

## Part 1 Introduction: The contest of political ideas

The Manukau City Council works in a world of uncertainty, complexity, diversity and change. That is also true of regional and central governments, as well as of international relations generally. It is a time of risk and of opportunity, of threat and challenge. This same situation applies to the realm of political ideas, political values and the moral philosophies embedded in them.

Politicians are not held in as high regard as they should be. There is also widespread suspicion of governments and a mistrust of those who exercise authority. As Anthony Giddens argues: 'If political thinking is going to recapture its inspirational qualities, it has to be neither simply reactive nor confined to the everyday and the parochial. Political life is nothing without ideals, but ideals are empty if they don't relate to real possibilities. We need to know both what sort of society we would like to create and the concrete means of moving towards it,' (Giddens, 1998, p2).

Elie Wiesel, novelist and Nobel Prize winner who lost his family in Auschwitz, crystallised a set of ideas in his writing about a humane society. Robert McAfee Brown drew them together in this way:

- a humane society is one that takes full account of the personhood of all its members, particularly its children
- in it, falsehood never takes on the mask of truth
- it will be compassionate rather than vindictive
- it will express special concern for the powerless

- it is important for individuals and groups to be concerned with the powerless, to establish places where the voiceless are able to speak on their own behalf, to have a part in the creation of their own destinies
- it will be a society of participants rather than spectators
- it will cling to hope rather than succumb to despair
- it will be perpetually unfinished
- a humane society will not be one in which all questions have been answered but one in which all questions will continue to be asked. It will be characterised by ongoing challenges to complacency, ongoing pleas for defiance, ongoing refusals to accept things as they are (McAfee Brown, 1983, pp. 203–208).

A vision of this kind strikes a chord with people. How can it become an engine for a humane politics? How can it be linked to a political philosophy and a set of explicitly political values that help shape the responsible use of power and that contribute to bringing to birth a society of this kind?

The face of political thought has been changing also. The break up of the Soviet Union has had a significant impact on the claims of Marxist and socialist approaches to leadership in political ideas. As Anthony Giddens notes:

'Socialism was first of all a philosophical and ethical impulse but well before Marx it began to take on the clothing of an economic

doctrine. Marx, it was, however, who provided socialism with an elaborated economic theory. He also placed socialism in the context of an encompassing account of history... Socialism seeks to confront the limitations of capitalism in order to humanize it or to overthrow it altogether. The economic theory of socialism depends upon the idea that, left to its own devices, capitalism is economically inefficient, socially divisive and unable to reproduce itself in the long term... For Marx, socialism stood or fell by its capacity to deliver a society that would generate greater wealth than capitalism and spread that wealth in more equitable fashion. If socialism is now dead, it is precisely because these claims have collapsed' (Giddens, 1998, pp. 3–4).

In the West after World War Two, it was not socialism but social democracy that came to the fore. It was moderate. It sought and enjoyed parliamentary majorities. It was egalitarian, supported a mixed economy, the welfare state, and was generally Keynesian in its economic focus. Labour and social democratic parties were its vehicle. While there was a strong family resemblance among them, there were also substantial variations, in different national settings.

There were real fears that the conflict between the United States and the Soviet Union in the 1960s could lead to the latter becoming the dominant economic power. That did not occur. One of the reasons was that socialist economic theory underestimated the capacity for innovation, adaptation and the generation of increased productivity in capitalist forms of organisation. (Giddens, 1998, pp. 4–5). It also failed to grasp the nature of markets as information systems in which price signals provided data for buyers and sellers to make economic choices. These weaknesses became apparent with the intensification of globalisation and technological change that began to accelerate in the 1970s. (Giddens, 1998, p. 5).

Social democracy also began to face challenges from a resurgent neo-liberalism with its roots in Friedrich Hayek and later in Milton Friedman and the Chicago School. It was a case of Adam Smith *redivivus*. There was a strong belief in the desirability of the minimal state, in a possessive individualism under the guise of personal freedom and in free markets as the most efficient and effective means of allocating social and economic resources.

Ronald Reagan and Margaret Thatcher were in the political vanguard that put these theories into practice. Deregulation, privatisation, monetarist policies, a shrinking of the public sector, and free-market approaches were marks of what became known as the Washington Consensus.

Nor was New Zealand immune from neo-liberal trends. The 1984 Labour Government introduced sweeping reforms in the New Zealand experiment. These moves under Rogernomics were followed by Ruthanasia with the election of a National Government. The 1991 'mother of all budgets' slashed benefits and continued the dismantling of the welfare state.

In the world of political ideas, the primary contestants are now social democracy and neo-liberalism. While green philosophies and a compassionate conservatism are becoming more influential, in terms of combined intellectual influence and institutional power, it is more of a two-horse race.

Again the analysis of Anthony Giddens provides a useful guide. He summarises classical social democracy (the old Left) in the following way:

- pervasive state involvement in social and economic life
- state dominates over civil society
- collectivism
- keynesian demand management, plus corporatism
- confined roles for markets: the mixed or social economy
- full employment
- strong egalitarianism
- comprehensive welfare state, protecting citizens 'from cradle to grave'
- linear modernisation
- low ecological consciousness
- internationalism
- belongs to bipolar world (Giddens, 1998, p. 7).

For neo-liberalism (the new Right) he notes the following features:

- minimal government
- autonomous civil society
- market fundamentalism
- moral authoritarianism, plus strong economic individualism
- labour market clears like any other
- traditional nationalism
- welfare state as safety net
- linear modernisation
- low ecological consciousness

- realist theory of international order
- belongs to bipolar world (Giddens, 1998, pp. 27–28).

It is Giddens' wish to renew social democratic thinking. He maintains that this cannot be achieved in an integrated way unless five dilemmas are considered and at least preliminary answers to the questions they pose formulated (Giddens, 1998, pp. 27–28).

The first dilemma relates to globalisation: what it is and its implications. The second concerns individualism: in what sense are modern societies becoming more individualistic? To what extent are tradition and custom retreating from our lives? What does this mean for a new balance between individual and collective responsibilities? The third is about Left and Right. What are we to make of the suggestion that this distinction has ceased to mean anything? The fourth question is linked with political agency. Is politics migrating away from orthodox mechanisms of democracy? What needs to be done to change governance to take account of changes in society and the desire for public participation in policy-making between electoral cycles? The fifth dilemma deals with ecological problems. How can issues of sustainability and sustainable development along with global warming, climate change and the reduction of greenhouse gas emissions be integrated into social democratic politics?<sup>1</sup>

The issues associated with the 'Third way' and suggestions about the renewal of social democracy will be explored later and the debate that Giddens' work has encouraged will be analysed further. The reasons for introducing it in this section are that local government as well as regional and central government are affected by the discussion of

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1. The analysis in this part of the study draws extensively on Giddens' work.

political ideas and values and their contribution to charting broader political directions.

Also while political philosophies are seldom discussed at local government level they are often present implicitly in policy debates. It is also possible to characterise the history of policy development in the Manukau City Council as being generally social democratic in its orientation, rather than predominantly conservative or neo-liberal. For that reason the renewal of social democracy should be of more than passing interest.

An additional reason for introducing themes from international commentary is that Manukau City is not an island. The life of its peoples is shaped by forces and issues and policies that are generated from beyond its boundaries from international, national and regional contexts. If the Manukau City Council wishes to make a real difference with its policies, programmes and projects, a key will be its ability to respond to, adapt and harness these forces in ways that will promote the interests and well-being of its residents and communities rather than damage them.

The final reason for this initial focus on political philosophy is that there are conflicting views about the nature of communities and the appropriate role of the state in social democracy and neo-liberalism.

Margaret Thatcher's celebrated dictum: 'There is no such thing as society, only individuals' reflected a common neo-liberal view. The reduction of state intervention in civil society to allow the little platoons to flourish was an important way of encouraging the virtues of self-help and mutual aid. The welfare state, it was maintained, crushed individual initiative and created social apathy. Markets thrived on individual initiative, so any damage they produced was minimal. The removal of the dead hand of government and bureaucracy from civil society would produce the greatest good for the wider community in similar ways that

the invisible hand linked self-interested action with the common good in markets.

Social democracy has a stronger view of communities and a different approach to the state. Communities are not romanticised but are seen as an expression of our human interdependence and as a reflection of our social and historical being. As Karl Barth argues,

'In its basic form humanity is fellow-humanity. Everything else which is to be described as human nature and essence stands under this sign to the extent that it is human. If it is not fellow-human... it is not human' (Barth, 1960, p. 285).

The vision of the atomistic individual, isolated and self-sufficient that informs neo-liberalism is regarded as illusory. Human beings exist in distinction from but also in relation to one another. People are not isolated Robinson Crusoes but live with and for others. They are born into society, social arrangements, historical situations, and relationships that define their self-understanding and identity.

Rather than supporting a minimal state, modern social democracy focuses on an enabling state. A primary function of the state is to enable communities to flourish.

That entails working through three questions:

1. Who should the state be enabling?
2. How should it enable them?
3. What should it enable them to do?

In terms of Manukau City with its traditional emphasis on people and communities these insights are germane. How can the council work more effectively with and for the city's communities? How can its policies, programmes and projects help build stronger, healthier and flourishing communities?