1998). Introduction. In Graeme Hunt (Ed.), *Why MMP must go: The case for ditching the electoral disaster of the century*. Auckland, New Zealand: Waddington Press.
- Riddell, O. (1994, November 15). Opponents decry Alliance's 12 principles. *Press*, p. 3.
- Riker, W. (1975). *The theory of political coalitions* (6 ed.). New Haven, CT: Yale University Press.
- Riker, W. (1982). *Liberalism against populism: A confrontation between the theory of democracy and the theory of social choice*. San Francisco: W.H. Freeman.
- Royal Commission on the Electoral System (RCES). (1986). *Towards a better democracy: Report of the Royal Commission on the Electoral System*. Wellington, New Zealand: Government Printer.
- Saalfeld, T. (2000). Members of parliament and governments in Western Europe: Agency relations and problems of oversight. *European Journal of Political Research*, 37, 353-376.
- Sartori, G. (1976). *Parties and party systems: A framework for analysis*. New York: Cambridge University Press.
- Saunders, C. (1998). Concluding remarks. In A. Simpson (Ed.), *The constitutional implications of MMP* (pp. 254-259). Palmerston North, New Zealand: Dunmore Press.
- Scherer, K. (1995, January 19). Lee looks to possible deal with Meurant. *Evening Post*, p. 1.
- Schumpeter, J. A. (1943). *Capitalism, socialism, and democracy* (5th ed.). London: Routledge.
- Select Committee on the Electoral Law. (1988). *Report of the Electoral Law Committee: Inquiry into the report of the Royal Commission on the Electoral System*. Wellington, New Zealand: Government Printer.
- Seyd, B. (2002). *Coalition government in Britain: Lessons from overseas*. London: UCL.
- Shaw, R., & Eichbaum, C. (2005). *Public policy in New Zealand: Institutions, processes and outcomes*. Auckland, New Zealand: Pearson.
- Shipley makes presence felt. (1997, May 12). *Evening Standard*, p. 9.

- Shroff, M. (2001). *The role of the secretary of the Cabinet: The view from the Beehive*. Wellington, New Zealand: Faculty of Law, Victoria University of Wellington.
- Simpson, T. (2002). *A policy development process for the forthcoming term*. (Available from Progressive Party, PO Box 33-243, Christchurch 8030, New Zealand)
- Small, V. (1996, May 31). Clark coup defeated. *National Business Review*, 1.
- Small, V. (2000, June 1). Alliance loser in Labour's business drive. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/section/1/story.cfm?c_id=1&objectid=138860
- Small, V. (2002, July 24). Campaign day 24: Peters in government? Not with us, Clark insists. *New Zealand Herald*. Retrieved July 5, 2007, from http://www.nzherald.co.nz/category/index.cfm?c_id=49.
- Small, V. (2004, April 27). Rebel MP throws down challenge to PM. *Dominion Post*, p. 1.
- Smith, L. (1996). MMP: Adventure whose results are unpredictable. *Orchardist*, 69(4), 25.
- Speech from the throne*. (2005). Retrieved August 23, 2006, from <http://www.beehive.govt.nz/ViewDocument.aspx?DocumentID=24330>
- Standing Orders Committee. (1995). *Report on the review of Standing Orders*. Wellington, New Zealand: House of Representatives.
- Standing Orders of the House of Representatives*. (1996). Wellington, New Zealand: House of Representatives.
- Standing Orders of the House of Representatives*. (1999). Wellington, New Zealand: House of Representatives.
- Standing Orders of the House of Representatives*. (2004). Wellington, New Zealand: House of Representatives.
- Standing Orders of the House of Representatives*. (2005). Wellington, New Zealand: House of Representatives.
- State Sector Amendment Bill (No 3), as reported from the Education and Science Committee: Commentary*. Retrieved June 18, 2007, from http://www.parliament.nz/NR/rdonlyres/3A6979FE-94F2-4724-A132-C9D31CFB164C/46613/DBHOH_BILL_5916_179999991.pdf

- Steeds, B. (2002, June 11). Clark sends people to the polls on July 27. *Evening Post*, p. 1.
- Stephens, J. (1996). The Scandinavian welfare states: Achievements, crisis and prospects. In G. Esping-Andersen (Ed.), *Welfare states in transition: National adaptations in global economies* (pp. 32-65). Geneva, Switzerland: United Nations Research Institute for Social Development.
- Strøm, K. (2000). Delegation and accountability in parliamentary democracies. *European Journal of Political Research*, 37, 261-289.
- Strøm, K., Browne, E., Frensdreis, J., & Glieber, D. (1988). Contending models of cabinet stability (in controversies). *American Political Science Review*, 82(3), 923-941.
- Strøm, K., Budge, I., & Laver, M. (1994). Constraints on cabinet formation in parliamentary democracies. *American Journal of Political Science*, 38(2), 303-335.
- Strøm, K., & Muller, W. (1999). Political parties and hard choices. In W. Muller & K. Strøm (Eds.), *Policy, office, or votes: How political parties in Western Europe make hard decisions* (pp 1-35). Cambridge, United Kingdom: Cambridge University Press.
- Strøm, K., & Muller, W. (2000). The keys to togetherness: Coalition agreements in parliamentary democracies. In L. D. Longley & R. Y. Hazan (Eds.), *The uneasy relationships between parliamentary members and leaders* (pp. 255-282). London: Frank Cass.
- Strøm, K., Muller, W., & Bergman, T. (2003). *Delegation and accountability in parliamentary democracies*. New York: Oxford University Press.
- Tax cuts slow Labour surge. (2005, August 26). *New Zealand Herald*. Retrieved June 18, 2007, from Knowledge Basket's Newztext Newspaper database.
- Taylor, K. (2003, October 30). Greens looking to play supply card in 2005. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/topic/story.cfm?c_id=220&objectid=3531455
- Taylor, M., & Herman, V. M. (1971). Party systems and government stability. *American Political Science Review*, 65(1), 28-37.
- Thomas, D. R. (2000). *Qualitative data analysis: Using a general inductive approach*. Auckland, New Zealand: Health Research Advisory Service, University of Auckland.

- Thompson, W. (2005, September 7). Brash and Dunne at coffee rendezvous. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/section/1/story.cfm?c_id=1&objectid=10344404
- Trotter, C. (1997, March 27). Are the pollsters measuring or making public opinion? *National Business Review*, 14.
- Trotter, C. (1999, May 27). Labour Creates genetics monster. *Waikato Times*, p. 6.
- Tsebelis, G. (1995). Decision making in political systems: Veto players in presidentialism, parliamentarism, multicameralism and multipartyism. *British Journal of Political Science*, 25(3), 289-325.
- Tsebelis, G. (1999). Veto players and law production in parliamentary democracies: An empirical analysis. *American Political Science Review*, 93(3), 591-608.
- Tunnah, H. (2002, July 24). Party let leader down: Prebble. *New Zealand Herald*. Retrieved 2007, July 5, from http://www.nzherald.co.nz/feature/story.cfm?c_id=774&objectid=2147181
- TV One. (1993, November 6). *Election night special* [Television broadcast]. Wellington, New Zealand: Author.
- TV One. (2005, August 22). *Leaders' debate: Don Brash and Helen Clark*. [Television broadcast]. Wellington, New Zealand: Author.
- Twyford, C. (1996). *Alliance plans strong campaign to oust New Zealand right*. Retrieved November 27, 2005, from <http://www.greenleft.org.au/back/1996/216/216p15.htm>
- United Future New Zealand. (2002). *Confidence and supply*. Retrieved December 4, 2003, from <http://www.unitedfuture.org.nz/confidence/index.php>
- Venter, N. (1998, August 7). Peters rejects rumours about breakaway party. *Press*, p. 3.
- Venter, N. (2002, July 23). More suitors vie for hand of 'black widow'. *Dominion Post*, p. 1.
- Volden, C., & Carrubba, C. (2004). The formation of oversized coalitions in parliamentary democracies. *American Journal of Political Science*, 48(3), 521-537.
- Vowles, J. (1998). Countdown to MMP. In J. Vowles, P. Aimer, S. Banducci & J. Karp (Eds.), *Voters' victory? New Zealand's first election under proportional representation* (pp. 12-27). Auckland, New Zealand: Auckland University Press.

- Vowles, J. (2002a). Did the campaign matter? In J. Vowles, P. Aimer, J. Karp, S. Banducci, R. Miller & A. Sullivan (Eds.), *Proportional representation on trial: The 1999 New Zealand general election and the fate of MMP* (pp. 16-33). Auckland, New Zealand: Auckland University Press.
- Vowles, J. (2002b). What happened at the 1999 election? In J. Vowles (Ed.), *Proportional representation on trial: The 1999 New Zealand general election and the fate of MMP* (pp. 83-98). Auckland, New Zealand: Auckland University Press.
- Vowles, J. (2004). Estimating change during the campaign. In J. Vowles, P. Aimer, S. Banducci, J. Karp & R. Miller (Eds.), *Voters' veto: The 2002 election in New Zealand and the consolidation of minority government* (pp. 33-47). Auckland, New Zealand: Auckland University Press.
- Vowles, J., & Aimer, P. (2003, April 12-14). *What happened at the 2002 election?* Paper presented at the New Zealand Political Studies Association Conference, Auckland, New Zealand. Retrieved June 18, 2007, from http://www.nzes.org/docs/papers/NZPSA_2003.pdf
- Vowles, J., & Aimer, P. (2004). Political leadership, representation and trust. In J. Vowles, P. Aimer, S. Banducci, J. Karp & R. Miller (Eds.), *Voters' veto: The 2002 election in New Zealand and the consolidation of minority government* (pp. 167-183). Auckland, New Zealand: Auckland University Press.
- Vowles, J., Aimer, P., Banducci, S., & Karp, J. (1998). *Voters' victory? New Zealand's First election under proportional representation*. Auckland, New Zealand: Auckland University Press.
- Vowles, J., Aimer, P., Banducci, S., Karp, J., & Miller, R. (2004). *Voters' veto: The 2002 election in New Zealand and the consolidation of minority government*. Auckland, New Zealand: Auckland University Press.
- Vowles, J., Aimer, P., Catt, H., Lamare, J., & Miller, R. (1995). *Towards consensus? The 1993 general election in New Zealand and the transition to proportional representation*. Auckland, New Zealand: Auckland University Press.
- Wallis, J., & Dollery, B. (1997). Autonomous policy leadership: Steering a policy process in the direction of a policy quest. *Governance: An International Journal of Policy and Administration*, 10(1), 1-22.

- Ward, S. (1996, December 13). Winston Peters rated as the leader we love to hate the most. *National Business Review*, 14.
- Ward, S. (1997, January 17). Pre-coalition nerves robbed us of economic confidence. *National Business Review*, 14.
- Warren, J., Taylor, N., Davidson, C., & Goodrich, C. (1992). *Systems theory and social assessment: Opportunities for mutual development*. Wellington, New Zealand: DSIR Social Science.
- Warwick, P. (1979). The durability of coalition governments in parliamentary democracies. *Comparative Political Studies*, 11, 465-498.
- Warwick, P. (1992a). Ideological diversity and government survival in western democracies. *Comparative Political Studies*, 25, 332-361.
- Warwick, P. (1992b). Rising hazards: An underlying dynamic of parliamentary government. *American Journal of Political Science*, 36(4), 857-876.
- Warwick, P. (1994). *Government survival in parliamentary democracies*. New York: Cambridge University Press.
- Warwick, P. (1998). Policy distance and parliamentary government. *Legislated Studies Quarterly*, 23(3), 319-345.
- Warwick, P. (2000). Policy horizons in West European parliamentary systems. *European Journal of Political Research*, 38, 37-61.
- Warwick, P. (2001). Coalition policy in parliamentary democracy: Who gets how much and why? *Comparative Political Studies*, 34(10), 1212-1236.
- Watkins, T. (2005, September 7). Dunne could be new kingmaker. *Dominion Post*, p. 1.
- Weiner, M. (1987). Empirical democratic theory. In M. Weiner & E. Ozbudun (Eds.), *Competitive elections in developing countries* (pp. 33-4). Durham, NC: Duke University Press.
- Wilson, P. (2002, July 22). Once bitten, twice shy. *Stuff*. Retrieved June 18, 2007, from Knowledge Basket's Newztext Newspaper database.

Young, A. (2005a, August 27). NZ First supporters split on coalition. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/section/1/story.cfm?c_id=1&objectid=10342676

Young, A. (2005b, August 26). National and Greens gain support. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/section/1/story.cfm?c_id=1&objectid=10342541

Young, A. (2005c, September 16). Poll: Labour could govern on its own. *New Zealand Herald*. Retrieved June 18, 2007, from http://www.nzherald.co.nz/section/1/story.cfm?c_id=1&objectid=10345819