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The New Social Democracy in New Zealand

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Abstract

The formation of the Labour-Alliance government, on December 6 1999, held out the promise of a break from the previous fifteen years of neoliberal rule, to a more social democratic orientation. This 'more social democratic' direction can be explained through a new and developing body of theory known as the new social democracy. This thesis asks the question: to what degree can the Labour-Alliance coalition government of 1999-2002 be described as new social democratic in nature?

It begins by arguing that new social democracy is an attempt by social democrats to take account of the various social and economic changes which have occurred over the course of the last thirty years or so. It can be characterised by four key features: investment in human capital; redistribution through active equality of opportunity; facilitative government; and reciprocal obligations. These form a template which is employed as a means of assessing the degree to which the government was new social democratic in nature.

Having established this template, the thesis adopts a two-fold approach to the analysis. First it assesses two key areas of policy: regional and industry development, and the employment strategy. A close scrutinisation of policy allows a micro-perspective on a government. However, this is necessarily limited in terms of what it reveals about the wider context. For this reason the second part of the approach will broaden the analysis and take in the government as a whole. The thesis concludes that the Labour-Alliance government was cautiously new social democratic in nature. While it did not make a profound break with the previous regime's neoliberal emphasis, it did nonetheless symbolise a new direction. However, the ultimate extent to which this truly differs from the previous fifteen years of neoliberalism will depend on the degree to which the centre-left – primarily Labour – forges a new orthodoxy based on new social democracy.

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Acronyms

CE	Chief Executive
CEG	Community Employment Group
CEO	Community Employment Organisation
ECA	Employment Contracts Act
ERA	Employment Relations Act
IC & A	Industrial, Conciliation and Arbitration act
MED	Ministry of Economic Development
MRI	Major Regional Initiatives
MSD	Ministry of Social Development
NZLP	New Zealand Labour Party
RBA	Reserve Bank Act
RDP	Regional Development Programme
RPP	Regional Partnership Programme
TEC	Tertiary Education Commission
ULP	United Labour Party