

HERTZ VS AVIS POLITICS

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Labour and National are forever trying to convince us that they are miles apart ideologically, and hence it makes a big difference which one of them is elected to lead the country. Therefore it's refreshing when any of their advocates drop the guise and tells the plain truth. *Sunday Star-Times* columnist Matthew Hooton has been a political and media strategist for Don Brash and John Key and has written a column where he admits that a new policy consensus has emerged between the parties. His comments are worth quoting at length.

Although citing some minor differences on issues like law and order, Hooton makes the following summary:

Roughly speaking, our main political figures have reached a consensus: they're right on economics, left on social issues, green on the environment, "independent" on foreign policy and stand for justice-without-guilt on treaty issues. Even on tax, the defining policy issue of the 2005 election, Bill English and Michael Cullen are both committed to ongoing cuts. Key appears completely relaxed about the unions' dream of the minimum wage reaching \$12 an hour.

Furthermore, although National normally paints Labour as being economically 'socialist' and ruining the neoliberal economic reforms, Hooton says that actually, 'With the exception of industrial relations, Labour has done almost nothing to change the legacy of Sir Roger Douglas and Ruth Richardson, and even the 1990 benefit cuts remain in place'. Likewise, he admits that National in government would have reformed less than it suggested: 'Institutions like the Human Rights Commission and TVNZ newsreaders saying "kia ora" were always safe, even under a Don Brash-led government. US aircraft carriers were never going to anchor off Rangitoto. Every MP rejoices when a treaty grievance is resolved'.

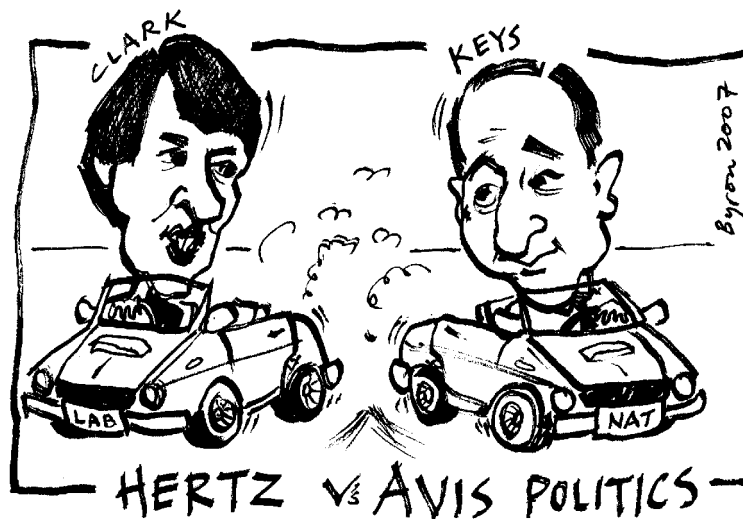
TAX CUT DUET

We've ended up with two very similarly centrist parties vying for power. Hooton calls this 'Hertz-vs-Avis politics', and says we're headed for even more of it in 2007. Of course there are still variations between the parties – just as there's differences between rental car companies – but the point is that the similarities between National and Labour are now much more significant than any differences.

Even on the issue of tax cuts, which was as an issue central to the last election, National's finance spokesperson Bill English now says a National Government would only cut taxes 'as and when' it became affordable and responsible. Even Michael Cullen recognises and

welcomes their policy agreement: 'Bill's position now on tax cuts is extraordinarily similar to the Government's – they won't be large, they'll be incremental and they will be as they can be afforded and fiscally responsible. I welcome him aboard...'

Furthermore, National says that they would make no major changes to employment law. Leader John Key says 'we haven't argued for some time that we would go all the way back to the Employment Contracts Act, largely because the Employment Relations Act is 85 per cent a rewrite of the Employment Contracts Act anyway'.



RIGHT IN THE MIDDLE

Clearly the ideological burp of Don Brash is now over, and National is returning to its historic place as a muddle in the middle of the political spectrum, just a fraction to the right of Labour. The

arrival of John Key at the helm of the National Party clearly represents a significant shift within the party away from any radical and ideological distinctiveness.

Key is clearly a highly pragmatic and opportunist politician who will run National in a more sophisticated way. A good indication of how pragmatic Key is – and how his pragmatism is a more important characteristic to understand than his ideology – is how he orientated himself to a number of social issues. Although he is said to be an 'urban social liberal', he actually voted 'against the Civil Union bill and favoured a split drinking age - raising the purchasing age to 20'. According to a *Herald* report by Ruth Berry, 'his stance on some conscience issues reflected his conservative electorate, rather than his own private views' – i.e. he will sacrifice any belief in favour of strategy and what his audience demand.

This approach mirrors Key's background in financial currency trading – a field in which he clearly excelled – because as another futures trader points out, an essential quality of this profession is extreme flexibility: 'You need to

be able to change your view, or change your opinion, if the market starts doing something different to what you thought it was going to do'. It is obvious that Key is adept at changing direction.

Even prior to his leadership role, Key has played a strong role in pushing National towards the centre. As Ruth Laugesen points out, prior to last year's election he was important 'on everything from getting National to support the Cullen superannuation fund, to ensuring National's tax cuts targeted the middle classes instead of the rich.'

And since the election 'Key popped up as an apparent moderate on racial issues, as one of those in the party saying Brash's hardline position on the Maori seats might need to be moderated.' It is clear that the existing 'race relations consensus' is still firmly in place - all parliamentary parties are clearly signed up to it. The language of inclusiveness and diversity continues to reign supreme. Now that he's leader, Key firmly states: 'I believe in a tolerant and inclusive New Zealand'. While he reiterates his belief in 'one standard of citizenship', Key is a pains to announce that 'within that standard of citizenship we should celebrate the cultural, religious and ethnic differences we all bring to New Zealand.... I welcome the Maori renaissance, and some of the great initiatives like the kohanga reo movement which have come from Maori, for Maori.' This is quite a different tone to Brash. He even states that he disagreed with the view that Maori received 'special privileges.

In line with all this, Key has signalled a sweeping review of National's policies - and in particular those relating to race relations. Already National's position on the Maori seats has shifted - backtracking from a policy of abolishing them immediately to dropping them in 2014, which puts National closer to the Maori Party, who also say that eventually the seats should disappear, but not for some time.

BLUE IS THE NEW GREEN

All of this is in line with Key's genuine and smart intention of 'building bridges' with other parties. He has already started to 'position the party closer to the Greens on environmental issues' according to one report. In particular, Key has emphasised how much needs to be done on climate change. And even on the uncomfortable issue of nuclear ship visits, Key has put this bogey to rest by unequivocally stating: 'For as long as I am leader of the National Party, the nuclear-free legislation will remain intact.'

In another recent speech, Key has also been reaching out subtly, according to Ruth Berry, 'to the gay community, as well as to solo parents, saying he was not interested in pre-judging the make-up of New Zealand families.'

It is not only Key becoming leader that is pushing National towards the centre - the whole new configuration of the 'shadow cabinet' tilts more to the centre than before. Katherine Rich has been brought back onto the front bench after being dismissed from her Welfare role after disagreeing with Brash's 2005 Orewa speech. Likewise, Georgina Te Heuheu has been reinstated as Maori Affairs spokesperson. Also noteworthy is Simon Power jumping in caucus rankings from seven to four. And the Political Correctness Eradication role has been 'eradicated' by Key.

Also very significant is the replacement of the buffoonish Gerry Brownlee by Bill English. English is undoubtedly a more intellectual MP with an appreciation of National's need to keep away from the radical economic right. What's more, he's relatively socially liberal too. And in terms of the leader's staff,

Richard Long has already departed as chief of staff, and Key has sacked Brash's far-right (yet also pragmatic) policy adviser, Peter Keenan.

It is clear that Key's National Party stands a good chance of winning the next election. As Colin James says, 'He will win back liberal non-voters in 2005 and win votes off Labour whom Don Brash could not reach.'

SWAMP

POLITICS

But National won't win because they constitute any alternative to Labour - after all they merely occupy the same mushy swamp that makes up the centre of NZ politics. Their victory will be more because they are fresher and relatively more dynamic in appearance. As new National MP Chester Borrows says, 'if there is going to be a narrowing of the gap between National

and Labour as far as policy goes, the public are always going to want to hear it from a younger and fresher team.'

There is no doubt that Key represents business and will push to look after their interests of the rich. After all, although he once lived in a state house, he now lives in an \$8m Parnell home, and is said to be personally worth about \$50m. But Key is not the usual born-to-rule Nat with little understanding of other perspectives. Obviously his background of being brought up by a Jewish-Austrian widower in a Christchurch state house means he can't as easily be dismissed as your usual ruling class politician.

National is now even posing as 'the party working for the poor and dispossessed' - through highlighting the substantial poverty and social exclusion that exists in New Zealand. Although this is a con - after all it has been National governments that have significantly added to the problem - the fact that National can just about get away with voters believing their newfound concern shows how disengaged the Labour Party are from working people and their needs. When John Key recently brought up the issue of those at the bottom of scrap heap, Helen Clark's response was to become the first official 'underclass denier', saying there was no problem with poverty in New Zealand.

The lesson should be that neither of the parties is worker-friendly. As one labour activist put it a few years ago: 'The working class are always being stabbed in the back by the Labour Party - and the National Party are probably worse, but at least they stab you in the front!'

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WORKERS PARTY PLATFORM:

1. Opposition to all New Zealand and Western intervention in the Third World and all Western military alliances.
2. Jobs for all with a living wage and shorter working week.
3. For the unrestricted right of workers to organise and take industrial action and no limits on workers' freedom of speech and activity.
4. For working class unity and solidarity - equality for women, Maori and other ethnic minorities and gay men and women; open borders and full rights for migrant workers.
5. For a working people's republic.