Towards a Neoliberal Citizenship Regime:

A Post-Marxist Discourse Analysis

A thesis in partial fulfilment of the requirements
for the degree of Doctor of Philosophy
at the University of Waikato, Hamilton, New Zealand.

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2007

Abstract

This thesis is empirically grounded in New Zealand's restructuring of unemployment and taxation policy in the 1980s and 1990s. Theoretically it is inspired by a post-Marxist discourse analytical approach that focuses on discourses as political strategies. This approach has made it possible, through an analysis of changing citizenship discourses, to understand *how* the neoliberalisation of New Zealand's citizenship regime proceeded via debate and struggle over unemployment and taxation policy.

Debates over unemployment and taxation in New Zealand during the 1980s and 1990s reconfigured the targets of policy and re-ordered social antagonism, establishing a neoliberal citizenship regime and centring political problematic. This construction of a neoliberal citizenship regime involved re-specifying the targets of public policy as consumers and taxpayers. In exploring the hegemonic discourse strategies of the Fourth Labour Government and the subsequent National-led governments of the 1990s, this thesis traces the process of reconfiguring citizen subjectivity initially as 'social consumers' and participants in a coalition of minorities, and subsequently as universal taxpayers in antagonistic relation to unemployed beneficiaries. These changes are related back to key discursive events in New Zealand's recent social policy history as well as to shifts in the discourses of politicians that address the nature of the public interest and the targets of social policy.

I argue that this neoliberalisation of New Zealand's citizenship regime was the outcome of the hegemonic articulatory discourse strategies of governing parties in the 1980s and 1990s. Struggles between government administrations and citizen-based social movement groups were articulated to the neoliberal project. I also argue that in the late 1990s, discursive struggle between the dominant parties to define themselves in difference from each other reveals both the 'de'contestation of a set of neoliberal

policy prescriptions, underscoring the neoliberal political problematic, and the privileging of a contributing taxpayer identity as the source of political legitimacy.

This study shows that the dynamics of discursive struggle matter and demonstrates how the outcomes of discursive struggle direct policy change. In particular, it establishes how neoliberal discourse strategies evolved from political discourses in competition with other discourses to become the hegemonic political problematic underscoring institutional practice and policy development.

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CHAPTER ONE

Constructing a neoliberal citizenship regime in New Zealand 1980-2000

Introduction

New Zealand's taxation and unemployment policies were radically reformed in the 1980s and 1990s, challenging established discourses and practices of citizenship. The rationale for New Zealand's radical restructuring was to improve the efficiency of the economy by encouraging the market allocation of resources and incomes. Market or market-like regulation was therefore steadily introduced into policy areas that were previously considered within the ambit of state regulation. In this context, discourses of 'unemployment' and 'taxation'—both issues central to the restructuring—broke out of specialist enclaves and became the focus of broad political debate (Higgins, 1997; New Zealand Planning Council, 1980, 1981a, 1981b). Changes to policies in these areas sought to significantly challenge the previous citizenship regime which emphasised the policies of full employment and taxation credits (Belgrave, 2004, p.32; Castles, 1985). Despite the significance of this issue, however, little or no scholarly attention has been given to a discursive analysis of the links between the restructuring of taxation and unemployment policies and changing forms of citizen representation in political discourse.

The neoliberalisation of New Zealand's citizenship regime and political problematic was the outcome of a complex of discursive struggles over ideology that took place in numerous sites at the interface between state, economy and civil society. This thesis focuses on the political dimensions of New Zealand's process of neoliberalisation and

for this reason concentrates on struggles between governing administrations and Opposition parties in the political field and between governing administrations and citizen-based counter-hegemonic groups. It draws attention to the political and discursive processes through which citizen subject positions are constructed, contested and renegotiated. A subject position is a discourse of the subject that speaks to the position of the subject in social, economic and political relations. The theory of subject positions stems from Althusser's (1971) critique of the view that the subject is the source of his/her own actions and beliefs. Instead, he argued that subjects are discursively constructed, hailed or interpellated. In other words, individuals acquire knowledge of who they are and their role in society by being positioned in certain ways by discourses, customs, beliefs etc with which they come to identify[1].

New Zealand's neoliberalisation through the 1980s and 1990s significantly included shifts in taxation and unemployment policy. In unemployment policy there was a shift away from state responsibility for full employment and maintenance of the right to a fair wage (Castles and Shirley, 1996) towards the positioning of employment and wage rates as a function of the economy rather than of politics (New Zealand Department of Labour, 1985). In taxation policy, New Zealand's highly progressive income tax schedule was flattened and an essentially regressive Goods and Services Tax (GST) was introduced in 1986 (Stephens, 1990). These reforms, in particular, disarticulated the connection between the social citizenship right to an income and the broader discourse of redistribution and, ultimately, were central to the rolling back of New Zealand's distinctive "wage earners' welfare state" (Castles, 1985, p.102).

During the late 1990s, a number of neoliberal policy prescriptions and rationales were transformed from being the subject of political contestation and debate to become un-contested background assumptions of policy practice and development. In particular,

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[1] Citizen subjectivity on the other hand involves the active taking up of citizen subject positions. This analysis focuses on the constitution of new subject positions. Whether the subject positions identified in the thesis have been taken up beyond the political field is a question that is beyond the scope of this research.

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labour market participation became the new and exclusive basis of social membership whereas, previously, a wider range of socially useful activities were supported and interpreted as expressions of contribution and membership. In addition, the flattening of the income tax rate scale and the shift from a wage earners' welfare state to a neoliberal workfare policy paradigm was evident in the residualisation of New Zealand's welfare benefit system and the use of social policy as an instrument for promoting both labour market flexibility and new citizen subject positions consistent with a vision of New Zealand as a "competitive enterprising nation" (New Zealand National Party, 1990a, p.10).

This thesis explores the consolidation of a broad neoliberal policy direction via an analysis of the shifting focus of discursive struggle in the political field. During the 1990s, the focus of this struggle shifted from the direction of economic and social policy to a struggle for moral authority via contestation over discourses of social justice, fairness and equality of opportunity. Struggle over these moral discourses, central to the consolidation of a neoliberal citizenship regime, redefined the ideological reference points by which policies are assessed. Furthermore, this struggle between the social democratic Labour party and neo-conservative National party to define themselves in difference from each other, in moral terms, reflects both the consolidation of a neoliberal policy consensus and its demarcation into social democratic and neo-conservative moral dialects.

This study focuses on the consolidation of a neoliberal citizenship regime in New Zealand as the political component of a wider shift to a neoliberal mode of development.[2] I examine the changing modes of political interpellation,[3] constitutive of the shift from a social democratic to a neoliberal citizenship regime, and explore processes of ideological struggle over discourse and articulation that led to the

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[2] Defined in terms of the package of policies referred to as the Washington Consensus.
[3] Following Stuart Hall, interpellate means to "speak to us or hail us into place as the social subjects of particular discourses" (Hall, 1996a, p.5). Interpellation was originally introduced by Althusser (1971) in his essay 'Ideological State Apparatuses'.

consolidation of a neoliberal centring political problematic[4] and citizenship regime in New Zealand's political field.

This research provides an account of the ideological struggle over discourse deployed by participants in the restructuring of taxation and unemployment policy. It shows how the ideological struggle between competing discourses contributed to the emergence and consolidation of a new, neoliberal citizenship regime. The embedding of a neoliberal citizenship regime in New Zealand included the re-ordering of the moral economy of citizenship and the construction of a mode of subjective identification based on an expanded discourse of the taxpayer.

Citizenship discourses are central because they enlist the subject to act, *to identify* with the subject positions and discourses connected to particular political projects. The movement from subject to citizen involves the internalisation of both a personal ethic and set of purposes. In this way citizenship discourses are quintessentially mobilising. Most analyses of New Zealand's restructuring have failed to stipulate the problem of representation and identity formation. A focus on the construction of citizen subject position marks this research as distinct from an approach that asks: In whose interests are New Zealanders constructed as taxpayers? Rather, this study enquires into the processes through which citizenship becomes a site of subjective identification which reframes the question of interests such that the question becomes: *How were New Zealanders' interests and identities constructed in this way?* This study addresses this question through a discursive analysis of the state-driven projects of the 1980s and 1990s to restructure New Zealand's citizenship regime.

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[4] Following Bourdieu (1991), a political problematic has a broad meaning in terms of the dominant paradigm that centres the political space and a narrower meaning that focuses on how the state is articulated into the activity of government (Rose and Miller, 1992, p.175). This discussion incorporates both emphases, adapting Bourdieu's definition and incorporating Bobbio's (1996) insights which recognise that the centre of political space is both about consensus and contestation. The centre represents the point where the differences between Left and Right are most clearly drawn and it is the position in the political field where an albeit tacit, Left and Right consensus emerges and consolidates (see Chapters Two and Seven).

Restructuring unemployment and taxation policy

According to Castles (1985):

> If we are to seek explanations for the adoption of divergent strategic
> options and policy trade offs, we must examine the historical
> evolution of policy formulation, going back to the point where
> reforms were the live substance of political conflict rather than the
> dead routines of administrative agencies or the taken for granted
> orthodoxies of contemporary public opinion. (Castles, 1985, p.75)

This statement usefully distinguishes key stages in the life of policy regimes. The late 1970s and 1980s represent a period in the development of New Zealand's policy paradigm in which the "live substance of political conflict" expanded as competing discourses of the crisis of the Keynesian welfare state[5] and the prescriptions for reform jostled for hegemony. Discourse is a significant determinant of the direction of change in 'out of regulation'[6] periods. New Zealand's neoliberalisation principally involved the disarticulation of the previously embedded Keynesian welfare state citizenship regime and its replacement with a neoliberal citizenship regime. Neoliberal discourses offered a convincing interpretation of New Zealand's economic decline and social dislocation, and developed via a series of discourse articulations which when taken together, constituted a new hegemonic mode of signification supportive of a neoliberal policy paradigm.

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[5] The Keynesian welfare state is an ideal typical model describing a form of socio-economic reproduction dominant in Western countries during the immediate post-WWII period. According to Torfing, the Keynesian welfare state was 'Keynesian' in that it aimed to secure full employment within a relatively closed national economy primarily through demand-side management. In social reproduction the Keynesian welfare state sought to generalise norms of mass consumption beyond those employed in Fordist sectors of the economy so that all citizens might share in the fruits of capitalist growth and contribute to effective domestic demand (Torfing, 1999a, p.373). The Keynesian welfare state was the institutional expression of a social democratic, egalitarian vision of society.
[6] The term 'out-of-regulation' comes from the French Regulation School and refers to an historical time in which previously sedimented social and economic relations become politicised.

During the immediate post-WW2 period, the discourses and policies regulating unemployment in New Zealand reflected the hegemony of a social democratic political problematic and citizenship regime. This social democratic problematic treated full employment as the central governmental goal that was to be achieved by direct government intervention. During the 1970s and 1980s this central goal was displaced and new criteria for interpreting and acting upon unemployment began to influence the formulation of policy.

The previous Keynesian welfare state policy paradigm was based on a Keynesian style demand management policy that created jobs through public sector expansion within the terms of a social democratic discourse of social citizenship. A right to a job and a fair wage were central to notions of social citizenship expressed most often in terms of the 'social wage' and manifest in successive governments' commitment to, and Labour's vigorous defence of, a full employment policy. During the 1980s, but most significantly post-1990, New Zealand's social policy paradigm was restructured in a workfare direction and (re)oriented towards achieving competitive and flexible labour markets. This restructuring made full employment a by-product of market forces and individual effort, rather than being the central goal and outcome of direct government intervention. This fundamental policy shift occurred alongside the construction of a new mode of political identification based on the identity of the (productive) taxpayer. The shift to a workfare social policy paradigm and flattening of the tax schedule altered the terms upon which unemployment and taxation were understood and contributed to a broader shift in discourses and practices of citizenship in New Zealand.

During the 1990s, a neoliberal political problematic and citizenship regime were embedded via a discursive process of ideological struggle. The causes of unemployment were transformed from being based on a critique of the market system rationalising a call for state intervention to a social disease generated by the welfare state itself. The consolidation of New Zealand's neoliberal political problematic and citizenship regime entailed a transformation of the subject of politics from a social

rights-bearing universal citizen to a taxpayer citizen who has rights because s/he is fulfilling his/her obligations as distinguished from the non-taxpaying beneficiary. The unemployed were recast as the constitutive outside of this increasingly hailed consumer/taxpayer subject. From the 1990s, unemployment and the unemployed were positioned along a different moral axis. This shift saw the creation of a composite unemployed, raced, sexed, classed, maladjusted identity that took on a new political significance as it functioned as a political frontier for the new citizenship regime under construction.

Three phases of neoliberalisation

The first phase of the neoliberalisation of New Zealand's citizenship regime occurred in the 1980s under the Fourth Labour Government. It featured ideological struggles over the meaning of unemployment and the treatment of the unemployed, together with a restructuring of New Zealand's income tax schedule and the introduction of GST. The Fourth Labour Government actively reconstituted citizenship discourse in an attempt to create a form of unity among disparate interests. Labour's citizenship discourse in this period celebrated social diversity and sought to represent the neoliberal reforms as the broader project through which the aspirations of, particularly, Maori, liberal feminists, and radical democrats could be realised. This articulatory discourse strategy offered recognition of longstanding critiques of the Keynesian welfare state by women, Maori, radical democrats and workers' cooperative groups whilst continuing to frame these identities within a New Left, social democratic universalising discourse of social membership via the discourse of the "social consumer" (Larner, 1997b, p.383). According to Larner, while Labour's social consumer was a variant of neoliberal selfhood, it continued to link "universal service provision to a coherent and integrated national population" (Larner, 1997b, p.396), reflecting the Labour government's continued commitment to a universalising, inclusive, social democratic citizenship.

The Fourth Labour Government's radical economic reform project fell short of restructuring New Zealand's welfare state (Larner, 2002, p.154; Neilson, 1998; Nagel, 1998). However, its restructuring of unemployment and taxation policy deployed a number of discursive strategies designed to shift New Zealanders' perceptions of the role of the state and the meaning of citizenship in line with the rolling out of a new neoliberal mode of economic regulation that was a significant precursor to New Zealand's welfare restructuring. Castles and Shirley (1996) argue that although the Fourth Labour Government did not reform social policy, it paved the way for the redesign of New Zealand's welfare state under National. They argue that the Fourth Labour Government were the "gravediggers" of New Zealand's welfare state as they created the political climate in which the 1990 benefit cuts and 1991 Budget changes became possible (Castles and Shirley, 1996, p.89).

During the 1990s, unemployment policy in New Zealand was concerned with "managing the consequences and contradictions" of the neoliberalisation of New Zealand's state and economy (Tickell and Peck, 2003, p.166). These contradictions stemmed in part from a disjuncture between the restructured state and economy on the one hand, and New Zealand's social democratic citizenship regime on the other. In the face of political debates over modes of citizenship and the legitimacy of welfare during the 1990s, political players actively engaged ideological discourse strategies to renegotiate citizens' subjectivity. Castles (1985) describes a political culture with a favourable image of the welfare state, politically sensitive to welfare issues (Castles, 1985, p.53). With the neoliberalisation of New Zealand's state and economy largely complete by 1990, the newly elected National government turned its attention to shifting New Zealanders' favourable image of the welfare state.

This second phase of the neoliberalisation of New Zealand's citizenship regime involved the redesign of New Zealand's welfare state (Boston, Dalziel and St John, 1999). Changes to the social construction of the targets of social policy occurred alongside a reordering of citizen subject positions that privileged taxpaying as central

to New Zealand citizenship. The neo-conservative, neoliberal, National-led Governments' restructuring of taxation and unemployment discourses constructed a particular ordering of social antagonism that erected a political frontier between ordinary New Zealand taxpayers and a supposedly socially deviant, parasitic underclass of unemployed beneficiaries. New behavioural norms associated with the taxpayer/producer were promoted by highlighting violations of these new norms through the social construction of a deviant (non-taxpaying, non-waged worker, non-stakeholder) dependent beneficiary (Hackell, 1999).

The National-led Governments' citizenship discourse disarticulated the previously hegemonic chain of signification between welfare, progressive taxation and social responsibility, arguing that progressive taxation corresponds with taxing some for the benefit of others. In this discourse ordinary taxpayers were distinguished from special pleaders. National's discourse displaced the previous policy paradigm, which articulated special needs with inclusive social citizenship (New Zealand Royal Commission, 1972), and constructed the taxpayer as the universal citizen in opposition to those with special needs.

The National-led Governments of the 1990s constructed a taxpayer/producer identity (distinct from Labour's taxpayer/consumer) centrally linked to the national project of building a competitive, enterprising nation. Unlike Labour's inclusive discourse of citizenship based on the identity of the social consumer which was in keeping with the social democratic traditions of New Zealand's Keynesian welfare state, National's emphasis on the productive taxpayer as the privileged subject of politics divided the citizenry into a core group of ordinary working, taxpaying, mainstream New Zealanders and an underclass of unemployed beneficiaries constructed typically as socially destructive and parasitic.

The third phase of the neoliberalisation of New Zealand's citizenship regime was marked by struggle for political leadership and moral authority between a neoliberalised social democratic Labour Party in Opposition, and the neoliberal,

traditionally conservative, National-led minority Government. The outcome of this struggle between Labour and National to define their respective positions in opposition to each other was the refinement of a tacit consensus constitutive of a neoliberal political problematic and citizenship regime with Left and Right dialects. Analysis of the debates between Labour and National over taxation and unemployment reveal the differences between their social democratic and conservative positions but also the nature of the unspoken neoliberal consensus that by the late 1990s was both Left and Right.

Following Peck and Tickell (2003), the political course of neoliberalisation was never clearly mapped out by the project's founding ideologies and vanguard politicians. Rather, the ascendancy of neoliberalism has occurred as "a faltering expansion through a number of qualitatively distinctive phases" (Tickell and Peck, 2003, p.168). This thesis contributes to the task of "mapping the historical geography of neoliberalism", defined by Tickell and Peck (2003, p.168) by providing an account of the "qualitatively distinctive phases" of the emergence and consolidation of New Zealand's neoliberal citizenship regime and political problematic.

The New Zealand literature: Explaining policy paradigm change

Existing analyses of neoliberalism can be divided into two camps—neoliberalism understood as a policy framework and neoliberalism understood as a discourse. The majority of these analyses are of the first type and include authors such as Kelsey, 1997, 2002; Boston, 1996; Jesson, 1999; and Goldfinch, 1998. This literature understands the neoliberal policy framework to be the result of the 'capture' of key institutions and political actors by neoliberal ideology. It links the capture of key agents and institutions with a trans-national network of think tanks, the IMF, World Bank and the Organisation for Economic Co-operation and Development (OECD),

the Chicago school of economics as well as private interest lobbies associated with multinational capital.

The historical analyses of New Zealand's restructuring focuses on how the neoliberal transformation of New Zealand's state and economy was driven by a neoliberal cadre of politicians and Treasury bureaucrats occupying strategically key positions of central state power (Goldfinch, 1998; Jesson, 1989; Kelsey, 1997). These accounts focus on the role of interest groups (Harris and Twiname, 1998; Roper, 1993), political leaders and bureaucrats such as Roger Douglas and Treasury officials, and key decisions that produced public policy change (Oliver, 1989). It also explores the conjunctural dynamics which favoured neoliberal solutions in reaction to the heavy-handed statism of the previous Muldoon-led government of 1975-1984 (Schick, 1996, p.13; Kelsey, 1997, p.22). In these accounts, New Zealand's restructuring was the outcome of the coming together of a number of factors, including the perception of crisis and the political impetus for undefined change (Schick, 1996, p.8; Schmidt, 2000b, p.246), New Zealand's "elective dictatorship" (Palmer, 1987), and the dominance of the neoliberalised Treasury in the provision of policy advice to the incoming government (Goldfinch, 1998, pp.178-9) These institutional and conjunctural factors were key in allowing a small cohort of elites to dominate the reform process (Goldfinch, 1998; Boston, 1996; Schick, 1996; Nagel, 1998). As Aberbach and Christensen comment:

> The reforms in New Zealand were dominated by a few central institutional actors who held homogenous economic views and accepted common models. The models chosen by these actors were typical of certain theories in economics, and reflected changing trends in elite thinking, and in that way disregarded others that could have been connected to the reforms. (2001, p.410)

The question of how to explain policy change, particularly policy change that is abrupt and discontinuous with previous policy approaches, is explored in the existing literature as the effect of a combination of powerful interests within the state and the

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economy and a conjunctural dynamic that offered a political "window of opportunity" for neoliberal reform (Aberbach and Christensen, 2001).

This literature analyses New Zealand's neoliberal restructuring as the result of the coming together of rational actors and a propitious institutional environment. They claim that a set of rational actors with a clear agenda managed to dominate the reform process because they marshalled clear theoretical models that offered coherent problem analysis and a convincing solution (Jesson, 1999; Boston, 1996, p.16-25; Goldfinch, 1998, pp.178-9; Kelsey, 1997). This, combined with New Zealand's small Westminster electoral system, led to the neoliberal capture of the New Zealand state (Jesson, 1999; Chapman, 1992; Kelsey, 1997). These accounts of the capture by a neoliberal cadre of politicians and bureaucrats fail to establish how the transition from one mode of regulation to another proceeds in discursive practice except in very general institutional and actor-oriented terms. Furthermore, the central role of discourse in delimiting the problem of New Zealand's economic crisis, and constructing its solution in terms of neoliberal reform, is not properly explored. Rather, the restructuring is assessed as an effect of the predetermined interests of the key players. These accounts thus fail to address the constitution of interests in political discourse and the ideological struggle between competing constructions as a key component of the restructuring process.

This thesis disputes the idea that political discourse simply or directly reflects the interests that are already constituted at the structural level. Rather, ideological work is necessary and discursive strategies must be deployed. The discourses of subjectivity through which we live our structural positionings are constituted in and through discursive struggle over ideology. Ideological discourse mediates people's experience of their social, cultural, political and economic circumstances and is constitutive of the relation between circumstances and political subjectivity. Ideological discourse offers modes of political identification that construct people's experience of their social circumstances that, once hegemonic, crystalise a social

unity around a particular political project. Discursive struggle and its role in processes of political identity formation is a significant driver of social change.

The 'neoliberalism as policy framework' literature either does not explore the role of discourse at all or treats discourse as little more than a set of ideas or beliefs shared by a policy community connected to a set of real interests. In this view discourses are the outputs of real interests rather than constitutive of them (Finlayson, 2004). When these accounts do point to discursive shifts they do so on the basis that the power of the discourse is derived from the power of the group or institution deploying the discourse. The discourses themselves are largely ignored.

This literature identifies who and why and explores the consequences of the restructuring, but it does not reflect on how this radical transformation in the policy making agenda was achieved. How, for instance, are we to understand the success of neoliberalism in reshaping subject positions and redefining the centre of political space? In privileging the role of actors and institutions, these accounts fail to acknowledge the relative autonomy of hegemonic struggle over discourse to construct interests and institutions. These accounts assess discursive outcomes as the effects of actors and interests, paying little or no attention to the ideological process of discourse change as a process of discursive strategy, articulation and struggle. Consequently the importance of discourse as a relatively autonomous driver of change is lost. This thesis, in contrast, asks what articulatory discourse strategies were deployed, which discourses were displaced and how the outcomes of ideological struggles over discourse shaped the development of policy in a neoliberal direction.

This thesis is distinct from the above literature because it views discourses as relational systems of meaning and practice that constitute the identities of subjects and objects. It therefore places discourse at the centre of the analysis and examines discourse in terms of the conditions to which neoliberalism was a response and the discursive tactics, strategies and mechanisms through which it operated and became hegemonic. In so doing it builds on a smaller body of literature that understands

neoliberalism as a discourse (see for example, Larner, 1997a, 1997b; Brodie 2002, 2004; Jenson, 1999, 2000, 2004; and Mitchell, 2003), including some analyses that have focused specifically on the New Zealand case (for example, Larner, 1997a, 1997b and Kingfisher, 1999, 2002; Higgins, 1997; and Peters, 2001). There is also a neo-Foucauldian literature on neoliberalism as a discourse (Rose, 2000; O'Malley, 2000; and Clark, 2005), which examines neoliberal discourse in terms of the modes of conduct it encourages and the technologies of governance it deploys.

This 'neoliberalism as discourse' literature considers a broader set of processes, and places discourse and identity formation at the centre of the analysis. For example, Kingfisher (1999) shows how gendered and raced discourses of savagery are deployed in welfare restructuring discourses to identify and distinguish legitimate and surplus populations. This thesis builds on this literature by providing a discourse analysis of the shift from a Keynesian welfare state to a neoliberal citizenship regime in the New Zealand case that shows how subject positions were redefined and how neoliberalism became the centre of political space.

This thesis extends this literature through its application of post-Marxist discourse theory. Much of the neoliberalism as discourse literature has a tendency to focus on discursive shifts and the outcomes of neoliberal restructuring but to spend less time examining the details of how these shifts occurred. The approach applied in this thesis shows how discourses were transformed via the logics of equivalence and difference, the construction of social antagonisms, the relation between the universal and the particular, etc and demonstrates how these discourse operations restructured citizen politics. This novel method contributes to the development of the discourse analytic approach because, as a method of analysis, it constructs actors and institutions as if they are the bearers of discourse. This method of abstraction offers a way of perceiving discursive change, the dynamics of discursive struggle and how exactly through particular, discursive strategies, tactics and operations, transformations in citizen subject positions are achieved.

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This thesis contributes to the literature in two ways. Empirically, it offers an account of how New Zealand's citizenship regime was neoliberalised in the 1980s and 1990s that adds to existing accounts of who, why and what. Through its focus on how neoliberal discourse became hegemonic, the thesis demonstrates the importance of articulatory discourse strategies and the ordering of social antagonism to citizenship politics. It shows how through the strategic articulation of specific discourses and the re-ordering of social antagonism, the taxpayer became the privileged subject and the new source of political legitimacy in debates over citizenship and public policy in New Zealand.

Methodologically, the post-Marxist approach applied here recognises that political discourse is produced to persuade. This approach is able to explore the re-articulation and arrangement of ideas and arguments and identify how this produces re-definitions of citizen subjects and re-descriptions of policy problems. This novel approach is able to specify the nature of the relation between ideas and policy change by pointing to the keywords and subject positions that sustained neoliberal arguments and facilitated neoliberal 'capture'. In particular, the thesis specifies the role of discursive struggle over ideology between Governing and Opposition political parties in constructing and embedding a new citizenship regime through the pursuit of neoliberalising state projects. It thus extends theoretical and empirical understandings of the expansion of neoliberal hegemony.

This focus excludes an investigation of the ideological discourse strategies deployed by a range of non-state actors which influenced the course of the restructuring. Whilst many of the projects of non-state actors not examined here were successfully articulated and thus implicated in these state-driven projects, a full scale investigation into the multiple and various discursive strategies that had a role to play in New Zealand's process of neoliberalisation is beyond the scope of this research.

Instead, the thesis offers a case study of the discourses of citizen-based social movement groups articulated under the rubric of the workers' cooperative movement.

The decision to focus on the workers' cooperative movement's discourse strategies in struggle with the Fourth Labour Government over unemployment policy was based on the movement's articulation of an alternative space of representation that significantly challenged the government's neoliberal agenda. The workers' cooperative movement, unlike a number of other relevant social movement groups, offered an alternative socio-economic settlement.

The cooperative movement articulated the discourses and projects of Maori self-determination, liberal feminism and radical democracy and not only opposed the government's neoliberal strategy but offered an alternative counter-hegemonic discourse and project. An exploration of all three of these articulations in detail is beyond the scope of this research. For this reason, Chapter Five focuses in particular on the articulation between the Maori self-determination movement and the workers' cooperative movement that centred on the practice of the work cooperative and the struggle between their discourses and political agenda and the discourses and agenda of the Fourth Labour Government.

A post-structuralist mode of inquiry

This research addresses a number of questions raised by a post-structuralist reading of New Zealand's policy reform process. A post-structuralist mode of inquiry reflects on the restructuring of unemployment and taxation policies as the contingently realised outcome of ideological struggle between contesting discourses, the outcome of which is the development of a set of politically relevant policy problems and solutions. This research thus conceptualises unemployment and taxation policies as articulations of discourses and identities. Unemployment and taxation are not examined as straight-forward facts and statistics; rather, they are constructed as politically relevant signifiers via discursive processes of representation. Consequently, the focus of this research is the transformation of unemployment and taxation, understood as the outcome of ideological struggle through discourse.

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The association between neoliberalisation and new subject positions such as taxpayer, client and/or consumer has been widely acknowledged in New Zealand and elsewhere (Larner, 1997a, 1997b; Larner and Walters, 2000; Kingfisher, 2002; Jenson, 2000, 2004; Brodie, 1996; 2002). However, the process of constructing and embedding neoliberal citizen subject positions and the ways these new citizen subject positions were articulated in unemployment and taxation policy discourses in New Zealand has not, until now, been properly explored.

A post-structuralist mode of inquiry places questions of identity at the heart of political analysis. This means that the political construction of the targets of policy is of particular importance in examining changing citizen subject positions. Laclau's (1995) insights into the relation between particularity and universality and Laclau and Mouffe's (1985) emphasis on the productivity of antagonism for politics inform this analysis of changing citizenship discourses, and are deployed to draw out a number of features of political discourse that have been peripheral to analyses of New Zealand's reform process until now. In particular, I am referring to the constitutive role of changing discourses of citizen subjectivity in New Zealand's process of neoliberalisation and the centrality of antagonistic constructions of universal citizen identities in relation to particular 'others' in this process.

This thesis takes account of the changing representational practices of politicians, bureaucrats and social movement actors and sees the construction of citizen subject positions as an *effect* of these discursive articulations and hegemonising struggles rather than pre-existing them. The thesis adopts a discourse analytical mode of analysis that provides a novel understanding of New Zealand's process of neoliberalisation by focusing on the discourses themselves rather than the hidden interests they can be said to represent. In doing so, it addresses Finlayson's (2004) critique of political science for under-analysing discourse and failing to fully recognise its potentially causal role. He offers a perceptive critique of how political scientists have incorrectly reduced discourse to a component of other social

phenomena rather than an influence on them. These analyses interpret discourse as instrumentalist and tend to reduce it to an effect of something else rather than a constitutive political force in itself. "Ideas are interpreted as narrowly instrumental, covers for the real work of 'real' interests, which are not significantly shaped by ideas" (Finlayson, 2004, p.535). This point is worth emphasising as, although many political scientists now recognise the importance of discourse, they view it as a component of a larger social realm. Post-structuralist accounts, on the other hand, do not distinguish between the discursive and the non-discursive and insist on the interweaving of discourse, objects and actions. Torfing expresses this interweaving in the following way, "All actions have meaning and to produce and disseminate meaning is to act" (Torfing, 1999, p.94). It follows that it is necessary to explain the discursive construction of interests and social antagonisms and not merely reflect on the non-discursive conditions in which they emerge. Following Finlayson's critique, this thesis regards discourse as a form of political action and argues that changing forms of political identification are not simply effects of other political and economic shifts but play a constitutive role in their transformation.

From a distinctive model of policy-making, sometimes referred to as the social construction model, this thesis aims to explain how New Zealand's process of neoliberalisation proceeded. In this model, policy change is the outcome of struggle over discourse (Fischer, 1995; Stone, 1997). As Stone (1997) points out:

> Policy making…is a constant struggle over the criteria for classification, the boundaries of categories, and the definition of ideals that guide the way people behave. (p.11)

This approach demonstrates the role of discourse and discursive struggle in making certain things appear appropriate and others seem problematic (Hajer, 1997, p.54) within a chain of discourse that articulates problem definitions and goals with ideas of blame, responsibility and justice. According to Foucault, the historical development of regimes of truth is "*a complex relationship of successive*

displacements" (Foucault, 1991, p.55, italics in original). In studying discourse his stated aim was to "define the transformations which, I do not say provoked but, *constituted* change" (Foucault, 1991, p.56, italics in original). A Foucauldian emphasis on discursive transformations orients social policy research towards understanding how social policy is always already imbricated within wider political-economic strategies and governmental problematics. This thesis, in analysing the restructuring of unemployment and taxation policy discourses in New Zealand, seeks to define the transformations and displacements of the meaning of unemployment and taxation that both reflect and constitute a new neoliberal citizenship regime in New Zealand.

A number of analyses of the restructuring of New Zealand's welfare state have pointed to the inadequacies and contradictions in neoliberal justificatory discourses in terms of their social scientific accuracy (Boston, 1992; Kelsey 1997). These approaches contrast the claims of neoliberals with the real facts of poverty and unemployment in New Zealand and have usefully countered neoliberal claims. However, the truth or falsity of neoliberal claims does not undermine their capacity to do work in the world. The approach of this thesis is to evaluate the use of discourse as a political tool for persuading others of the necessity of pursuing neoliberal reform. To this end, political discourses are examined as articulatory strategies deployed to persuade and convert rather than in terms of their logic, accuracy or philosophical integrity. In this regard, an analysis of ideological discourse strategies must take account of the role of the emotional investments and moral dimensions these strategies draw on as well as cognitive features.

Many of the existing accounts on New Zealand's neoliberalisation focus on the institutional outcomes of the reforms rather than the "contingently realised process" (Tickell and Peck, 2003, p.165) of transformation itself. This limitation is rectified in this research which examines the process of neoliberal transformation through an analysis of hegemonic articulatory discourse strategies deployed in political struggle. This form of analysis highlights the process of winning consent for the neoliberal

programme that began in the 1980s, and intensified in the 1990s via processes of hegemonic articulation that established the neoliberal reform programme as more than just a pragmatic response to hard economic realities but as a new moral authority capable of addressing all the legitimate demands in society.

Much of the New Zealand literature focuses on the initial roll-back phase 1984-1990 of New Zealand's neoliberalisation. This thesis focuses less on this initial phase of neoliberalisation and more on the subsequent process of consolidating and embedding the neoliberal policy paradigm as a "space of representation" (Laclau, 1990, p.61) for an expanding range of societal demands. This roll-out phase of neoliberalisation, 1990-1999 approximately, centrally included a reordering of policy priorities constitutive of a neoliberal centring political problematic and the political construction of a new mode of political identification, establishing a neoliberal citizenship regime. Some accounts of New Zealand's restructuring argue that the neoliberal reforms were implemented without first winning consent (Neilson, 1998; Schmit, 2000b). While this research does not dispute this view I show how consent to the on-going restructuring process was produced during the late 1980s and 1990s via changing discourses of citizenship. While the initial reforms were not based on consensus building, once the neoliberal mode of economic regulation was in place, governing parties and the advocates of neoliberalisation constructed various communicative discourses that sought to articulate the neoliberal policy framework with the experience and motivations of political subjects. The construction of a neoliberal mode of regulation included the re-specification of the citizen subject. As Yeatman (2004, p.403) points out, the state denotes both the institutional reality of the state and the subjectivity that is required if that idea of the state is to be realised. It follows that changes to discourses of and about the state and citizen subject positions played a constitutive role in New Zealand's regime restructuring.

Towards a new citizenship regime

Traditionally, citizenship has been understood as a set of political, civil and social rights and obligations enshrined in the institutions of the state (Marshall, 1950). More recently, many writers have begun to offer expanded conceptualisations of citizenship that focus on the exclusionary discourses that establish citizenship in historical time and place (Mouffe, 1992; Isin, 2002; Jenson, 1999, 2004). Rather than examining the legislated rights of citizenship, this research analyses the ways citizens are produced through an array of exclusionary discursive practices and how this ensemble of practices shifts in focus over time. Whereas others have noted the negative construction of unemployed beneficiaries in National's discourses (notably Bassett, 1998), no study until now, has explored the relationship between the representation of beneficiaries and the construction of New Zealand citizens as taxpayers.

This study follows Isin in recognising that:

> Citizenship and otherness are then really not two different conditions, but two aspects of the ontological condition that makes politics possible. (2002, p.10)

Citizenship regimes specify which categories of subject can claim rights and the manner in which they can be claimed. Citizenship discourses are representational practices that establish citizenship regimes (Jenson and Phillips, 1996). In addition, by excluding non-nationals, citizenship regimes establish external borders of belonging. The internal borders of citizenship are established by invoking an internal hierarchy of political subjects which specifies appropriate relations between differently categorised citizens. The internal and external borders of citizenship are defined and delimited in discursive practice.

The internal borders of citizenship are the focus of this research. Internal borders are established through the "politics of recognition" (Jenson and Phillips, 1996, p.114), while the external borders are established through the politics of non-recognition. The politics of non-recognition denotes aggressive practices of exclusion that are unambiguous, such as the deportation of illegal immigrants. In New Zealand, major shifts in immigration policy occurred during the 1980s and 1990s that reconfigured the politics of non-recognition. A full scale treatment of shifting discourses of immigration, however, is beyond the scope of this study.[7] The politics of recognition, on the other hand, establishes the internal limits of citizenship. A set of subjects are recognised as legitimate citizens within a discourse of the social order that establishes a hierarchy of citizens including model citizens, second class citizens, conditional citizen categories and categories of social subject that establish the internal limits of citizenship (Jenson and Phillips, 1996, p.114). The internal limits of citizenship are represented by those categories of persons constructed as the antithesis of the model citizen. These maligned categories are included, but politically exploited as a means to draw attention to the character and privileged status of the model citizen (Hackell, 1999).

Laclau and Mouffe's post-Marxist discourse approach

This study specifically inquires into the re-articulation of economic, political, social and national identities that reconfigured citizen subject positions in New Zealand in the 1980s and 1990s. Post-Marxist discourse analytics is applied to an analysis of the strategic discourse articulations between neoliberalising governments, counter-hegemonic political projects and previously embedded discursive traditions, as well as an analysis of the ideological struggle between Governments and Oppositional parties. The transformation of New Zealand's citizenship regime is explored through

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[7] Some interesting studies on discourses of immigration and the policing of the external borders of citizenship have been done, for example, Kurian and Munshi (2006); Skilling, (2003).

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an application of the post-Marxist theory of discursive articulation which draws attention to the political construction of forms of subjective identification and hegemonic articulatory practices and is based on the work of Laclau and Mouffe (1985). Laclau and Mouffe's (1985) post-Marxist discourse theory develops out of their participation in a critical phase in the Marxist intellectual tradition, particularly, their critical re-reading of Althusser's famous essays, 'Ideology and ideological state apparatuses' (1971), and 'Contradiction and overdetermination' (1969), and Gramsci's theory of hegemony (1971).

In Laclau and Mouffe's (1985) discourse theory, the question of representation and the formation of political subjectivities are of central importance. Laclau and Mouffe distinguish between subject positions and political subjectivity in order to make a distinction between the representational positioning of subjects within a discursive structure and the agency of subjects. Their theory of subjectivity built on Althusser's theory of ideological interpellation. His theory critiqued the liberal concept of the unified and self-transparent subject and argued that subjects are constructed by ideological practices with which they come to identify (Howarth and Stavrakakis, 2000, pp.12-13). Laclau and Mouffe's theory develops out of Althusser's account of ideological interpellation and overdetermination, which drew attention to the independent effect of ideology on the economic base, which broke with traditional Marxism. Laclau and Mouffe took up Althusser's idea that the ideological superstructure has its own independent modality. From this starting point, Laclau and Mouffe developed their conception of the logic and primacy of the political.

Laclau and Mouffe reject the class reductionism built in to Althusser's mode of theorising and, stemming from a Foucauldian account of the multiple ways agents are produced in discourse, they distinguish between 'subject positions' designating the positioning of subjects within the discursive structure and 'political subjectivity' that addresses the way subjects actively identify with the modes of political identification offered by political projects. Following Foucault, any person can have a number of even contradictory subject positions, meaning they can be positioned within the

discursive structure in multiple ways as, for example, a woman, a Maori, a mother, an employee, etc. The concept of 'political subjectivity', on the other hand, addresses the way the subject actively identifies, and argues that the agency of the subject emerges in response to societal dislocation or an out-of-regulation phase of social development. In this context existing identities are challenged. These periods are productive of new identities because they are the political foundations upon which new identities are constructed and taken up. Howarth and Stavrakakis comment on this process:

> Dislocations disrupt identities and discourses, they also create a lack
> at the level of meaning that stimulates new discursive constructions,
> which attempt to suture the dislocated structure. (2000, p.13)

Out-of-regulation periods, in which existing identities are disrupted, compel the subject to actively search for a new mode of identification. The subject is in a position of taking a decision to identify with certain political projects and the set of articulated discourses they offer. This process of identification is constitutive of political subjectivity. Once a particular form of political subjectivity becomes hegemonic it produces individuals with certain expectations, motivations, capacities and dispositions (Howarth and Stavrakakis, 2000, pp.13-14).

In Laclau and Mouffe's discourse theory, hegemonic articulatory practices are the central form of politics involving the articulation of different identities and discourses into a political project. Their conceptualisation of hegemonic articulatory practices builds on and critiques Gramsci's concept of hegemony (1971). Gramsci understood hegemony to be a general political logic involving the articulation of different social forces constructive of a common sense which translates a form of intellectual, cultural and moral leadership. Laclau and Mouffe further develop Gramsci's concept of hegemony out of a critique of his insistence on the class character of the hegemonising process ensured by the economic structure. Gramsci's position that, due to their structural position at the level of the relations of production, social classes have a privileged role in the hegemonising process is rejected by Laclau and

Mouffe who presuppose a social field criss-crossed with social antagonisms, inclusive of, but, not exclusively class-based. In their view, the major aim of hegemonic political projects is to construct nodal points (privileged signifiers) that articulate as many social signifiers as possible into a relatively coherent significatory system capable of hegemonising the universe of political discourse (Torfing, 1999).

A hegemonic discourse acts to temporarily neutralise social antagonisms—although it may also exploit them—and incorporate within its explanatory and legitimating framework a broad set of societal demands. This research makes use of Laclau and Mouffe's ideas about political subjectivity and hegemonic articulatory practices to account for the movement from the dislocation of New Zealand's Keynesian welfare state to the embedding of a neoliberal citizenship regime by analysing transformations in political discourses of citizen subjectivity. By examining the emergence and development of the taxpayer as the model citizen in contemporary New Zealand politics, this thesis shows how through hegemonic articulatory discourse strategies citizens were enjoined to take up new forms of political subjectivity. This process of rearticulating citizen subject positions and encouraging their take up was an important part of the process of hegemonising a neoliberal political problematic and citizenship regime in New Zealand.

Following Laclau and Mouffe (1985), this thesis adopts an antagonistic conception of politics that recognises the centrality of discourses of social antagonism in the construction of identity. Subject positions become meaningful through differential relations with other subject positions and with respect to the prevailing political problematic. While most political science approaches view social antagonism as reflective of the contradiction between the objective interests of different social groups, the discourse approach adopted here sees the discursive ordering of social antagonisms not simply as reflective of objective interests but also as constitutive of them. I argue that in the 1990s, the discursive re-ordering of social antagonism played a decisive role in establishing and embedding a new mode of political identification in New Zealand.

Citizenship, identity and social change

This research feeds into an extensive and growing literature on citizenship (see, for example, Isin, 2002; Jenson and Phillips, 1996; Jenson, 1999; Jenson and Dobrowolsky, 2004; Tilly, 1996). Despite a recent resurgence of interest in citizenship and the development of interdisciplinary approaches to citizenship studies, there has been a lack of empirically based studies of citizenship in New Zealand. This research applies post-Marxist theoretical insights to an empirical case and provides a plausible and empirically justifiable account of the restructuring of citizen subject positions in New Zealand. This research is empirically grounded in the changing citizenship discourses of particularly—but not exclusively—politicians, focusing on the late 1980s and 1990s. The analysis of these political discourses is underscored by recognition of the mutually constitutive relation between the state and the citizen. New Zealand's neoliberal reforms presupposed particular subject positions that linked forms of personhood to the neoliberal project of the 'competitive enterprising nation' and celebrated these forms of personhood as ideal expressions of New Zealand citizenship.

In examining how a neoliberal mode of political identification was established, this thesis explores shifting modes of political rhetoric and articulations between neoliberalism and other moral traditions. I argue that the neoliberalising governments of the 1980s and 1990s disarticulated previous social democratic discourses of citizenship and increasingly hailed the citizen as a taxpayer. This shift has altered perceptions of both the role of the state and the meaning of taxpaying and unemployment, and has fundamentally transformed the normative foundations of New Zealand citizenship.

Research design

Three key questions guided the research: How were the meanings associated with citizenship in the Keynesian era called into question? How did neoliberalising governments succeed in re-articulating new meanings of citizenship and citizen subject positions? And in what ways can the post-Marxist view of discourse contribute to our understanding of how this transformation came about?

Data selection/collection

This study included both depth of sample and wide coverage. In terms of depth of sample I selected documents related to key conferences on unemployment that brought together a range of participants including government actors and social forces. These key discursive events-the Employment Promotion Conference, the Beyond Dependency Conference, the Porter Report, the introduction of GST and the Taskforce on Employment-were one focus of the document selection because the study sought to explore the dynamics of struggle over discourse.

The documents associated with these key discursive events were included in order to garner a sense of the discursive struggle between the government and citizen-based social movement groups, constitutive of the restructuring process. In particular, newsletters, particularly the workers' cooperative newsletter *Nga Rongo Korero*, non-governmental publications such as Business Roundtable[8] publications, union publications and feminist publications were analysed. Much of this material emerged in response to government policy-making and therefore provided an account of both the responses of social movements and citizen-based organisations to governmental policy-making as well as traces of the articulation of oppositional agendas in both

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[8] The New Zealand Business Roundtable is a non-government organisation of Chief Executives of major business firms. It has been prolific in the publication of reports and submissions that support the ongoing neoliberal direction of policy change.

government and social movement discourse that was the outcome of discursive struggle.

Discursive struggle was understood not just in terms of direct confrontation between alternative discourses but also in terms of the armistices and compromises that are the outcome of discursive struggle. So, publications that appear after an event like the Employment Promotion Conference, for example, were analysed in relation to the event. The analysis of discursive struggle offered in this thesis does not present all instances of the discursive strategies examined. Instead I present samples of text that best represent contesting positions in the debates.

I also undertook a keyword search of parliamentary debates from 1987-2000 using online Hansards which provided every instance of the keywords. Pre-1987 parliamentary debates and budget statements were manually searched using the index. Approximately 300 pages of debates were analysed. I examined the ways that parliamentarians positioned themselves and their policies in opposition to other parties, and how the dynamics of struggle between political parties to represent the agenda via the construction of the citizen was played out.

I also selected texts directed at the public designed to persuade. For example, Pre-election party manifestos, New Zealand Planning Council discussion documents, the Code of Social and Family Responsibility and public information pamphets such as 'A fairer deal' published by the GST Coordinating office were all texts that offered rationales for reforms and/or re-specified citizen subject positions.

In terms of wide coverage, the research collected a wide range of policy and related documents that addressed the issue of unemployment and taxation collected from the Universities of Waikato, Auckland and Canterbury libraries and the Alexander Turnball Library. I collected approximately 57 policy and related documents that formed the main corpus of policy data for analysis. These included a range of

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governmental policy documents and related discussion documents, produced in the period 1970-2000 that defined policy problems and furnished solutions.

I also drew on OECD reports that had been extensively referred to in the government policy documents. OECD perspectives were extremely influential in New Zealand particularly in the restructuring of unemployment policy and the reform of the benefit system and were included in this analysis because they were frequently cited in Department of Social Welfare policy documents and reports. The rationales and policy prescriptions in the OECD documents were reproduced in New Zealand policy documents and department reports and were deployed in New Zealand to show that neoliberalising governments were following internationally recognised trends in policy making and as a way of legitimising the neoliberal reforms.

While I do not explicitly examine the connections between trans-national processes of change and the New Zealand experience in the thesis, the inclusion of OECD documents recognises that discourse shifts in NZ were influenced by international organisations and discourses coming from the US and UK.

The research analyses instances of what Gee (1990) has called "little d" discourses in policy making and political fields and their role in the transformation of hegemonic Discourse with a big D. The texts I analysed called into question (or made problematic) what it means to be a New Zealand citizen, and can be seen as examples of the struggle over who is a model citizen, a second class citizen and a non-citizen. I analysed policy documents, parliamentary debates, conference proceedings, pre election party manifestos, Government reports and publications. While the status of the 'little d' texts analysed here are different, they all deploy citizen subject positions in their presentation of policy problems. This analysis of discourse with a little d served to illustrate the broader argument that discourse strategies drove the transformation of hegemonic Discourse with a big D.

Little d discourses selected for close analysis included, in particular; New Zealand Royal Commission (1972); An Agenda for Tax Reform (1981); A Review of

Employment Subsidy Programmes: A framework for consultation; A New Deal in Training and Employment Opportunities (1985); New Zealand Royal Commission on Social Policy (1988); the Porter Report (1991); Social Assistance: Welfare that Works: A Statement on Government Policy on Social Assistance (1991); Strategic Directions: Ministerial Briefing Papers (1996); Towards a Code of Social and Family Responsibility (1998) and the OECD's Future of Social Protection (1988).

These documents were selected for close analysis because, firstly, they contain problem definitions and rationales and forms of persuasion for policy decisions. Secondly, these documents represent instances of policy discourse that involved communication with, and the direction of, an audience of citizens. In these documents, the state attempted to communicate its intentions within a mode of democratic consultation. In this way, these discourses seek to inform and redirect citizens' self-perceptions, aspirations and the expectations of the state.

This broad corpus of data was categorised according to authorship and mode of communication criteria and indexed according to the following 13 codes:

GR government report

NGOR non government organisation report

IOR International organisation report

G/PI Government public information

P/PI Political Party public information

NG/N non government newsletter

C Conference proceeding or paper including pre conference background reports

NA News paper or non-academic journal article

H Hansards

PS Political speech

MoP Member of Public

QGO Quasi government organisation

CI Commissions of Inquiry

The coding criteria reflected the study's interest in discourse strategies designed to rearticulate citizen subject positions as well as the role of discursive struggle.

Methods for analysing documents

All of the documents were subject to a keywords analysis. Following Raymond Williams (1985), keywords analysis means more than identifying keywords and collecting examples of their use but also establishing how they articulate with other keywords. It is used to establish the connections necessary for the construction of hegemonic Discourses wit a big D. Discourses are relational systems of meaning and practice that constitute the identities of subjects and objects. Neoliberalism is a big D discourse that establishes the identities of various subjects; citizens, taxpayers, entrepreneurs, consumers etc and various objects such as employment and taxation policy. This kind of discourse analysis analyses empirical data as discursive forms. Reports, manifestos, speeches events, policies and even institutions are treated as strategic discourses.

Policy discourses establish coherence between different policies and governmental practices. Analysis of policy documents involved searching for patterns in the discourse as well as looking for discontinuities in policy problematisations and in the "social constructions of target populations" (Schneider and Ingram, 1993, p.1). I looked for clear shifts in how unemployment and taxation policy problems were constructed particularly in terms of the targets of these policies and in terms of the nature of social division or the inter-subjective relations being constructed.

This study traced the discursive strategies of Governments and Parties in Opposition while simultaneously looking at the discourses of some citizen-based social movement groups. A particular focus on the struggle between the dominant political parties to define themselves in difference from each other entailed a close analysis of parliamentary debates in the 1980s and 1990s. These debates were highly relevant to

this study because they record instances of persuasive political argument in struggle with oppositional discourses. This part of the analysis involved key word searches of the database Knowledge Basket with a focus on the targets of unemployment and taxation policy. Systematic searches were made of the following keywords: citizens; consumers; taxpayers; workers; unemployed; beneficiaries; electors; unemployment; unemployed; taxation; tax; enterprise; entrepreneurial; social responsibility; fairness; social justice; equality of opportunity; benefit reform; workfare; New Zealanders; work ethic. I noticed a drop-off in the incidence of the term citizen and a marked rise in the use of the term taxpayers particularly in the 1990s, as well as, a particular relation being constructed between beneficiaries and taxpayers. This led to the study of taxation discourses which was initially not part of the study. In this way the initial keyword searches generated subsequent keywords as articulatory strategies were identified, for example, fairness and social justice appeared frequently in the 'taxpayers' search indicating a link between ideas about taxpayers and ideas about fairness and social justice.

Analysis of parliamentary debates, policy documents and conference material focused on the representational meanings and practices they established. Debates that made reference to these target identities were analysed as acts of representation constitutive of social identity and as instances of discursive struggle over ideology.

A shift from one centring political problematic to another entailed the elaboration of a new set of terms for political contestation, a new policy paradigm and a re-specification of political identities. Political professionals represent political identities by offering an interpretive framework that constitutes people's interests and experience in ways that correspond with the political programme they offer. For this reason the study also examined a selection of election campaign material including manifestos and political speeches. Analysis of election material focused on the discursively organised connections between target identities and the political programmes on offer.

Analysing discourse

A discourse analysis that follows the analytics of Laclau and Mouffe (1985) entailed evaluating these instances of discourse as the effect of repeated choices, exclusions and articulations with other discourses. The documents described above were analysed as instances of hegemonic articulatory practice, paying attention to the construction of chains of equivalence, relations of difference, displacements and condensations. All the documents were analysed with reference to the articulations of discourse and the subject positions they made available with a view to understanding how discursive struggle engineered the shift from a social democratic to a neoliberal citizenship regime and political problematic.

The analysis charts the movement from a period in regulation characterised by a narrow set of political conflicts and a relative consensus to a period out of regulation where challenges to that consensus emerged and alternative interpretive frames openly contested for political hegemony. For this reason, particular attention is paid to discursive struggle and to the ways that certain political strategies positioned their opponents and how this war of position constructed relational meanings in discourse.

Attention was paid to disjunctures, displacements and variability in the discourses of Government administrations, Parties in Opposition and bureaucrats in order to investigate transformative ruptures in the policy trajectory. Analysis of these discursive shifts focused on establishing the links between shifting discourses of economic and state management and the new target identities and forms of citizenship they assumed and encouraged.

This research rejects a simple correspondence between the discourse purposively constructed and disseminated and the interests of specified groups. While this study analyses discourses as political strategies, it views the subject as constituted in and by

discourse itself rather than operating outside of discourse and simply manipulating discourse according to already specified ends. According to Foucault:

> The logic is perfectly clear, the aims decipherable, and yet it is often the case that no one is there to have invented them, and few who can be said to have formulated them. (1976, p.95)

This means that the very identities of social agents are constituted in and by discourse; therefore, discourse cannot be explained with reference to pre-given interests. Interests are discursively produced, maintained and transformed. The analysis should therefore seek to discern how, in the context of controversy, a particular identity or set of identities comes to predominate and structure the other identities in the field via hegemonic articulatory practices.

The shift from the social democratic to a neoliberal citizenship regime and political problematic is analysed as a shift from one way of domesticating and conceptually overseeing social, political and economic discourses and identities, which during the crisis became disarticulated and unstable, towards a new neoliberal "space of representation" (Laclau, 1990, p.61), which conceptually represented a range of rearticulated discourses and identities and guided New Zealand's process of neoliberalisation.

This discussion has provided an account of the nature of the data and how the analysis of the data proceeded. The following chapters offer the actual analysis and findings. The problem of how and why social policy should shift from a principle of redistribution of social risk to an object of a neoliberal economic rationality guides the analysis. The principle of income maintenance and progressive taxation is not in and of itself more irrational than workfare and flatter tax regimes, but it is irrational in the context of a new policy paradigm involving new ways of conceiving the effects to be produced by unemployment and taxation policy, and new ways of calculating its social, economic and political utility.

Summary

Ideological struggle over discourse reflects the battle for hegemony and involves the re-specification of political identities. This thesis provides an historical account of political identity formation in New Zealand from 1980-2000 and explores the discursive conditions that made the taxpayer/beneficiary distinction so pertinent to the restructuring of New Zealand's welfare state and citizenship regime.

This thesis contributes to a fuller understanding of the contingently realised process of the neoliberalisation of New Zealand's mode of development and joins a set of researchers (notably, Wendy Larner, Jane Higgins and Jane Jenson) in exploring *how* neoliberalisation proceeded by paying particular attention to the role of ideological discourse in hegemonising neoliberal forms of subjectivity. The theoretical claim underpinning this thesis is that ideological discourse strategies and the outcomes of struggles between political parties and between governing parties and counter-hegemonic forces shaped the direction of neoliberal policy reform in New Zealand. This analysis of discourse strategies and how discourses are reinscribed in new relations in the course of struggle is important for understanding New Zealand's qualitatively distinct process of neoliberalisation.

Chapter outlines

While the different chapters of the thesis focus on different phases of New Zealand's contingently realised process of neoliberalisation and foreground different sites of hegemonic articulatory practice, all of the chapters are concerned with the reconfiguration of representational discourses constitutive of a new form of political identification.

Chapter Two: Theoretical framework

This chapter sets out the key assumptions of discourse theory upon which the thesis questions and mode of inquiry are based. The chapter outlines Laclau and Mouffe's (1985) theory of discourse, in particular their view of the constitutive role of social antagonism, and processes of identification in hegemonic politics. Laclau and Mouffe's theory is supplemented by the French Regulation School's political economy, in particular, the concept 'mode of regulation' and its role in establishing a mode of development. The post-Marxist emphasis on discursive operations is combined with Jane Jenson's (1996) citizenship regime concept which identifies the actual discourses that make up a citizenship regime. Laclau and Mouffe's post-Marxist account of ideology draws attention to the forms of ideological struggle involved in citizenship regime change. Taken together these theoretical insights inform a way of analysing discursive struggle over ideology and its role in the construction and reproduction of citizenship regimes.

This chapter asks how this combined approach can usefully be applied to the empirical setting of New Zealand's restructuring of unemployment and taxation policy. To this end, it introduces explanatory concepts that inform understanding of the nature and context of political discourse. Bourdieu's concept of the political field and how it operates to truncate political discourse, and Bobbio's concept of the relative form of the Left/Right dynamic in particular, inform investigations into the context and dynamics of ideological struggle over citizen subject positions.

Chapter Three: Changing citizenship regimes

This chapter outlines and builds on Jane Jenson's (1996; 2004) theoretical framework for analysis of the process of constructing and embedding a citizenship regime. It then investigates the role of discursive struggle in the process of undermining the discourses and practices of citizenship connected to New Zealand's Keynesian welfare state and the corresponding, ongoing process of both constituting new citizen subject positions and rearticulating already formed positions, in new relations supportive of neoliberal reform. In focusing on unemployment and taxation policy this chapter shows how ways of knowing and regulating unemployment and taxation governed conceptions and practices of citizenship in New Zealand's Keynesian welfare state. I argue that the transformation of the discourses, programmes and administrative routines for governing tax and unemployment policy that occurred in the 1980s and 1990s formed part of the process of constituting a new neoliberal citizenship regime that corresponds with a neoliberal mode of development.

Chapter Four: From unemployment to welfare dependency: Shifting policy narratives in New Zealand 1970-2000.

The period 1970-2000 was a period marked by an increase in the number of official commissions of inquiry into various aspects of welfare and unemployment policy. This chapter examines discontinuities in welfare and unemployment policy discourse emanating from the state bureaucracy over this period and charts the shift from a Keynesian wage earners' welfare state policy paradigm to a neoliberal workfare policy paradigm. This transformation is explored via an analysis of discontinuities in policy discourse focusing, firstly, on the shift from comparative to competitive advantage in discourses of economic management. Secondly, the chapter examines the shift from a full employment wage earners' welfare state that articulated the citizen's right to a job to an emphasis on training and employability for an

'unregulated' labour market and, thirdly, the shift from passive income support to an active assistance approach to benefit administration. These shifts were constitutive of a movement from a social democratic welfarism to a neoliberal workfare policy regime.

Chapter Five: Articulating neoliberal goals with social democratic values: Labour's coalition of special interests

This chapter focuses on the discursive struggle between the neoliberalising Fourth Labour Government and citizen-based counter-hegemonic groups during the 1980s. It analyses the 1985 Employment Promotion Conference as a key discursive event in the construction and management of 'consensus' by the neoliberalising Labour Government seeking to expand its basis of support and neutralise key sectors of its opposition. This chapter provides an account of how the Labour Government articulated the roll-out of a neoliberal mode of economic regulation with aspects of the established Keynesian welfare state citizenship discourse in order to popularise their neoliberal agenda by articulating neoliberalism and social democracy.

This chapter also explores how Labour's *New Deal in Training and Employment Opportunities* (1985) deployed a strategy of recasting the unemployed as a series of disadvantaged groups individualising the indices of disadvantage and pre-empting a discursive process later taken up in earnest by the National Government in the 1990s, to construct a political frontier between a chain of legitimate citizen/subjects and a sexed, raced, socially destructive and parasitic underclass of deficient unemployed beneficiaries.

This chapter explores the ideological discourse strategy of the Fourth Labour Government which deployed the logic of difference establishing positive constitutive differences between the Labour Government's neoliberal discourse and the claims of counter-hegemonic groups, particularly the discourses of Maori self-determination,

women's equality in the labour market and those committed to devolution as part of a democratisation project. This chapter analyses discursive struggle between the neoliberalising Labour Government and counter-hegemonic groups organised around unemployment. It demonstrates how the discourses of radical democrats, liberal feminists and Maori radicals were repositioned in new relations which coincided with Labour's project to neoliberalise social democracy via the construction of links between what were, until the 1990s, disparate goals.

Chapter Six: Transforming New Zealand's political problematic and citizenship regime 1980-2000: Shifting moral discourses and the taxpayer

This chapter analyses parliamentary debates in New Zealand's House of Representatives in the 1990s and charts the development and articulation of the neoliberal ideology in argumentative action. It examines the strategic construction of a neoliberal mode of political identification and its links with debates over taxation and shifting moral discourses in the 1990s. The construction of a neoliberal mode of political identification invited and enforced the subjective internalisation of the norms of neoliberal citizenship. The chapter argues that the project to establish a neoliberal mode of political regulation based on the identity of the productive taxpayer involved giving a particular ideological spin to a number of apolitical terms, specifically, fairness, equality of opportunity and social justice. In this connection, the chapter provides an account of the moral discourses underpinning the Keynesian citizenship regime, such as justifications for its progressive and redistributive tax regime. It proceeds to document the discursive dis-articulation and re-articulation of discourses of taxation and taxpaying that occurred during the 1990s as part of the process of re-interpellating citizens as taxpayers, divesting taxpaying of its specific meaning and re-articulating it to conceptions of social responsibility and social justice. This discussion runs alongside an account of the neoliberalisation of New Zealand's centring political problematic which emerged, at least in part, as a consequence of these changing narratives of citizenship. This chapter specifies the chain of

equivalences that underpinned the re-specification of the citizen as a taxpayer and constructed the taxpayer as the new source of political legitimacy. Further it describes the process of constituting a dichotomous division of society around the nodal points of fairness, social justice and equality of opportunity. Finally this chapter explores the changing relative form of the Left/Right dynamic in New Zealand.

Chapter Seven: Conclusions

This chapter provides a summary analysis of the findings of the research and their significance and a brief discussion of the limitations of the research including an agenda for future research. It includes a postscript discussion exploring the post-2000 period under the stewardship of the current Labour government, which I argue, has continued to neoliberalise social democracy but has moved away from employing a coalition of minorities' discourse of the nation towards an adapted universal taxpayer citizenship discourse.

CHAPTER TWO

Theoretical framework

This thesis applies discourse theory to a political analysis of the respecification of political identity and public policy that occurred as part of the restructuring of New Zealand's citizenship regime 1980-2000. Theoretically it proceeds from a post-Marxist theory of discourse developed by Laclau and Mouffe (1985) comprising a synthesis of recent developments in Marxist, post-structuralist, post-analytical and psychoanalytic theory (Howarth and Stavrakakis, 2000). This is combined with Jenson's (1999) theory of citizenship regime change, which synthesises a French Regulation School mode of theorising stability and change in the patterning of social relations with a historical institutionalist perspective on political struggle and path dependency.

Principally this chapter provides an account of Laclau and Mouffe's theory of antagonism and its role in the production of identity as well as the operation of the articulatory logics of difference and equivalence in hegemonising discourse strategies and demonstrates the applicability of these theoretical insights to the study of the dynamics of citizenship regime change. The combination of post-Marxist and citizenship regime theories provided me a way of conceiving *how* citizen subject positions are established and transformed in hegemonic discourse. The post-Marxist approach provided a way to account for how discursive strategies are involved in the transformation of political subjectivity.

The categories introduced by Laclau and Mouffe such as social antagonism, political frontiers, myths and imaginaries and the logics of equivalence and difference do not *empirically* demonstrate what fulfills these functions in time and place. It is this gap that my thesis addresses. These categories are difficult to apply in an unmediated

way to concrete empirical studies and this is where Jenson's citizenship regime concept comes in. It provides a framework for understanding the discourses in time and place that actually subjectivise meanings of citizenship.

Jenson and Dobrowolsky's concept defines the parameters of the actual discourses and identities that sustain and transform citizen subject positions. These include: *The responsibility mix* defining boundaries of state responsibilities and distinguishing these from those of markets, families and communities. *The formal recognition of particular rights and obligations* establishing the boundaries of inclusion and exclusion. *Institutional mechanisms for giving access to the state*, including in particular, modes of participation and citizen claims making and *a definition of national identity* establishing the identities that belong to the nation (Jenson and Dobrowolsky, 2004).

Combining post-Marxist discourse theory and the citizenship regime concept provides a theoretical lens to examine how citizenship regimes are established, transformed and consolidated, in this case from a Keynesian to a neoliberal regime.

The chapter is divided into two sections. The first outlines the key assumptions of discourse theory and serves by way of an introduction to the discourse analytics of Laclau and Mouffe elaborated in *Hegemony and Socialist Strategy* (1985). It concludes by identifying and addressing a number of criticisms made of Laclau and Mouffe's work. The second section examines how discourse theory can be applied to understand the role of discursive struggle and political discourse strategies in citizenship regime change. The chapter argues that a fusion of the discourse analytics of Laclau and Mouffe (1985) and Jenson's (1996) citizenship regime concept serves as an epistemological grounding for a discourse analysis of New Zealand's shifting mode of citizenship and political problematic and has the capacity to generate a compelling interpretation of New Zealand's welfare restructuring.

Discourse theory and political analysis

Discourse theory demonstrates how discursive struggle shapes our present and offers a theoretical analytic capable of explaining historical change. Discourse theory claims, first, that it is impossible to perceive social reality independently of discourse and, second, that discourse cannot be identified and distinguished from social practices. Discourse is an active political force composed of "practices which systematically form the objects of which they speak" (Foucault, 1972, p.49). This research focuses more exactly on policy development as occurring not in response to a changing real world but rather in response to discourses which attempt to interpret the real world. This process is further complicated by a process of refraction whereby policy development occurs in response to discourses defining what is, which in turn transform what is. This thesis views discourse as a theory of social causality. Discursive struggle engages actively in the restructuration of society.

According to Foucault:

> Discourse is constituted by the difference between what one could
> say correctly at one period (under the rules of grammar and logic)
> and what is actually said. (1972, p.63)

Thus, discourse analysis attempts to show how and why one particular discourse prevails rather than another. It must go beyond simply identifying which ideas were important in shifting regimes of citizenship to accounting for why those particular ideas and not others were the ideas that mattered. This method gives priority to analysis of processes of articulation. As Foucault points out:

> What I am analysing in discourse is not the system of its
> language...for I am not concerned about knowing what makes it
> legitimate, or makes it intelligible, or allows it to serve as

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communication. The question which I ask is not about codes but about events: the law of *existence* of statements, that which rendered them possible—them and none other in their place: the conditions of their singular emergence; their correlation with other previous or simultaneous events, discursive or otherwise. (1991, p.59)

Analysis of articulation must not only examine the relations between the discourses in circulation but must also account for what these "spaces of dispersion" (Foucault, 1991, p.55) exclude. This is because the articulatory process both combines/substitutes and excludes.

Following Foucault, discourses are relational systems of meaning and practice that constitute the identities of subjects and objects. Texts must be analysed as specific configurations of statements that are politically constitutive. This kind of discourse analysis treats empirical data as discursive forms. Reports, manifestos, speech events, policies and institutions are treated as strategic discourses. These "little d" discourses are analysed as articulatory strategies deployed in the transformation of hegemonic discourse with a "big D" (Gee, 1990).

The theory of discourse offered by Laclau and Mouffe provides a conceptual framework for analysing concrete discursive struggles. The concrete ways in which discourse makes history cannot be understood without reference to actual historical discursive formations. This research provides a historically and nationally situated account of the process of constructing and consolidating a neoliberal citizenship regime and political problematic in New Zealand. This is achieved by mapping the shift from the hegemony of New Zealand's Keynesian citizenship regime and political problematic, its disarticulation, and the construction and consolidation of a neoliberal citizenship regime paying close attention to displacements in the meaning of 'unemployment' and 'taxation' that shaped this shift.

The discourse theory of Laclau and Mouffe

The discourse theory of Laclau and Mouffe (1985) arises out of post-structuralist and post-Marxist modes of theorising which deconstruct the notion of closed and centred structures (Derrida, 1972). Post-structuralism questions the idea of an ultimate foundation or centre, determining rationality or origin. In the Marxist tradition, the centre is conceived as the internal economic rationality which determines the social formation, while in the Liberal tradition, the autonomous subject is the centring transcendental subject around which liberal political thought is based. Post-structuralists have argued that there is no privileged centre, *a priori* subject or determining instance which ultimately structures social relations (Daly, 1991, p.81).

This break with the idea of an ultimate structuring centre means that there is no foundational source of the structure. Discourse theory critiques the idea that there can be a foundation that structures the structure and yet escapes structuration itself (Derrida, 1978). This recognition of the incoherence of a foundational centre gives rise to recognition of the social totality as an endless play of significatory substitutions. If there is no foundational ground upon which social relations/identities are built, then social meanings are constituted out of relational significatory systems. Laclau argues that there are two consequences that follow from the differential nature of identity. Firstly, "each identity is what it is only through its differences with all the others" and secondly, "if all identities depend on the differential system, unless the latter defines its own limits, no identity would be finally constituted" (1985, p151). According to Laclau, if we had a foundational perspective then we could appeal to the ultimate determining rationality as the source of all the differences. Since foundationalism is abandoned in discourse theory, the only way to define the system of differences is by constituting its limits. The only way to establish the limits of a system of differences is to postulate a radical otherness. This means that the

totalising vision of 'the social' is constituted by what is constituted as external or threatening to it. The vision of the social is thus achieved via antagonism.

> Discourses and the identities produced through them are inherently political entities that involve the construction of antagonisms and the exercise of power. Moreover, because social systems have a fundamentally political character, they are always vulnerable to those forces that are excluded in the process of political formation. (Howarth and Stavrakakis, 2000, p.9)

Laclau (1985) argues that the impossibility of a universal ground does not eliminate the need for it: "it just transforms the ground into an empty place which can be partially filled in a variety of ways (the strategies of this filling is what politics is all about)" (p.158). It follows that hegemonising political projects seek to arrest the endless play of signification and establish a temporary fixing of discourse via articulation.

The discussion above draws attention to the central role of antagonism and articulation to Laclau and Mouffe's discourse theory of politics. The following discussion explores Laclau and Mouffe's theory of social antagonism and hegemonic articulatory practices. These conceptual processes are relevant to post-Marxist, trans-historical theoretical understandings of the nature of discourse and social change. However, they are also tools for understanding concrete discursive operations in times and places and are highly relevant to understandings of citizenship regime change.

Social antagonism

Social antagonisms reveal the points at which social meanings are contested. According to Torfing (1999), hegemonic articulations, as opposed to articulations *per se*, involve the negation of alternative identities, meanings and options and the people who identify with those meanings and options.

> The negation of identity tends to give rise to social antagonism. The hegemonic force, which is responsible for the negation of individual or collective identity, will tend to construct the excluded identity as one of a series of threatening obstacles to the full realization of chosen meanings and options. (Torfing, 1999, p.120)

In establishing the limits of a system of differences, a radical otherness is necessarily excluded because it provides the inside with its unity. The constitutive outside is both what constitutes and what denies the inside. Social antagonism is therefore constitutive of social identity. The antagonistic other is constructed as blocking the full realisation of society. Political actions are thus guided by the illusion that domesticating or annihilating the antagonistic force/identity will permit the full realisation of society (Torfing, 1999, p.129).

The hegemonic discourse of society, or what Laclau (1990), calls myth, "a principle of reading a given situation" (p.61) provides a coherent space of representation. This discourse becomes the "surface of inscription" (p.63) for the demands and aspirations of social groups. Myths break down when the discourses that support them are confronted with events, identities or political projects that reveal the prevailing myth to be inadequate or unresponsive to new demands. These events, discourses or projects force the recognition of the limits of the myth. Recognising these limits creates an opening for an alternative vision of the social to emerge and become consolidated.

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Laclau and Mouffe's exploration of the nature of antagonistic relations is relevant to understanding citizenship regime change as citizenship regimes erect modes of political identification and institutionalise acts of exclusion thus ordering social antagonisms in particular societies.

> An antagonism is seen to occur when 'the presence of [an] other prevents me from being totally myself….Given this, the task of the discourse analyst is to explore the different forms of this impossibility, and the mechanisms by which the blockage of identity is constructed in antagonistic terms by social agents. (Howarth and Stavrakakis, 2000, p.10)

Laclau and Mouffe's political theory of discourse draws attention to the centrality of social antagonism to the construction of identities in their "antagonistic conception of politics" (Smith, 1998, pp.129-130). Accordingly there is no identity without antagonism. Rather than see political conflicts as the result of the clash between pre-existing forms of positive identification, political identity construction results from the institution of a frontier between two sides which is constitutive of each identity.

Hegemonic articulatory practices: The logics of equivalence and difference

Articulation is the practice of establishing a relation between elements such that their identity is modified as a result (Laclau and Mouffe, 1985, p.105) and is fundamental to hegemonic politics. Articulatory practices institute privileged signifiers that establish the social as an organised system of differences (Torfing, 1999, p.109). An organised system of differences, or myth of the social, is established through the construction of political frontiers resulting from the expansion of chains of equivalences. Following Laclau and Mouffe, hegemonic practices primarily attempt to manage collective representations through the deployment of the cross-cutting

logics of equivalence and difference. The logic of equivalence operates to emphasise equivalences between identities such that their differences are sublimated in opposition to a radical other. This equivalential logic reshapes the differences in the chain transforming them into positivities and displaces antagonisms to the periphery of the social (the constitutive outside) (Laclau and Mouffe, 1985, p.130).

On the other hand, representations are structured according to the logic of difference, when their differences define their identity. A discourse strategy employing the logic of difference attempts to displace existing antagonisms to the margins by combining the discourses and goals of antagonistic groups. A discourse strategy employing the logics of equivalence on the other hand, constructs a clear cut division of social space between two antagonistic poles.

> The two logics limit each other such that neither one completely defines the social; the effects of a differential representation is suppressed insofar as it is displaced by an equivalential representation, and vice versa. (Laclau and Mouffe as cited in Smith, 1998, p.174)

As a method for analysing actual discourses, Laclau and Mouffe's discourse theory focuses our attention on discursive representations governed by the logics of difference and equivalence. The development of Laclau and Mouffe's discourse theory is linked to developments in the field of linguistics, particularly the work of Saussure (1959) who argued that language should be understood as a social system of rules for combination and substitution. Discursive representations governed by the logic of equivalence entail different signifiers substituting for each other, while the logic of difference combines different signifiers. Thus all identities within a linguistic system are relational and differential identities (Torfing, 1999, p.87).

According to Laclau and Mouffe, the social is open and precarious; social relationships are constituted on the basis of a logic of radical contingency. "Societies must be understood as products of a dispersed plurality of practices with no necessary

centre or unifying principle" (Jessop, 1990, 243). The absence of a structuring centre renders absolute closure impossible.[9] However, discourse does achieve the establishment of temporary structural orders and arrests the play of substitutions through the establishment of precarious centres. These centres are established by way of the production of privileged signifiers that shape the identities of the other signifiers establishing a chain of signification.

The logic of difference establishes a relation of combination between two discursive elements, which is mutually constitutive of their identities. This occurs through a process in rhetorical discourse that permits one thing to be differentiated or compared and contrasted with another in order to differentially establish their mutual identities. For instance, within liberal discourse, nature is compared and contrasted with rationality and the differential relationship between the two terms is constitutive of their identity. Nature is the state in which a generalised struggle ensues of all against all. It is absence of property law and thus the absence of rationality. Rationality is the liberal 'order' and nature is 'disorder'.

According to Laclau and Mouffe:

> If we remain in the field of differences, we remain in the field of an infinitude which makes it impossible to think any frontier and which, consequently, dissolves the concept of 'formation'. That is, limits only exist insofar as a systematic ensemble of difference can be cut out as a *totality* with regard to something *beyond* them, and it is only through this cutting out that the totality constitutes itself as formation. (Laclau and Mouffe, 1985, p.143)

Despite the relative openness of the social, discourse achieves a partial fixing of meaning. This partial fixing of meaning is necessary because without the fictitious[10]

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[9] Absolute closure refers to the permanent fixation of meaning.
[10] The fixing is fictitious because no discourse can totalise the field of possible meanings. The fixing of discourse achieved by hegemonic articulations is temporary and unstable.

fixing of meaning there would be no meaning. This fixing is partial and ultimately temporary because those identities which are not fixed as a differential identity within a discourse, but negate the discourse, escape the differential logic of the discourse in action and ultimately threaten to subvert it.

The logic of difference is also circumscribed by the logic of equivalence which produces chains of equivalential signifiers. A chain of equivalence is a chain of signifiers which substitute for each other, creating a paradigmatic relationship (Laclau and Mouffe, 1985, pp.127-128).

> Two terms, to be equivalent, must be different—otherwise there would be a simple identity. On the other hand, the equivalence exists only through the act of subverting the differential character of those terms. (Laclau and Mouffe, 1985, p.128)

The construction of a chain of equivalence, for example, between the neoliberal conception of the human individual as 'rational economic man' and neoliberal conceptions of 'democracy as the market' is achieved by constructing an equivalence between a particular version of freedom as central to humanness and the market as the collective expression of that freedom/humanness. The construction of a chain of equivalence between the two terms involves a loss of meaning (an emptying), as a whole corpus of meanings associated with humanness and democracy are displaced in order to achieve the paradigmatic relationship between the neoliberal human individual and market democracy.

The logic of equivalence operates by floating and emptying. This means that the expansion of a chain of equivalence requires the floating of the privileged term in order for it to attach to other signifiers. This expansion of the chain implies an enrichment of meaning. However, what is achieved through expansion is the opposite as:

The more the chain expands, the more differential features of each of the links will have to be dropped in order to keep alive what the equivalential chain attempts to express. (Laclau, 1996, p.209)

A chain of equivalence is established when a privileged signifier shapes the meanings of the other signifiers in the chain. For example, in the Keynesian welfare state, the privileged identity of the worker shaped the identity of the wife, the young and the retired insofar as each of these categories were defined in terms of their relationship to the worker identity (Jenson, 1999, p.6).

The expansion of the logic of difference, on the other hand, occurred as a result of the breakdown of the chain of equivalence established by the Keynesian welfare state. New socioeconomic problems such as stagflation, and political identities such as feminists, contested the discourses of the Keynesian welfare state extending the play of difference. According to Torfing:

The relation between difference and equivalence is, in other words, undecidable. The discursive identities are inscribed both in signifying chains that stress their differential value, and in signifying chains that emphasise their equivalence. The tension between the differential and the equivalential aspects of discursive identities is unresolvable, but political struggles may succeed in emphasising one of the two aspects. (Torfing, 1999, p.97)

Overdetermination relates to the distinction between relations of difference and relations of equivalence. There are two forms of overdetermination, according to Laclau and Mouffe: condensation and displacement. Condensation is the fusion of discursive identities into a unity. For example, the anti-globalisation protests of recent years condense a range of democratic demands into an anti-system discourse. Condensation is the result of relations of equivalence.

Displacement concerns the transferral of the meaning of one moment of discourse to another moment of discourse (Torfing, 1999, p.98). For example, those behaviours identified as threatening to the rational social order envisaged by the neoliberal political project, such as idleness, dependency, poverty, criminality, new familial forms, etc. are displaced onto the threatening subject of the beneficiary. The unemployed beneficiary is the embodiment of a certain lack/absence—the impossibility which prevents society from becoming a fully sutured positivity. Thus the neoliberal social order exists only insofar as it displaces its own contradictions on to a fictive character. The constitution of this fictive character is conceptually necessary for the neoliberal regime as it provides it with a unity by way of constituting its limits.

The unemployed beneficiary is constituted in and by processes of condensation and displacement. The contradictions of the neoliberal discursive formation are displaced onto the fictive character of the unemployed beneficiary in order to define the unity of the neoliberal social order. And the mass of contradictions and impossibilities inherent in the neoliberal vision of society such as, the contradiction between work ethic and familial responsibility, are also condensed in the figure of the unemployed beneficiary. In this way, the logics of difference and equivalence operate simultaneously to construct a political frontier effect in which the unemployed beneficiary represents the constitutive outside of the neoliberal social order under construction.

Within the political field certain signifiers float. This means that they acquire different meanings in different contexts. For instance 'democracy' means something different at a New Zealand Labour Party conference than at a New Zealand National Party conference. It has one content within a neoliberal, social democratic discourse and a different content when articulated within a neo-conservative, neoliberal discourse. According to Torfing (1999), this does not mean we have a polysemic coexistence of different versions of democracy, as the different versions tend to negate and substitute for each other in the course of political struggle. This is of

central importance to this research because it speaks to the centrality of antagonism in determining identity.[11]

The relational and differential character of linguistic identities means that language constitutes a system in which no element can be defined independently of others (Laclau, 1993, p.432). The relational nature of discourse means that the signifier 'citizen' has no positive content outside of a particular chain of signification. This signifier has content only when it is perceived alongside a particular conception of the economy, the nation, democracy, etc. Thus the signifier acquires meaning via its articulations with other signifiers.

Once a signifier becomes articulated within a chain of signification its meaning is derived from its relationship to the other signifiers in the chain. All of the moments in the chain while retaining their differences, can substitute for each other and thereby evoke the same discursive unity. For example, within the neoliberal discourse, the signifiers market, democracy, autonomous subject, etc., whilst retaining their differential meaning, point to something other than themselves, in this case the neoliberal social order.

A hegemonic chain of signification consists of a number of complementary discursive identities which, taken together, constitute a particular interpretive frame. An interpretive frame constitutes "a way of acknowledging what is 'true' and

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[11] The centrality of antagonism distinguishes a Laclau-Mouffian analytic with a neo-Foucauldian approach. Laclau and Mouffe stress the centrality of ideological struggle to the production of discursive formations. Foucault, on the other hand, has been criticised for an apparent neutrality with regard to politics. However, Foucault's genealogical approach is sharply political insofar as it provides a method for "an insurrection of subjugated knowledges" (Mahon, 1992) with the purpose of opposing the effects of hegemonic discourse and is for this reason is hardly apolitical. The charge of political neutrality, however, possibly stems from Foucault's and some neo-Foucauldians' over-emphasis of the polysemic coexistence of distinct and contradictory discourse. Although all discourse contains contradictions, the crucial point made by Laclau and Mouffe is that different discourses negate and substitute for each other in the course of political struggle. This means that while alternative or competing discourses may not be prohibited by the establishment of a hegemonic discursive formation these discourses are discredited as belonging to the category of 'false'. These processes of exclusion involved in the ordering of social antagonisms are central to determining the meaning-giving limits of the predominant discourse.

excluding what is 'false' " (Hall, 1988a, p.51), thereby allowing the bearers of the interpretive frame to interpret events and new discourses in a way that both reinforces the premises of their interpretive frame and informs a practical agenda.

The previous discussion points to the significance of articulatory strategies in the production of meaning. Processes of articulation are constitutive of hegemonic discourses. According to Laclau and Mouffe, articulation is "any practice establishing a relation among elements such that their identity is modified as a result of the articulatory practice" (1985, p.105). This means that a hegemonic discourse is not just a collection of disparate discourses clumsily stitched together. Rather, the process of articulation modifies the discourse elements emphasising their compatibility and excluding their contradictions. According to Laclau, "hegemonic articulatory politics involves the articulation of different discourse elements in such a way as to neutralise their antagonistic contents" (1977, p.161 quoted in Morley and Chen, 1996, p.119).

Hegemonic articulation is defined by Torfing as "attempts to dis- and re-articulate social elements in and through antagonistic struggles in order to become hegemonic" (Torfing, 1999, p.298). Hegemony is the end goal of hegemonic articulation and consists in the consolidation of a hegemonic discourse and its materialisation in a social formation. Hegemonic social formations such as the Keynesian welfare state and ascendant neoliberal mode of development are the consequence of hegemonic practices of articulation. They constitute articulations of discourses that provide the chain of signification supportive of a political project. These hegemonic chains are contingent articulations of different discourses which inform social practice (Torfing, 1999, p.103).

Torfing, drawing on Laclau and Mouffe, defines hegemony as:

> …an articulatory practice instituting nodal points that partially fix
> the meaning of the social in an organised system of difference. The
> discursive system articulated by a hegemonic project is delimited by

specific political frontiers resulting from the expansion of chains of equivalence. (Torfing, 1999, p.109)

The expansion of a chain of equivalence occurs through the construction of its limits. These frontiers are political because they constitute the space occupied by alternative identities and discourses which negate the identities and discourses articulated within the chain. A hegemonic chain of equivalence is constituted out of the representation of this political frontier because its unity is partially constituted through the exclusion of that which it is not. For example, the unity of the neoliberal discourse is constituted out of the creation of a social division between the responsible, self-sufficient, employed, citizen/taxpayers and dependent, idle, criminal beneficiary/immigrant non-citizens.

This displacement contributes to the objectification of the social, as it facilitates the fantasmatic construction of a liberated society of fully achieved identities by means of holding out the promise of the annihilation of the enemy which hitherto has denied society its self-identity. (Torfing, 1998, p.92)

Political forces engaged in the pursuit of hegemonic projects assemble links between discourses in order to construct a hegemonic chain of signification, which interpret the historical experience of political subjects and offer them a mode of political identification that is linked to a new political agenda. This process is hegemonic when it involves the negation of alternative discourses and the identities of those social forces identified with those alternatives.

In periods marked by undecidability or in French Regulation School terms, periods out-of-regulation, a floating of signifiers occurs. This means that discourses that were once fixed in a hegemonic chain become disarticulated and float. For example, Labourism was articulated within New Zealand's Keynesian welfare state during the post-war era. Once the Keynesian welfare state began to unravel, the discourse of social democracy was disarticulated from Labourism and began to float in search of

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new articulations which would once again provide social democracy with a politically relevant discourse and agenda.

Ideological processes establish a fixing of discourse that converts the variety of antagonistic meanings and options into a hegemonic discourse which limits contestability and involves a filling of terms such as justice, democracy, economic renewal etc. (Norval, 2000b, p.323). Political struggles are thus struggles over the filling of empty signifiers. Empty signifiers are those signifiers which attempt to shape the identities of the other signifiers in the articulated chain and thereby represent the absent fullness[12] of a community (Laclau, 1994).

Criticisms of Laclau and Mouffe: The discursive and the non-discursive

Discourse provides the terms upon which any actual historical experience is understood. This means, for example, that although high unemployment levels have material effects, these effects are established by the discourses in which 'high unemployment' appears. The meaning and treatment of unemployment depends on the discourses which describe it as, for example, an indicator of the failure of the capitalist mode of development or, alternatively, as a sign of economic failures to which governments are accountable, or as a necessary condition for the achievement of labour market flexibility.

Laclau and Mouffe have been criticised for a tendency to reduce everything to discourse. However, while this discourse reductionism may be a possibility built into their mode of theorising it is an unnecessary tendency. Although all practices are inscribed by discourse this does not mean that all practices *are* only discourse. While Laclau and Mouffe may have provided a theory of discourse which shows how social

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[12] The term absent fullness refers to the idea that while hegemonising discourse seeks to achieve a 'fullness' by totalising the field of meaning, this project is ultimately unachievable as a number of discourses must be displaced in the constitution of a hegemonic discourse.

formations are established through hegemonic articulatory practices, it does not follow that they do not recognise how non-discursive factors also circumscribe the field of discourse and discursive struggle. For example, Laclau (1990) argues that dislocation occurs in a situation in which there is always a relative structuration of the social (p.43). This means that events cannot be discursively represented in any possible way. While there may be multiple possibilities the possibilities are circumscribed by material and discursive conditions.

This research does not view discourse as the sole determinant of citizenship regime change, but does argue that it is a pre-eminent causal factor. Citizenship regime change depends on the positional advantages and resources of differently positioned social groups represented in discourse. However, it is discourse that structures these non-discursive relations. Hegemonic discursive formations organise, represent and regulate concrete social formations.

Dreyfus and Rabinow (1982, p.66) point out that even within the context of a system of relations established in and by discourse, institutions and practices must also somehow sustain discourse. Although the political field may be dominated by the battle over ideas, a successful discourse must respond to a set of non-discursive constraints. While hegemonic formations condition the material/non-discursive relations with which they are articulated, the material/non-discursive relations either sustain the discourse and thereby lead to its consolidation or, as the case may be, contradict the discourse and ultimately lead to its disarticulation.

While discourses can be disrupted and marginalised when events do not fit the terms of the discourse, this lack of fit does not always lead to the disarticulation of the discourse. Some discourses may lack a correspondence with primary relations and may simply be promoted by a number of agents. This non-correspondence between primary relations and discourse can be overcome, as discourses can become self-fulfilling. For example, the neoliberal discourse of the market alters people's

expectations and induces them to operate in the world according to market imperatives. In this way discourse can produce a movement from theory to practice.

Criticisms of Laclau and Mouffe's discourse theory also relate to their post-Marxism, which, according to the critiques, is rather too post-Marxist (Geras, 1988, pp.14-61; Geras, 1990). Laclau and Mouffe's post-Marxism is inspired by post-structuralism which rejects the Marxist insistence of the economic as the underlying determining centre of the social totality. Although the economic as a discursive formation may play a central role in structuration, it does not function, as in structural Marxism, as a theory of history in Laclau and Mouffe's post-Marxist account. Their theory of discourse is to a large degree conditioned by their opposition to structural Marxism. The main criticism relating to Laclau and Mouffe's post-Marxism focuses on alleged relativism resultant from their expansion of the field of political contingency. The field of political contingency is expanded in Laclau and Mouffe's theory because the social lacks a fixed centre. A number of political projects offer competing centres. The openness of the social, central to Laclau and Mouffe's theory, as well as their rejection of a clear distinction between the discursive and the non-discursive, implies that there are no limits to the possible articulations within a dislocated social structure. Torfing points out, however, that their insistence that everything is discursively constituted should not be understood as meaning "that everything can be discursively constituted in any possible way" (1999, pp.152-3). While the social is open, not everything is possible. This point is relevant to the discussion of discourses of social justice, fairness and equality of opportunity in Chapter Six because what matters in a study of the hegemonic articulatory discourse strategies deployed in political struggle is the actual usage of concepts. For example, the concept 'equality' has no necessary correspondence with recognition of differences between people and the idea that they should be reduced. However, the political use of the concept 'equality' across time and place has deployed this shared meaning. Nevertheless, the discourse of equality cannot be reduced to this core component as the political-ideological use of the term is contingent and fillable and can be articulated with different discourses and projects that alter its meaning.

Following Laclau, social dislocation[13], which occurs when a discursive formation is destabilised by undomesticatable events, widens the field of the possible. However, this takes place within a determinate situation of a relative structuration of the social which places limits on possible articulations (Torfing, 1999, p.153).

> …the dislocation of a structure does not mean that *everything* becomes possible or that *all* symbolic frameworks disappear, since no dislocation could take place in that psychotic universe: a structure must be there for it to be dislocated. The situation of dislocation is that of a lack which involves a structural reference. There is a temporalization of spaces or a widening of the field of the possible, but this takes place in a *determinate* situation: that is one in which there is always a relative structuration (Laclau, 1990, p.43).

This means that new discourses are established in relation to what is already in place. Some discursive articulations become sedimented and so while they are contingent insofar as the potential exists for these elements to be articulated into different moments, there can be powerful discursive and material barriers to this happening. While the relative structuration of the social rescues Laclau and Mouffe's discourse theory from charges of discourse reductionism, it highlights a gap in their theory insofar as they fail to fully theorise the nature of the 'relative structuration of the social' (c.f. Nash, 2002). Contrary to the claims of their critics, Laclau and Mouffe do not deny the existence of real events but rather view discourse as organising certain sequences of events into narratives which are defined by a certain society as real and or serious. In holding this view they do not deny the existence of a materiality of events; rather, their argument is that our access to this materiality is mediated by hegemonic articulations of discourse.

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[13] Dislocation is defined by Laclau as the moment of failure and subversion of a system of representation (Howarth and Stavrakakis, 2000, p.105).

A French Regulation School supplement

Laclau and Mouffe's failure to fully theorise the relative structuration of the social can be remedied by supplementing their discourse analytics with the French Regulation School's theory of regulation (Aglietta, 1998; Lipietz, 1994; Boyer, 1988). Members of the French Regulation School[14] attempt to account for historical development of hegemonic formations defined as in regulation punctuated by ruptures in which the contradictions put on hold by the mode of regulation *en regime* can no longer be contained and a period out-of-regulation ensues. According to Aglietta (1998), a mode of regulation consists of mediation mechanisms that modify the tensions between the individual and society. The construction of a mode of regulation depends in large part on political struggles. The representational practices of citizenship are important to this process because citizenship regimes create a compatibility or mediate between individual goals and membership of society, orienting citizens to the conditions necessary for stable economic and social reproduction (Lipietz, 1994, p.339).

The French Regulation School offers a mid-range historically grounded account of the construction, embedding and breakdown of modes of regulation, which grounds a post-Marxist discourse analysis of historically developed sets of practices and meanings of citizenship. Citizenship discourses can be analysed as part of the hegemonising political projects to establish hegemonic modes of regulation. The political component of a mode of regulation includes a citizenship regime. Jenson and Phillip's (1996) concept of a citizenship regime establishes how discourses of subjectivity are organised politically to support particular political projects. According to Jenson and Phillips (1996), a citizenship regime establishes a paradigmatic representation of the model citizen and a system of inter-subjectivity that enumerates interests and establishes the appropriate set of relations between

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[14] Both post-Marxism and French Regulation School theory developed out of Althusser's Marxism.

citizen categories. A citizenship regime denotes the representational system that establishes the forms of citizen subjectivity that must be mobilised if a mode of regulation is to be established and reproduced.

The French Regulation School concepts of a mode of regulation that establishes a mode of development fills in the missing account of the relative structuration of the social and provides a spatial and temporal grounding for a post-Marxist discourse analysis.

Citizenship regimes

A citizenship regime includes a mode of political identification and a corresponding institutional matrix that corresponds with, and is a component of, a mode of regulation. Jenson's (1999) exposition of the discursive and practical connections between Canadian citizens and the state in the post-war period is underpinned by an analytical framework for understanding changing citizenship regimes. Her citizenship regime concept is a useful theoretical construct for guiding our interpretations of contemporary democratic citizenship because it draws attention to the role and place of representational practices in ordering social and economic relations. According to Jenson:

> The concept of citizenship regime denotes institutional arrangements, rules and understandings that guide and shape concurrent policy decisions and expenditures of states, problem definitions by states and citizens, and claims making by citizens. (Jenson, 1999, p.3)

A citizenship regime is a central component of a mode of regulation which orders economic, political and social relations. As such, when a mode of regulation enters

crisis, so does the citizenship regime embedded within it (Jenson and Phillips, 1996, p.113). Discourse plays a dynamic role in reorganising representative practices and meanings. It cannot be separated out and examined within a circumscribed field of ideology separate from the field of institutions or production relations. Rather it needs to be theorised and examined in conjunction with a theory of regulation in order to take account of the social embeddedness of the capitalist economy. While this thesis analyses shifting citizenship discourses and emphasises the interplay of the political logics of equivalence and difference in their dis-articulation and re-articulation, it is important to place this analysis within the wider context of the neoliberalisation of the global mode of development.

This thesis therefore combines Laclau and Mouffe's political theory of discourse, which informs a mapping of discursive changes, with the regulatory explanatory account of the dynamics of citizenship change offered by Jenson's (1996, 1999, 2004) concept of a citizenship regime.

According to Jenson (2004), there are four elements of a citizenship regime that contribute to ordering the space of citizens' representation and give content to the institutions and practices that sustain it. Firstly, a citizenship regime establishes the "responsibility mix" (Jenson, 2004, p.156). This means that discourses and practices of citizenship define the boundaries of state, market, community, family and individual responsibility. Secondly, a citizenship regime recognises particular rights and obligations and in so doing "establishes the boundaries of inclusion and exclusion of a political community" (p.157). Thirdly, a citizenship regime constitutes governing practices including discursive rules and modes of citizen access to the state particularly the legitimacy of certain types of claims making by establishing which discourses are legitimately mobilised in citizens' and social movement claims making. Fourthly, "a citizenship regime contributes to the definition of the nation" (p.157). Each construction of the nation implies a set of relative identities or a system of inter-subjectivity connected to that conception of nationhood which expresses and directs the legitimate social relations among and within citizen

categories. Following Jenson, "a citizenship regime encodes within it a paradigmatic representation of identities, formative of the 'national' as well as the 'model citizen', the 'second class citizen' and the 'non citizen'" (Jenson, 1999, 4). A citizenship regime, therefore, consists of a chain of linked discourses and subject positions which establish what Anderson (1983) has called an "imagined community". Anderson describes national communities as imagined because "the members of even the smallest nation will never know most of their fellow-members, meet them, or even hear of them, yet in the minds of each lives the image of their communion" (p.168). According to Calhoun, imagined communities are constituted in and by political discourse:

> People without direct interpersonal relations with each other are led by the mediation of the world of political symbols to imagine themselves as members of communities defined by common ascriptive characteristics, personal tastes, habits or concerns. (1991, p.108)

Citizenship regimes consist of discourses of community and personhood that position the subject within a moral framework that orients their political judgements. A mode of political identification is a central component of a citizenship regime and mobilises political subjects to actively identify as particular kinds of citizen subjects. Following Howarth and Stavrakakis (2000), during periods of dislocation when the contingency of discursive structures is made visible, identities connected to the disarticulating structures are disrupted. This situation induces an identity crisis in the subject who actively searches for a replacement subject position to identify with.

> The political subject is forced to take decisions—or identify with certain political projects and the discourses they articulate—when social identities are in crisis and structures need to be recreated. In Lacanian terms, the emergence of political subjectivity is the result of a lack in the structure. It is this lack in the structure that 'causes' subjects to identify with those social constructions that seem capable

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of suturing the rift in the symbolic order. (Howarth and Stavrakakis, 2000, p.14)

Citizens actively identify with modes of citizenship and the political projects they articulate (Howarth and Stavrakakis, 2000, p.14). Different political projects seek to inculcate different subjectivities.

Contestation and decontestation

The distinction between periods in regulation and out of regulation draws attention to discursive processes of 'contestation' and 'decontestation' elaborated by Norval (2000b). For example, when a policy approach is subject to contestation, alternative perspectives are legitimately expressed and debated. Decontestation is the process by which what is the result of historically specific instances of hegemonic articulation becomes naturalised and counter-hegemonic discourses are displaced to the constitutive outside. The movement from contestation to decontestation is thus of particular importance to understanding how certain discourses become hegemonic.

Out-of-regulation periods feature increased contestation whereas in-regulation periods feature decontestation. Correspondingly, Laclau (1990) distinguishes between 'the political' and 'the social'. In-regulation periods correspond with Laclau's theorisation of the social while out-of-regulation periods correspond with his theorisation of the political.

> 'The social' is the routinisation or sedimentation of discourse and the construction of 'objective' institutions and structures. 'The political', on the other hand, is the reactivation or rediscovery of the fact that what are taken to be 'objective' social forms are actually

nothing more than contingent constructions that may be reconfigured in new ways. (Nash, 2002, p.104)

During periods in regulation, the space of political contingency and contestation is circumscribed by the hegemony of 'objective' social forms. During out-of-regulation periods, the space of 'the political' expands as 'objective' social forms are recognised as contingent and subjected to contestation.

Nash (2002) argues that political sociology is a necessary addition to post-Marxism. She suggests that Laclau and Mouffe's radical constructivism is inadequate to theorising the social and historical conditions in which structures and identities are actually formed. Their emphasis on deconstruction makes it impossible to theorise the way in which "social forms are instituted in hegemonic discourse" (p.105). However, while Nash identifies some limitations in Laclau and Mouffe's theory for theorising the relative fixity of 'the social', their analytics is better equipped to theorise periods out of regulation in which the space of political contingency expands.

The French Regulation School's distinction between periods in regulation and times out of regulation is useful for understanding processes of identification which produce specific subjects in specific times and places. Out-of-regulation periods are characterised by a decentring of discursive structures which destabilise pre-existing identities inducing identity crises. Following Gramsci, an 'organic crisis' corresponds with the collapse of popular identifications with institutionalised subject positions and political imaginaries (Smith, 1998, p.164). Out-of-regulation periods are characterised by both the dis-articulation of pre-existing identities and the re-articulation of new identities and this process is governed by the political discursive logics of equivalence and difference.

Subject positions and subjectivity

Discourse theory has developed out of a radicalising of Gramsci's and Althusser's concepts of politics and ideology, drawing on post-structuralist understandings of identity formation (Howarth and Stravrakakis, 2000, p.5). In discourse theory, processes of identification which produce subjectivity are central. In discourse theory, identities do not exist prior to or outside of specific hegemonic formations. Hegemonising articulatory practices invoke particular subject positions and encourage individuals to reshape their action guiding self-understandings in accordance with these. Discourse theorists distinguish between subject positions and political subjectivity. The concept of subject positions draws on the work of Foucault and designates the positioning of subjects in the discursive structure. It challenges the idea of a unified subject with objective interests and instead argues for a discursive structure offering multiple points of identification.

> Within each society, each social agent is inscribed in a multiplicity of social relations—not only social relations of production but also the social relations, among others, of sex, race, nationality, and vicinity. All these social relations determine positionalities or subject positions, and every social agent is therefore the locus of many subject positions. (Mouffe, 1988, p.89)

Political subjectivity, on the other hand, designates the active process by which subjects come to identify as a particular type of subject. During periods of social dislocation, hegemonic projects offer particular interpretations of subjective experience and encourage their take up. "In short, it is the failure of the structure, that 'compels' the subject to act, to assert anew its subjectivity" (Howarth and Stavrakakis, 2000, p.13).

The idea of a mode of political identification which requires the subject to actively identify with it is important to understanding processes by which citizenship regimes

are established and consolidated and is of central importance to this research which begins historically with the breakdown of the dynamic synergy between the discourses of the Keynesian welfare state and the discourses and practices of citizenship it hegemonised. The hegemony of the Keynesian welfare state was no longer sustained by the events that followed the world economic crisis of the 1970s. Stagflation, in particular, could not be integrated within the Keynesian welfare state discourse and thereby challenged its coherence and capacity to domesticate social reality. Contradictions internal to the Keynesian welfare state citizenship regime, particularly the contradiction between a workerist conception of the citizen and a expanded conception of equality that emerged in response to social movement discourses of the 1970s, also contributed to the disarticulation of the Keynesian welfare state hegemonic formation (see Chapter Six). This period was characterised by dislocation in which the contingency of discursive structures was evident (Howarth and Stavrakakis, 2000, p.13).

The breakdown of the stable relationship between the Keynesian welfare state discursive formation and its mode of regulation that occurred during the 1970s led to a proliferation of floating signifiers and dislocated identities—an unfixing of discursive chains. Crisis periods call for the development of a hegemonic project capable of rearticulating the floating signifiers within a new discourse that promises security, economic renewal and stable identities.

Processes of identification

Jenson (1990) points out that not all historical moments are equally open to the recognition of new actors. During periods in regulation there is relative consensus about the names of the primary actors and their interests. A number of structuring discourses are decontested. Conflict is primarily within the terms of the ongoing system of representation (Jenson, 1990, p.665). When a mode of regulation enters a

crisis new primary actors are represented and linked to alternative modes of regulation. The crisis of the Keynesian welfare state destabilised previously hegemonic citizenship identifications and created the need for a new system of inter-subjectivity creative of a privileged universal social subject and subordinate categories. This occurred via the re-articulation of disarticulated subject positions in new relations.

Out-of-regulation periods are creative of identity crises as people become disaffected with previously embedded subject positions, and hegemonising political projects compete to offer new subject positions with which people can identify.

> More and more subjects become unusually open to innovative political discourses; they therefore begin to experience the network of social structures into which they have been thrown as antagonistically blocking them from becoming what they believe to be their true selves—a phantasmatic construction that is itself always shifting. As this experience of lack becomes more acute, competing political forces will attempt to 'hegemonise' the social: they will attempt to offer their specific 'systems of narration' as a compensatory framework, and they will represent that framework as the only one that can resolve the identity crisis. (Laclau in Smith, 1998, p.165)

Shifts in modes of political identification are thus complex processes involving the reconstruction of identities and political values. New discourses of the subject linked to particular political agendas are offered, taken up and consolidated.

Representing citizens: the universal and the particular

Discourse theory seeks to rethink notions of the universal and the particular in order to account for their mutual conditioning. In discourse theory, the universal and the particular are entangled in an undecidable game (Torfing, 1999, p.168). The modernist project privileges the universal over the particular to the point where the universal rationality seeks to ultimately colonise particularity and achieve a rational scientific social order. Advocates of multiculturalism, on the other hand, view universal principles as the preserve of western imperialism and advocate for a radical particularism (Torfing, 1999, pp.170-1). Torfing points out the problem with both political projects stems from the impossibility of asserting a particularism without reference to a universal value. He states:

> The struggle to gain respect for the integrity of the group has to be waged in terms of everybody's right to the same. However, if the reference to universal values is the condition of possibility for the advancement of the interests of a particular group, it is at the same time the condition of impossibility for the maintenance of its particularity. (Torfing, 1999, p.172)

The relation between the universal and the particular is important to a study of citizenship regime change because the myth of the social cannot be represented but needs to be represented. Its (inadequate) representation requires some particular identity to assume the function of representing the whole. This particular identity must stand in for the whole community. This particular identity, "by making its own particularity the signifying body of a universal representation comes to occupy – within the system of differences as a whole – a hegemonic role" (Laclau, 1995a, p.153). That some particular identity functions to represent the community as a whole in hegemonic discourse is central to our understanding of citizenship.

Ideological struggle and the Left/Right dynamic: Transforming the political problematic

A radical restructuring of New Zealand's political problematic and citizenship regime took place between 1980 and 2000. This restructuring is commonly associated with the movement from a Keynesian social democratic regulatory paradigm to one based in neoliberalism and neo-classical economics. Although arguably this shift began in the late 1970s, the most decisive break in policy came after the election of the Fourth Labour Government in 1984. The policy goals and priorities applied to guide policy-making changed radically after 1984. Driving, and being driven by, this process of policy change was the reconfiguration of the representation practices of citizenship, a restructuring of New Zealand's political field and associated changes in the discourses of policy-making.

This research focuses on the role of ideological discourse in transformations in unemployment and taxation policy and explores the movement of neoliberal hegemonic articulations through major sites of the state: the bureaucracy, state institutions and the political field during the 1980s and 1990s. The discursive discontinuities in the constitution of unemployment and taxation provide an entry point through which issues of political conflict and identity are analysed. The hegemonising articulatory discourse strategies deployed in New Zealand's process of neoliberalisation produced a re-description and re-ordering of the targets of representational political rhetoric and a restructuring of unemployment and taxation discourses that transformed New Zealand's citizenship regime.

Broadly speaking, this thesis examines the role of discursive struggle in the process by which one citizenship regime replaced another. It examines the conditions under which 'unemployment' and 'taxation' appear in various forms of governmental, political and social movement discourse in order to understand how changing ways of discoursing about and regulating unemployment and taxation both express and

constitute a wider ideological shift in New Zealand's political field. For instance, during the late 1970s and early 1980s, discursive struggle over unemployment centred on discontinuities between policymakers who constructed unemployment as a way of acting on the social and the economic, and social movement groups who mobilised a particular discourse of unemployment when they demanded devolution and social rights. Rather than view 'unemployment' and 'taxation' as marking a relatively stable set of meanings, this research maps the discontinuities in the ways of interpreting and acting on unemployment and taxation and treats these discontinuities as reflecting political struggle. Two paradigmatic discourses of unemployment and taxation are mapped, one that is an element of the Keynesian welfare state political problematic and the other which makes up part of the neoliberal political problematic. These distinct political 'problematics' are examined and treated as separated from each other by a period of transition from the Keynesian welfare state mode of development to a neoliberal mode of development.

This research applies the discourse analytics of Laclau and Mouffe to guide an analysis of discursive struggle over the constitution of 'unemployment' and 'taxation' in New Zealand during the period 1980 through 2000. It assumes that changes to unemployment and taxation policy were the outcome of contingent discursive struggles, which, taken together, expressed and constituted a new hegemonic political problematic and citizenship regime. The role of politics is foregrounded in this process because the movement from one political problematic and citizenship regime to another ultimately depends on hegemonic articulatory practices. As already noted, hegemonic articulatory practices involve attempts to dis- and re-articulate various social, political and economic discourses.

The following discussion develops the conceptual framework built around the primacy of ideological struggle over discourse and its role in the constitution of social identity, and offers a set of organising concepts for understanding the strategic context and nature of ideological struggle in citizenship regime change. It descends from the broader focus on discourse theory explored above towards an account of the

political field, the political problematic and the relative form of the Left/Right dynamic informing a sense of the strategic context of discursive struggle over citizenship.

Ideology: Myth, social imaginaries and the cycle of hegemony

Laclau (1990) critiques conceptions of ideology within the Marxist tradition, specifically, the Marxist conception of ideology as a particular superstructural level and ideology as false consciousness. Torfing (1999) outlines Laclau's argument thus:

> The problem with the Marxist notion of ideology is that the extra-ideological reality, which is distorted in ideological representations, is always already ideological. We do not have access to the real world except through its construction as a discursive form within more or less ideological systems of representation. With the disappearance of an objective world of real essences against which we can measure and finally demask ideological forms of representation, the Marxist notion of ideology no longer has any meaning. (1999, pp.111-2)

Laclau re-formulates ideology in the following way:

> The ideological would not consist of the misrecognition of a positive essence, but exactly the opposite: it would consist of the non-recognition of the precarious character of any positivity, of the impossibility of any ultimate suture. The ideological would consist of those discursive forms through which a society tries to institute itself as such on the basis of closure, of the fixation of meaning, of the non-recognition of the infinite play of differences…. And insofar as the social is impossible without some fixation of meaning, without

the discourse of closure, the ideological must be seen as constitutive

of the social. (1990, p.92)

In his conception, the ideological consists of discourses that seek to construct a totalising vision of society and social agency that is natural and eternal. Laclau's assertion that our access to the world is always already discursively mediated through ideological systems of representation places ideology at the centre of analysis.

The concepts of myth and social imaginary are central concepts in Laclau's theorisation of ideology. Following Laclau, Torfing defines the concepts myth and social imaginary as the ideological forms of discourse that aim to construct society and social agency as positive and fully sutured identities. Thus myths and social imaginaries are metaphors for the impossible: the fully realised society.

Social imaginaries provide the horizon for meaning and action that is structured around tendentially empty and essentially ambiguous signifiers. At a less ambitious level, myth provides a reading principle (embodied in a set of norms, values and presuppositions, etc.) which helps to constitute a new objectivity…. Ideology constructs the real world in terms of a set of fully constituted essences and tends to deny that these essences are contingent results of political decisions taken in an undecidable terrain. (Torfing, 1999, pp.115-6)

Laclau's conceptual distinction between myths and social imaginaries demarcates different ideological forms. Myths construct spaces of representation that attempt to suture social dislocation. The construction of a new, mythical space of representation entails the re-articulation of floating elements into a new objectivity that functions as the surface of inscription for social demands. Myth is a particular reading of a given situation and constructs a new space of representation in a situation of dislocation (Laclau, 1990, pp.61-65). According to Torfing, myth provides a surface on which unsatisfied social demands are inscribed (1999, p.115). For example, social justice

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was the myth that provided the surface of inscription for the demands of the new social movements of the 1970s.

Myths can be transformed into social imaginaries. Social imaginaries are myths that suppress their particularism and construct a universal eternal principle of order capable of ordering the social in its entirety. According to Norval, "Hegemony here consists of a universalisation of particularistic demands, a process that can never be fully achieved" (2000a, p.229). Myths are constitutive of the interests of a particular group. An imaginary is the effect of the transformation of particular interests into the universal interest. Myths are the first stage in the ideological process of establishing a hegemonic social formation. The final achievement of hegemony entails the constitution of a social imaginary. A social imaginary is a myth transformed into a horizon for the inscription of social demands.

Discursive struggle over ideology and the political cycle

The distinction between myth and imaginary usefully describes the ideological process involved in the construction of hegemony. Following Laclau's account, Smith (1998) proposes a political cycle that proceeds from a situation of social dislocation and begins with the disarticulation of the traditional hegemonic discourse and the floating of its elements. In this out-of-regulation period alternative discourses contest for hegemony, offering myths that structure alternative political projects and modes of political identification. In the next stage, the demands emphasised in the hegemonising discourse are then "metaphorised" and become what Norval (1996), calls an "explanatory and legitimising framework for interpreting and responding to a widening set of political demands" (p.96). It thus emerges from a single political position into a social imaginary that structures the other positions in the field. Over time, the identifications provided for in the hegemonic discourse become routinised and their political contingency is effaced. This conception of the political cycle

leading to the embedding of a hegemonic discourse informs this analysis of New Zealand's neoliberalisation.

The research begins with an analysis of crisis discourses of the early 1980s (c.f. Novitz and Willmott, 1992). This period was marked by a faltering of the values, instruments and goals of the previous mode of regulation combined with renewed ideological struggle to define social reality and the way forward. In Gramsci's definition of an 'organic crisis', there is a collapse in popular identifications with institutionalised subject positions and the hegemonic political imaginary (Smith, 1998, p.164). As Laclau points out:

> The crisis of confidence in the 'natural' or 'automatic' reproduction of the system is translated into an exacerbation of all the ideological contradictions and into a dissolution of the unity of the dominant ideological discourse. (1977, p.103)

During these periods the space of political contingency expands and discourses such as democracy and citizenship are available for multiple alternative articulations (Smith, 1998, 164). Discursive struggle in New Zealand during this out-of-regulation period was dominated by competing assessments of the shortcomings of the previously hegemonic Keynesian welfare state mode of development now in crisis and the emergent neoliberal prescriptions for its remedy.

Following Hall, for a discourse to become hegemonic the subject addressed must assume a number of specific subject positions in relation to the chain of discourse established (Hall, 1996a). Within the Keynesian welfare state political problematic and citizenship regime, a number of discourse elements were combined in a chain of equivalence that hailed a workerist citizen subjectivity (McClure, 2004). This social citizen was the anchor of state policy during the hegemony of the Keynesian welfare state. This chain of equivalence positioned the worker citizen within a set of articulated discourses. For instance, the worker citizen was addressed as a social democrat who held the state responsible for taming the excesses of the market and for

a commitment to social equality supportive of a particular form of welfarism corresponding with social democratic reformism. In this way, the Keynesian welfare state citizenship regime privileged a worker citizen and represented him as the bearer of a particular set of views which are connected to a set of democratic demands that correspond to the Keynesian welfare state social democratic imaginary. The continuing hegemony of the Keynesian welfare state depended on the subject addressed identifying with this set of interconnected subject positions.

The discourse of the welfare state is central in both the Keynesian welfare state and the neoliberal political problematics and unifies a whole corpus of political, economic and moral discourses and practices. The welfare state manifests an attempt to construct a societal project around particular conceptions of membership, participation and popular sovereignty. It establishes a particular set of relations between state, society and economy. Any attempt to establish a hegemonic mode of regulation requires that the discourse of the welfare state be given particular contents. Political competition manifests in discursive struggle over the substantive content of discourses such as 'the welfare state'. The contents of central discourses such as the welfare state are constituted in and by equivalential or differential articulations with other essentially contested discourses such as the economy, democracy, citizenship, nation unemployment taxpaying, etc.

In mapping the shift from a Keynesian welfare state to a neoliberal hegemonic formation, this research traces the lines of transformation of unemployment and taxation policy discourses, in order to understand how problems such as benefit levels, incentive structures, benefit fraud, the work ethic, workfare, active labour market policy and tax relief came to be posed in New Zealand during the 1980s and 1990s. Addressing this central question begins with an examination of the discursive struggle over the nature of the crisis that began during the late 1970s. A shift in the definition of the role of social policy in the management of the economy occurred as a consequence of the struggle to interpret the crisis. The outcomes of this and other ideological struggles were creative of the discursive conditions which made these

transformations in the meaning, function and treatment of unemployment and taxation possible.

Discursive struggle in the political field

Discursive struggle ensues when different discourses represented by disparate interests compete for hegemony. In this process, social power holders develop and propagate their preferred discourses. Discursive struggle involves expanding a hegemonising discourse by establishing points of difference and equivalence. Discursive struggle for hegemony involves the bridging of the hegemonising discourse with those discourses which are aligned or non-aligned in a "transformistic" (Laclau, 1995a, p.154) way such that the contradictions and contestations between them are nullified.

This process of linking discourses together occurs by way of hegemonic articulatory practices. Hegemonic articulatory practices, in this context, involve the struggle to expand a particular discourse of norms, values and interpretive frames through persuasive re-descriptions of the connections amongst essentially contested concepts such as democracy, economy, social justice, welfare, etc. that are constitutive of a chain of signification. Hegemonising discourse strategies construct the material conditions and experiences of people in ways commensurate with the social values and goals of hegemonising political projects. Following Hall, political discourse strategies entail "winning existing symbols and slogans away from the connotative chains of association they have acquired, and building them into new discourses" (1988b, p.58). In addition to the expansion of the hegemonising discourse through articulation, competing discourses that directly confront the hegemonising discourse are repudiated and the identities that align themselves with these competing discourses are maligned. This is important as hegemonising projects construct their discourses through the construction of social antagonisms. In this way hegemonic

discourse strategies evolve out of a struggle to define themselves in opposition to alternative hegemonising projects and the social identities that identify with them.

Discursive struggle entails contestation between antagonistic social forces to hegemonise their articulatory discourse strategies. Analysis of discursive struggle enables a novel way of thinking about the process of policy change as an outcome of contingent processes of contestation and decontestation involving struggle over social meanings and identities. Discursive struggle is the process of contestation that moves us from dislocation (contestation) toward hegemony (decontestation), the outcome of which is the constitution of social identity. Discursive struggle occurs all the time, but, when events or new discourses challenge sedimented social forms, the scope expands for discursive struggle in the political field to direct social and political change.

The political field

Bourdieu's (1991) concept of the political field is a central focus of this analysis of discursive struggle to institute a new mode of regulation in New Zealand. Competition between contesting ideologies in the political field is centrally about the project to construct a particular signifying configuration which both supports the economic, political and social aspirations of particular articulations of social forces and is sustained by institutions, practices and discourses. To this end, political players centrally engage in expansionist discursive strategies involving attempts to construct articulations between particular economic, political, social, moral and cultural discourses and popularise their interpretive frame in order to win elections and thereby direct social action. The movement from discourse to the reform of social practices requires political mobilisation of those discourses which provide the motive for reform. Discursive struggle in the political field involves ideological contestation and culminates in the election of governments which in turn formulate

policy that directs social practices. In this way, this thesis provides an account of how discourse shapes social practice.

Following Bourdieu (1991), the political field provides the formal arena for the struggle between competing projects for regulating economy and society. It comprises all the political positions represented within a national party system. Each political position represented provides an account of the purposes and values of the polity. These discourses serve to explain political events, to justify political action and to develop political identities.[15] In the context of an out-of-regulation period in New Zealand, neoliberals offered an account of the crisis, a course of action which they argued could deliver the New Zealand economy out of crisis and a construction of new political identities in line with their vision of "a decent society".[16]

The national party system matters because it defines the institutional parameters of discursive struggle. Rather than being a site for the free competition between different political discourses, the political field, following Foucault (1972), is an institution which establishes procedures for externally and internally regulating political discourse. These regulatory procedures include: electoral systems; historical alliances; the relative form of the Left/Right dynamic, all of which structure the field of discourses. The political field in these ways stages a circumscribed contest between political discourses.

According to Bourdieu, the political field organises political discourse into a party system with a "finite space of discourses" (1991, p.172).

> The political field in fact produces an effect of censorship by
> limiting the universe of political discourse, and thereby the universe
> of what is politically thinkable, to the finite space of discourses
> capable of being produced or reproduced within the limits of the
> political problematic, understood as a space of stances effectively

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[15] Adapted from Schmit's (2000b, 279) definition of normative political discourse.
[16] New Zealand National Party's 1990 election campaign slogan.

adopted within the field – i.e. stances that are socio-logically possible given the laws that determine entry into the field. (Bourdieu, 1991, p.172)

Within the political field, competing discourses are represented by contesting parties. Political parties aim to differentiate their positions from the positions of opposing parties. For this reason, political positions within the political field must be understood relationally "in and through difference" (Bourdieu, 1991, p.172). Discourses refer to each other and are constituted out of this referential process. Discourses marshalled in this context are not only constructed to persuade, they are also constructed in opposition to alternatives. According to Bourdieu, in order to understand a particular political stance it is at least as important to know the universe of stances present in the field as it is to know the demands of those whom the parties claim to 'represent':

Political parties…have only a relational existence and it would be futile to try to define what they are and what they profess independently of what their competitors in the same field are and profess. (Bourdieu, 1991, p.184)

Establishing the political field as a positive system entails placing of limits on what is sayable in the field and which therefore determines the political frontiers of the field. The frontiers of the political field are discursively established through practices of exclusion and repression. These practices of exclusion establish a frontier between the politically thinkable and the politically unthinkable (Bourdieu, 1991). Discourses can enter the field if they engage with the historical structure of discourse already present in the field. The "free play" (Derrida, 1972, p.248), of political discourse in competition is thereby restrained by the limits of the political field which establish the field of possible options. In this way, what is outside of the field; the unthinkable, is constitutive of what is inside; the thinkable. This is important because the political mobilisation of social forces depends, in large part, on the discourses available to them. The boundaries of political action are limited to the set of actors that are

accorded legitimacy and thus a position within the political field. Whether a particular political position is accorded legitimacy depends on the capacity of its discourses to articulate with the prevailing political problematic or centre of the political field. What is politically thinkable and thereby politically possible is established in relation to the prevailing political problematic.

The political problematic

A political problematic has a broad meaning in terms of the dominant paradigm that centres the political space (Bourdieu, 1991) and a narrower meaning that focuses on how the state is articulated into the activity of government (Rose and Miller, 1992). This discussion incorporates both emphases and adapts Bourdieu's definition to incorporate the insights of Bobbio (1996), who argues that the centre of political space is both about contestation and consensus. The centre represents the point where the differences between Left and Right are most clearly drawn and it is the position in the field where a Left/Right consensus emerges and consolidates. The centre of the political field is the space in which Centre-Left and Centre-Right parties define themselves in difference from each other and the space where the consensus between them is elaborated. Out of a process of contestation in which the difference between oppositional parties are emphasised, a Left/Right consensus evolves. This consensus can be discerned in attention to what is de-emphasised in ideological contestation or what is decontested.

The political stances effectively adopted within the political field are limited by the laws that determine entry into the field (Bourdieu, 1991, p.172). The political problematic constitutes the unifying discourse that connects all the positions in political space. It is the centring discourse of political space that defines the legitimate goals and methods of government. For instance, the neoliberal political problematic, which centres the political field post-1990, defines the goal of political

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action as managing a stable and competitive economy through the extension of market regulation. All political positions represented within the field must refer to this coordinating problematic if they are to be considered politically relevant.

> A political intention can be constituted only in one's relation to a given state of the political game and, more precisely, of the universe of the techniques of action and expression it offers at any given moment. (Bourdieu, 1991, p.173)

The prevailing political problematic thus limits entry into the political field. New discourses that enter the political field do so only on condition that they engage with the prevailing political problematic. In this way, the political problematic acts as a centripetal force on the political discourses in struggle, truncating political discourses which insist on different goals and methods for political action. This centring effect reduces the full range of possibilities for political action to a finite set of regulatory projects consistent with the prevailing problematic.

Bourdieu's concept of the political problematic is adapted here to take account of how the political problematic centres political discourse and structures the relative form of the Left/ Right dynamic. The political problematic expresses the legitimate activities of the state and structures patterns of political contestation. Prior to the 1980s, the Keynesian welfare state set the terms of the political problematic and thus the limits of thought and action for all the political parties. During this time, political parties of the Left and Right tended towards a compromise centring position that articulated the poles of Left and Right discourses of the state and the market: While the Centre-Right pragmatically accepted the role of the state in modifying market capitalism, the social democratic Left enthusiastically embraced the mixed economy project. The crisis of the 1970s precipitated a dis-embedding of the previous political problematic which had given substantive content to the Left/Right distinction. Since the late 1970s, the political problematic shifted from providing national security via a full employment Keynesian welfare state to a re-ordering of the priorities of social policy in keeping with an export-led economic recovery based on the pursuit of

international competitiveness. Concomitant with this shift, the liberal content of both social democracy and conservatism was revived and renewed alongside a critique of the stultifying effects of bureaucratisation that traversed the Left/Right dimension (Gustafson, 2003, p.26).

The political problematic is in this way historically relative. In out-of-regulation periods, previously hegemonic problematics are disarticulated and new problematics emerge that recast the legitimate goals and methods of political action. During out-of-regulation periods, normative discourses about the goals and methods of political action are reactivated as opposed to periods in regulation where the political problematic functions as the unquestioned background assumptions, principles and values embedded in institutional practice. The shift from one political problematic to another that occurred in New Zealand during the 1970-1990 period called for the elaboration of a new set of terms for political contestation and deliberation that effectively restructured the form of Left/Right dynamic in the 1990s.

Competition within the political field is centrally about linking political projects with a constituency and maligning the project and constituency of contesting projects. To this end, political professionals and parties engage in expansionist discursive strategies to articulate a greater number of social signifiers around their particular project. For example, signifiers such as equality, justice, democracy, rationality and fairness are empty signifiers that can be articulated with divergent political projects. Positions in the political field are more or less consistent expressions of discourses which articulate particular contents for these terms with prescriptive policy discourses.

The Left/ Right dynamic and political discourse

The relative form of the Left/Right dynamic is a central feature of the political field. The historically relative poles of the Left/Right distinction represent the limits of what is politically thinkable and sayable in any historically situated period in regulation. The substantive content of the Left/Right distinction is premised on the historical construction of a political problematic. Some authors have called for the abandonment of the Left/Right distinction arguing that it made sense only during the industrial Fordist period, before the rise of the new social movements and the social effects of post industrialism (Giddens, 1994). The distinction is seen to privilege a Marxian perspective on politics which remains anachronistically rooted in class and economy. However, the Left/Right distinction does not reduce to a geopolitically universal or trans-historical universe of political stances but is relative to particular political struggles in particular times and places. Bobbio refers to this as "the relative form of the Left/Right dynamic". He argues that:

> The prevailing use of the left/right pair to designate the principal antithesis which governs all the other political antitheses, does not mean that it is univocal, or indeed that it remains unchanged over time. Some conflicts become less important, or even disappear, while others emerge. As long as there are conflicts, there will be polarization, although the principal antithesis may become secondary, and vice versa, as time passes and circumstances change (Bobbio, 1996, p.35).

If Left and Right are not simple trans-historical positions in a universal political space but are instead historically relative signifiers of political space, this begs the question of whether they are in fact empty signifiers which can be filled with anything at all. Bobbio disputes this argument and makes the claim for a definition of ideal types of Left and Right sufficiently general so as to allow for significant variation over time.

His generalised distinction rests on the divider between the egalitarian Left and the non-egalitarian Right. He argues that this division is not definitive but rather rests on two distinct emphases in Left and Right discourses.

> We can then correctly define as egalitarians those who, while not ignoring the fact that people are both equal and unequal, believe that what they have in common has a greater value in the formation of a good community. Conversely, those who are not egalitarian, while starting from the same premises, believe that their diversity has greater value in the formation of a good community. (Bobbio, 1996, pp.66-67)

Bobbio's discussion of Left and Right can be interpreted as offering a thick and thin conception of Left and Right. A thick conception might represent the complete set of political stances of a political field embedded in an historical time and place connected to an historically relative political problematic. A thin conception, in contrast, would constitute a core principle making trans-historical understandings of Left and Right possible. However, Bobbio's transhistorical Left and Right is mitigated by the fact that the signifiers 'equal' and 'unequal' have meaning only in relation to the centring political problematic they are articulated to. The core principle is as contextual as the relative form because we need to say something about what we have in common and identify which differences are relevant if we are to say anything at all. Thus while the categories Left and Right are historical constructions they are permanently negotiated in context.

Left and Right are useful categories because they function to divide the political space and reflect democratic practice in that democratic decisions always constitute and divide a majority from a minority. Bobbio (1996) introduces some useful criteria for understanding the dynamics of Left and Right. His analysis of the politics of the centre establishes two criteria: the "included middle" which represents the dividing line between the Left and the Right and provides an alternative or what is beyond Left

and Right; and the "inclusive middle" which represents what is both Left and Right or a third way combination. He elaborates further:

> The 'included middle' is essentially practical politics without a doctrine, whereas the 'inclusive middle' is essentially a doctrine in search of a practical politics, and as soon as this is achieved, it reveals itself as centrist. (Bobbio, 1996, p.8)

This thesis adopts and adapts Bobbio's theory of the politics of Left and Right to inform an analysis of the discourses of the centre in New Zealand politics. This political analysis of centrist politics is informed by an understanding of the tension between the division of Left and Right which involves their mutual constitution through defining their differences and the political construction of an inclusive middle (or centring political problematic). This analysis shows how the inclusive middle emerges out of this struggle between the Centre-Left and Centre-Right to constitute themselves out of their differences from each other in periods out of regulation. The consolidation of an inclusive middle represents the achievement of a hegemonic political problematic and thus a period defined as in regulation.

Discursive struggle in the political field ensues when different discourses represented by political parties and associated interest group organisations compete for hegemony. In this process, political parties develop hegemonising articulatory strategies. Discursive struggle for hegemony involves both competition between discourses and articulation between hegemonising discourses, and aligned or non-aligned but non-contradictory discourses constituting chains of equivalences. It can also involve articulations between competing, contradictory discourses (see Chapter Six). With this in mind, the documents examined in this research will be analysed relationally, both in terms of their antagonistic relationship to other discourses –how political parties position their version of truth in relation to their competitors-and in terms of the discursive articulations they deploy.

The consolidation of a stable, hegemonic mode of regulation comprising a political problematic and citizenship regime is the object of discursive struggle in the political field. A 'mode of regulation' consists of an institutional framework, state policies, laws, a range of social norms, habits and conventions that are reproduced over time, becoming taken-for-granted action guiding regulatory modes (Lipietz, 1988). A mode of regulation is established and maintained by the practices of social actors. It describes the social rules, norms and procedures embedded in a social formation. The cumulative effect of individual acquiescence to these rules and norms is their reproduction over time, materialising in a stable mode of regulation. A mode of regulation operates through social norms and the discursive and material inducements and sanctions that uphold them. For instance, the social norm of participation in paid work is punitively sanctioned by social exclusion and unemployment which are both discursive and material. A mode of regulation can be understood as discourse in action. A mode of regulation includes a citizenship regime and political problematic. A citizenship regime establishes in the citizen a particular self-perception, whereas the political problematic constitutes the goals and rationales of the state.

Citizenship regimes: Respecifying political subjectivity.

Foucault's studies of early modern 'governmentality', which account for the production of the social subject, are particularly relevant here because, like Foucault, this research views the social subject as a historical construct whose attributes are defined and fostered by the activities of government (Foucault, 1979).

According to Kingfisher (2002), concepts of social subjectivity are embedded in an historical time and place and are articulated with a particular concept of society (p.18). The re-specification of conceptions of social subjectivity is a central process involved in the movement from one citizenship regime to another and is for this reason a central focus of this research.   Hegemonising articulatory practices

interpellate people as particular categories of citizen and establish a system of intersubjectivity. This system of intersubjectivity defines the internal and external borders of belonging concomitant with a specific hegemonic project. In this way citizenship regimes produce particular forms of citizens' subjectivity and discursively organise social antagonisms. For a mode of regulation to achieve hegemony it needs to muster acquiescence to particular modes of subjectivity in order to direct the energies, motivations and commitments of the population in ways supportive of the hegemonising mode of regulation. For example, the promotion of an 'enterprising culture' was endorsed by the National-led Governments of the 1990s and promotes social relations supportive of a neoliberal mode of regulation.

Political projects to establish a hegemonic mode of regulation involve attempts to construct new political identities and organise the legitimate relations between them. An analysis of citizenship regimes must account for the ways the social subject is addressed and how s/he is constituted in relation to 'others'. While all the chapters in this thesis address this theme, Chapter Three, in particular, provides an account of the re-specification of citizen subjectivity that corresponds with the movement from a Keynesian welfare state to a neoliberal citizenship regime and political problematic and analyses the dynamics of discursive struggle over the re-specification of citizenship constitutive of this shift.

As a result of processes of discursive struggle, the worker/citizen of the Keynesian welfare state was displaced by an increasingly celebrated consumer/taxpayer citizen. Following the discourse theory of Laclau and Mouffe, this analysis of the governmental constitution of political subjectivity involves an emphasis on both chains of equivalence and relations of difference. An exposition of the political frontier effect of neoliberal discourse in its construction of a taxpayer solidarity via the constitution of its negative reverse, the welfare dependent underclass, forms part of the story (see Chapter Four). Relations of difference are also constitutive of political identity. Chapter Five focuses on this differential dimension and argues that neoliberal state actors engaged a hegemonising articulatory strategy designed to

establish a continuity between a neoliberal ethics of self-sufficiency and autonomous personhood, and Maori discourses of self-determination, radical democratic discourses of devolution, liberal feminist demands for gender equality in the labour market and worker cooperative demands for a wider definition of work. This research analyses both equivalential chains and relations of difference in the respecification of subjectivity and, in this respect, counters the tendential over-emphasis in discourse analysis on antagonistic political frontier formations (Norval, 2000a, p.223).

This thesis argues that a respecified taxpaying subject was assumed by policymakers in the construction of the new agenda for unemployment and tax policy. The ascendant respecified neoliberal taxpayer was inscribed in this new policy paradigm. The neoliberal mode of political identification associated with the neoliberal mode of regulation has been discursively and materially established by way of the displacement of certain categories of person, namely a gendered and raced welfare beneficiary (Kingfisher, 2002, pp.20-21), as well as through a discursive strategy creative of relations of difference between neoliberal goals and the goals of oppositional groups such that antagonisms are reconstituted. The thesis examines the process by which the particular demands of taxpayers became the "space of representation" (Laclau, 1990, p.64) for citizens' democratic demands and shows how the ideological construction of social antagonisms is central to the process of transforming particular claims into universal principles of social regulation.

Conclusion

The discussion above has stated, explained and defended the epistemological premises of the thesis which are based on the theoretical advances of Laclau and Mouffe (1985), particularly their work on articulation through the political logics of

equivalence and difference, the centrality of antagonism to politics and the relation between the universal and the particular for representational politics. Jenson's citizenship regime is also a key organising concept for the thesis. Citizenship regimes are established through regulatory norms that de-legitimate certain identities and practices and fix others as universal and natural. A citizenship regime is the product of concrete discursive struggles in historical time and place. The thesis extends theoretical and empirical understandings of the expansion of neoliberal hegemony. It builds in particular on discourse analytic approaches to neoliberalism by applying a post-Marxist theoretical framework to citizenship regime change in New Zealand in a way that has not been done before. The combined approach offers a way of perceiving discursive change, the dynamics of discursive struggle and how exactly through particular, discursive strategies, tactics and operations, transformations in citizen subject positions are achieved.

The following chapter describes the set of articulated discourses and identities that underpinned New Zealand's Keynesian welfare state citizenship regime, its disarticulation during the 1980s, and proceeds to offer a preliminary discussion of the emergence of the neoliberal articulatory discourse strategy that underscored the consolidation of a neoliberal citizenship regime and political problematic in New Zealand in the 1990s.

CHAPTER THREE

Citizenship regime change

Introduction

During the 1980s and 1990s, New Zealand's version of the Keynesian welfare state mode of regulation began to unravel and, beginning with the Fourth Labour Government in 1984, the construction of a neoliberal mode of regulation was set in motion. As part of this process of economic, political and social reconstruction, new identities were created and old identities were reconfigured. Discourses of citizenship were central to this process because they constitute the norms and values through which the citizen is identified, persuaded, engaged and constituted in relation to various others. During the 1980s and 1990s, the New Zealand state changed the ways it recognised and addressed its citizens. This change involved a shift from recognition of a worker identity to a new consumer/taxpayer identity in the discourses of politicians and policymakers. This shift in how the state simultaneously addressed and constituted the citizenry contributed to the embedding of a neoliberal citizenship regime in the 1990s central to generating the subjective effects required to bolster a neoliberal accumulation strategy.

This chapter demonstrates how citizenship regimes are socio-historically constituted in and through political discourse. It focuses on how the restructuring of taxation and unemployment discourse in the 1980s and 1990s reinscribed discourses of citizen subjectivity. This investigation is oriented by Jenson's (1996, 1999, 2004)

citizenship regime concept which establishes an analytical framework for understanding changing discourses and practices of citizenship

The thesis as a whole explores the rearticulation of political values and changing discourses of and about the responsibility mix; rights and obligations; citizens' claims making and; representations of the 'nation' (Jenson, 2004), expressed in key policy documents, political debates and conference proceedings. This chapter explores the shift from a social democratic to a neoliberal citizenship regime in New Zealand, firstly by providing an account of the discursive context in which New Zealand's Keynesian welfare state was embedded. Secondly, it examines the disarticulation of the post-War consensus that proceeded out of a political challenge to a number of its central discourses and its capacity to continue to operate as the "surface of inscription" (Laclau, 1990, p.63) for the claims of competing sectors of society. Thirdly, it provides a preliminary account of the process of re-articulation that recombined a number of previously hegemonic discourses in new relations that shaped the emergence and consolidation of a neoliberal citizenship regime and political problematic.

Citizenship, the nation and public policy discourses

Political rhetoric builds 'imagined communities' as part of the process of constructing constituencies. Political professionals offer narratives of the national community they hope will garner the identification of the greatest number of voters. Governments establish systems of inclusion and exclusion, confer rights, and ground feelings of identification with the national community (Jenson, 1999, pp.8-9). They do so by constructing problematisations that privilege certain identities and construct their constitutive adversaries.

The specification of citizen subject positions constructs a set of alliances and identifies opponents. It follows that the central discursive mechanisms at work in the construction of citizenship are articulation and othering. Mouffe (as cited in Smith, 1998), in recognition of the centrality of antagonism to identity construction, argues that citizenship should be seen as an "articulatory principle" which produces an ordering of social antagonism (p.135).

The social construction of target populations is the process by which an ordering of social antagonism proceeds. Schneider and Ingram (1993) define the social construction of target populations as the normative and evaluative "cultural characterisations" that positively or negatively portray target populations through symbolic language, metaphors and anecdotes (p. 334). These social constructions also operate to engage or disengage groups in the policy making process.

> The agenda, tools, and rationales of policy impart messages to target populations that inform them of their status as citizens and how they and people like themselves are likely to be treated by the government. Such information becomes internalized into a conception of the meaning of citizenship that influences their orientations toward government and their participation. (Schneider and Ingram, 1993, p.340)

This analysis focuses on the social construction of target identities (Schneider and Ingram, 1993) and explores how the construction of target identities contributed to the consolidation of a neoliberal citizenship regime in New Zealand by targeting citizens in specific ways and constructing them in relation to an excluded other.

The targeting of policy to particular constructions of groups such as beneficiaries, taxpayers, consumers, business people or wage earners informs them of their relative position in society and influences not only their orientations towards participation in the political process but also their expectations, behaviour patterns and self perceptions. For example, beneficiaries learn that they are dependent and a drain on

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the economy. They learn that the principle of self support is central to being a New Zealander. This understanding of their relative position may induce them to intensify their efforts to become self supporting. On the other hand, business people learn that they are worthy citizens who contribute to public welfare. For example, tax cuts for high income earners are justified as necessary to enhance business confidence and achieve national goals such as international competitiveness. Their particular interests are in this way constructed as the public interest (Schneider and Ingram, 1993).

The social construction of target populations via public policy produces an effect of the internalisation of relevant social norms and values central to the process of political identification. Out of this process, political subjectivities are formed which produce individuals with the motivations and attributes that bolster the regime of accumulation. Belgrave in the context of debate over the implementation of the Porter Report stated:

> Government policies generate incentives which encourage individuals to see their interests in different ways. Well designed policies will align the interests and action of individuals with those of the nation. (Belgrave, New Zealand Secretary of Commerce, 1991, p.33)

The social construction of target populations via social policy is the central process in the construction of a mode of regulation. A mode of regulation establishes a congruence between the goals of a particular capitalist accumulation strategy and the regulation of the expectations, habits, behaviours and self-perceptions of the population.

Defining citizens in certain ways makes some claims meaningful and makes others less relevant or outside of the scope of citizenship (Jenson, 2004). According to Jenson (1999), a citizenship regime establishes recognised discourses for citizens' claims making (p.4). During the hegemony of the Keynesian welfare state mode of

regulation, citizens made claims based on conceptions of 'social justice' articulated with a conception of social rights. Social rights responded to social needs. For instance:

> Need and the degree of need, should be the primary test and criterion of the help to be given by the community irrespective of what contributions are made. (New Zealand Royal Commission, 1972, p.65)

The New Zealand Royal Commission to inquire into and report upon Social Security (1972) highlighted the centrality of economic equality as the basis of a socially just society in which all members could "belong and participate". It stated:

> That everyone is able to enjoy a standard of living much like that of the rest of the community, and thus is able to feel a sense of *participation and belonging* to the community. (1972, p.65)

Social rights and social needs were defined in relation to a conception of social justice that privileged an egalitarian conception of the just society. Some measure of economic equality between members of the community was the stated aim of income support.

> ….the level of social security expenditure must be determined by need, and by judgment (which we agree must finally be political) of what level of income support is fair and adequate *relative* to changing incomes and living standards in the community as a whole (New Zealand Royal Commission, 1972, p.69) [Italics mine].

Fairness was construed as resulting from a relativity of incomes and living standards and was to be realised via progressive taxation and redistribution. According to the New Zealand Royal Commission (1972), fairness dictated that each member of society no matter what their individual circumstances receive an adequate income as

the basis for belonging and participation. An adequate income was defined in relative terms and represented a stated shift in social policy values and aims away from subsistence towards belonging (p.62). Further, it explicitly recognised the incapacity of the market mechanism to deliver a just distribution of the national product and denied the argument that social needs could be met by economic growth (p.70).

During the 1980s and 1990s, these conceptions of social justice and the market were the subjects of ideological work by political professionals managing the consequences and continued implementation of neoliberal reforms. In this context the discourse of the market as an imperfect mechanism incapable of delivering the 'social good' began to give way to a preference for market over state regulation (Larner, 1997a, p.14). In this process of ideological change, discourses of social justice and fairness were re-articulated within a neoliberal discursive framework such that claims made in the name of fairness and social justice supported neoliberal interpretations and reforms.

New Zealand's Keynesian welfare state

The Keynesian welfare state citizenship regime was underscored by the belief that the provision of comprehensive welfare services, free to all, on the basis of need would ameliorate market-produced inequality (Marshall, 1977). This citizenship regime legitimated the goal of state support for the disadvantaged in the pursuit of egalitarian goals of equality (Wilkes and O'Brien, 1993, p.140).

> During the postwar period there was a widespread understanding that it was the responsibility of the state to promote equality, reflected in attempts to promote full employment and an ongoing commitment to social programmes. Equality, in this context, was understood primarily in class and income terms. (Larner, 1998a, 603)

Discourses of social justice and equality were the discourses through which most societal demands were articulated. The principles underpinning the Keynesian welfare state asserted the pre-eminence of the public over the market and generated expectations that the state was responsible for meeting the basic needs of citizens, while relative equality remained a constantly stated goal (Wilkes and O'Brien, 1993, p.530; Brodie, 1996, p.386). Citizen access to jobs and social programmes such as health, education, superannuation, accident compensation (ACC), unemployment and, from 1973 onwards, domestic purposes benefits (DPB) reflected an inclusive social democratic discourse of social citizenship. Social policy was the means by which the linkages between state institutions and individual New Zealanders were made manifest in everyday popular experience via the provision of these services. State provision of social services was a practical expression of the Keynesian welfare state's imagined community.

Discourses of equality were central to the way the social democratic citizenship regime constructed certain social antagonisms. In particular, the relations of domination experienced by workers in their relation to production under Fordism, was a central discourse. Recognition of this central antagonism based on the inequality of power between workers and employers secured the rights of workers to organise, and underwrote the position of union organisations as legitimate representatives of their members in negotiations with the state and business. According to Jesson:

> This system of government-business-union cooperation reached its apex with the National Development Council, set up in 1969, where representatives of all areas of society discussed the nation's economic goals. Consensus was the term used to describe this process of consultation and cooperation, and it applied not just to the economy but to most areas of policy. (Jesson, 1992, p.367)

New Zealand's social democratic citizenship regime was based on the politics of production. Discourses of social membership articulated individual worker citizens as members of class alliances and the workerist content of the Keynesian welfare state citizenship regime was generalised to the whole of society. Discourses of consumption were notably absent from the broader Keynesian welfare state discursive formation.

A "wage earners' welfare state"

New Zealand's Keynesian welfare state citizenship regime comprised a number of discourses, institutions and practices including support for a mixed economy underscored by social democratic commitments, consideration of established interests such as trade unions and a strong commitment to full employment. New Zealand's distinctive variant of the generalised model of the Keynesian welfare state has been described by Frank Castles as a "wage earners' welfare state" manifesting a particular historical formation predicated on the strategies of the industrial and political wings of the New Zealand Labour movement:

> Wage security for the worker rather than social security for the citizen reflects the emergence of the Australasian working class strategy in the context of early modern capitalism and has been crystallised as a central component of the distinctive pattern of public policy trade-offs which has characterised these countries for much of the century. (Castles, 1985, p.87)

Central to New Zealand's wage earners' welfare state, was minimum wage regulation and protection actualised through a system of arbitration, rather than, as in the Scandinavian model, extended citizenship rights through universal provision of social security (Castles, 1985, p.84). In 1972, the New Zealand Royal Commission argued

that "Social security cannot be a substitute for a fair wage system" (New Zealand Royal Commission, 1972, p.163).

The basis of New Zealand's variant of the Keynesian welfare state was full employment and the general wage order system operated by the Arbitration Court. Under this system New Zealand citizens maintained a right to a job[17] rather than a right to a benefit. The First Labour Government upheld the New Zealand worker's right to a fair living wage in 1936 when the Labour government amendment to the Arbitration Act fixed a basic wage for adult male workers which would be "sufficient to enable a man in receipt thereof to maintain a wife and three children in a fair and reasonable standard of comfort" (Woods, 1963, p.138).

A right to a job and a fair wage was part of New Zealand's Keynesian welfare state citizenship regime and was manifest in the Labour Government's vigorous defence of, and successive governments' commitment to, a full employment policy. Full employment was seen as the basis of other social objectives. For example, Sutch (1966) noted, "The demand of full employment is essential to give some breathing space to bring real equality to the Maori people" (p. 453). In this way, full employment not only secured the welfare of New Zealanders, but jobs for Maori were seen as a way of integrating Maori into the norms of Pakeha society.

The foundations of New Zealand's Keynesian welfare state were established by the First Labour Government (1935-1948). These foundations included a wholesale acceptance of what was to become known as the Keynesian orthodoxy, in particular, the government's responsibility to maintain full employment and constrain price inflation through aggregate-demand management. Prior to 1984, successive Labour Governments strengthened the priority of full employment over price stability in monetary policy (Dalziel, 1993, p.83). In 1960, the Second Labour Government changed the order of priorities in the Reserve Bank Act, giving priority to production,

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[17] The right to a job was central to the Keynesian welfare state citizenship regime not as an entitlement in the same way that other social rights were conceived, but by measures affecting the aggregate of employment in the economy which by creating full employment, indirectly secured citizenship rights.

trade and employment over price stability. The future Labour Prime Minister Norman Kirk argued in defence of the change:

> So far as the Government is concerned the monetary and economic policies must ensure that there is no unemployment. We reject all thought of a measure of, or acceptable level of, unemployment. Our aim is to ensure there is no unemployment. (New Zealand Parliamentary Debates, 325, 1960, p.3308 quoted in Dalziel, 1993, p.83).

In 1973, the Third Labour Government strengthened the Reserve Bank Act's commitment to pursue full employment by requiring the Bank to make loans on request to the government in order to ensure full employment (Dalziel, 1993, p.83). The hegemony of the Keynesian welfare state model in New Zealand meant that successive governments of both the Left and the Right took responsibility for a full employment economy.

In Endre's (1984) survey of the changing attitudes of policymakers to full employment in official publications from 1950-1980, he argues that full employment translated as total employment in New Zealand and he noted a tendency to make a moral issue out of any unemployment (p.34). In 1977, Prime Minister Robert Muldoon described the New Zealand electorate as having a "paranoic attitude to unemployment" (as cited in Endres, 1984, p.37). New Zealand's Keynesian welfare state institutionalised a commitment to full employment as a political priority and this commitment was established as the dominant ethic of economic and social policy (Endres, 1984).

New Zealand's wage earners' welfare state manifested a citizenship regime that established the criterion of inclusion based on the identity of the worker. Within the broad parameters of the Keynesian welfare state citizenship regime, the identity of the worker was the primary basis of social identification such that even managers and professionals viewed themselves as members of the working class. Non-workers

were constructed as auxiliary citizens. Benefits for those engaged in unpaid labour, such as child care, were treated as benefits for workers' families. However, these auxiliary identities were not excluded identities: rather, they were constructed in their relation to the primary workerist identity. For example, the unemployed were constituted as out-of-work workers, while retirement pensions were for retired workers (Jenson and Phillips, 1996, p.113). While this set of linked identities privileged the male wage earner, within it, the interests of workers and 'auxiliary workers' were reconciled. Those dependent on the wages of a primary producer both directly and indirectly were included as contributors to the wage society by virtue of their specific connection to wage earning or a wage earner. In this way an inclusive "waged society" was constructed which aimed to convert economic growth into social progress (Aglietta, 1998, p.54).

According to Castles (1985) and Shirley (1997), New Zealand's variant of the Keynesian welfare state was less social democratised than its European counterparts. In New Zealand, according to Castles:

> The historic compromise between the classes did not centre around a modification of the reward structure of capitalism through the distribution mechanisms at the command of the state, as in the European countries, but focused directly on the primary distribution of income generated by the capitalist market mechanism. (Castles, 1985, p.87)

His point is significant as it alludes to the tension in New Zealand's Keynesian welfare state citizenship discourse between capitalist and welfare goals. This tension was implicit in the New Zealand Royal Commission (1972), which explicitly reasserted the welfarist goals of an inclusionary social democratic welfare state yet, nonetheless, also expressed recognition of the need to optimise the market mechanism and an awareness of the potential conflict between the goals of social welfare and economic growth (p.69). During the 1980s and 1990s this implicit

tension was to become increasingly explicit and the basis for a reordering of social antagonisms.

While the 'fulcrum' of New Zealand's social democratic welfare state was full employment (Rosenberg cited in Shirley and St John, 1997, p.40) rather than social insurance, the interests of workers were closely aligned with the beneficiaries of welfare expenditure because, in accordance with a demand-led economy, both workers' consumption and state expenditure on welfare fuelled the engine of growth.

> Full employment, as well as making profits greater, enabled the economy to sustain easily the various social security payments. On the one hand there was the virtual absence of unemployment payments and on the other the additional taxable production of those who in other countries would have been unemployed. Social security payments helped sustain full employment and full employment helped sustain social security payments. (Sutch, 1966, p.458)

This discourse promoting solidarity between male workers and auxiliary citizens was not put to the test until the unemployment crisis of the late 1970s. Until then New Zealand's record of full employment was not equalled by any other country in the world (Shirley, 1997, p.41). By the late 1970s, this discourse of solidarity based in a fully employed waged society lost its connection with the idea of a virtuous circle described above by Sutch.

The Keynesian welfare state aimed to combine and convert economic objectives into social security and equity. According to Aglietta (1998), equity was an important dimension of the wage society because it reconciled capitalist interests with social progress by preventing exclusion and thus reinforcing citizenship and hence identification with the economic system. A degree of egalitarianism had both a social and economic function.

> By preserving homogeneity in the distribution of income, it encourages the widespread adoption of modern lifestyles and hence the development of markets for mass consumer goods, the very development that served as the main engine of capitalist accumulation. (Aglietta, 1998, p.62)

The wage earner was a central categorical identity of the Keynesian welfare state citizenship regime. In contrast to New Zealand, the European and Scandinavian variants included more extensive systems of income maintenance and social insurance that embraced a broader conception of the citizen where the connection between citizenship and work was much looser. In New Zealand, work was central to citizenship. New Zealand's welfare state was highly redistributional. A system of wage relativities and a highly progressive taxation system reflected an egalitarian commitment to a classless society (Wilkes and O'Brien, 1993). The operation of a discourse of classlessness underscored by a prevailing belief in social mobility and a relative equality in lifestyles (Oliver, 1981, p.406), created a sense of solidarity that cut across occupational classes and within the welfare state was manifest in an emphasis on the restriction of wage differentials. The wages strategy emphasised the compression of wage differentials and, according to Castles, as of the early 1960s, New Zealand manifested the lowest dispersion of earnings of some fourteen advanced capitalist states (Castles, 1985, p.106).

New Zealand's welfare system was basically selective inasmuch as eligibility for benefits depended on meeting some moderate conditions. The selective provision of income assistance was one of the pillars of New Zealand's system of social protection, but, means testing was justified on the grounds that it is generative of greater equality (Castles, 1985, p.97). The New Zealand Royal Commission (1972) iterated this view, quoting from Professor Titmuss:

> The challenge that faces us is not the choice between universalism and selective social services…[the problem is to develop] socially acceptable selective services aiming to *discriminate* positively, with

> minimum risk of stigma, *in favour of those whose needs are greatest.*
> (Titmuss quoted in New Zealand Royal Commission, 1972, p.59)

Equality is generated in this view through the redistribution of resources away from those with the greatest share of the national product towards those in greatest need. The application of selectivity is constructed as positive and enabling rather than mean and stigmatising.

New Zealand's system of income maintenance, while not as extensive as the European and Scandinavian variants, reflected a commitment to the citizen's social right to a share of the economic rewards of society. Quoting from the New Zealand Royal Commission on Social Security's review of "community values and aims" of the welfare system:

> Those who cannot or do not contribute through the market system
> get nothing directly from the productive process. Given the social
> ethic that those who cannot contribute nevertheless ought to receive
> a share, the problem is how to modify or supplement the market
> mechanism in a way which ensures that they do so without impairing
> the productive capacity of the economy as a whole. (1972, p.69)

While a citizen's right to a share in productive capacity of the nation is asserted, universalism would presumably impair the productive capacity of the economy. Selectivism was favoured because it traversed this tension between social justice and productive capacity.

The political regulation of wages was articulated with a discourse of solidarity. All citizens were included in the distribution of the total production of the community.

> A share of national income for all citizens was to be guaranteed by
> the provision of jobs for all during their working life and an income
> when the working life was over. This was the first attempt by a

capitalist country, and a colonial one at that, to provide the right for
every citizen to an automatic share of the total production of the
community. (Sutch, 1966, 238, quoted in Wilkes and O'Brien, 1993,
p.115).

The concept of shared social product was central to the First Labour Government's
representation of the nation and a central component of the Keynesian welfare state
citizenship regime. This discourse established a right to a job and social welfare as a
central citizenship discourse. However, this goal was not connected, as it was in the
Scandinavian model, with evolutionary socialist goals, such as the nationalisation of
the means of production (Castles, 1985, pp.78-79). In 1951, after the bitter waterside
dispute[18], the New Zealand Federation of Labour eliminated all explicit references to
capitalism and socialism in their constitution, reconstructing the aim of the federation
as being "to work for a more equitable share of the national income and, ultimately,
production for social use and not private profit" (Sutch, 1966, p.375). In New
Zealand, the goal of an equal right to economic wealth and social welfare was to be
achieved through a full employment economy.

Until the 1970s New Zealand's wage earners' welfare state was fairly successful at
generating relative equality in lifestyle between wage earners. At the end of the
1960s, New Zealand was described as having a "very homogenous culture" with a
high degree of "political consensus" (Chapman, 1985, p.14). By the late 1970s,
rising levels of unemployment not experienced in New Zealand since the Depression
began to disturb the "political quietitude" (Wilkes and O'Brien, 1993, p.18).

One phase of hegemony had disintegrated; the society entered that
era of contestations, crises and alarms that frequently accompanies
the struggle for the formation of a new hegemonic stage. (Hall, 1988,
p.37)

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[18] The 1951 waterside dispute between the National government and striking watersiders has been
described as "a full-scale industrial battle, the longest, costliest and most widespread in New Zealand's
history" (Bassett, 1972, p.11).

By the late 1970s, New Zealand's Fordist regime of accumulation and mode of regulation based in the Keynesian welfare state was in decline. Social and economic instability was evident in increased voter volatility (Aimer, 1992) and civil protest (Neilson, 1996).

Model worker citizens and their second class counterparts

As a consequence of a system of welfare based on the regulation of income from employment, the social needs of male Pakeha workers were privileged over others, creating a hierarchy of social needs generative of inequities. According to Wilkes and O'Brien:

> While the Fordist state was decidedly egalitarian in its class and income aspirations, it was orthodox in terms of its gender and ethnicity settlements. The state-driven vision of family life was predicated on the cult of domesticity, women at home and men in paid work. In ethnic relations, the state was equally paternalistic, offering material support in housing and employment in return for gradual assimilationist policies for Maori. (1993, p53)

The Keynesian welfare state citizenship regime identified the dominant citizen group, comprising the immense majority as workers and their families, via the core identity of the Pakeha male waged worker. The Pakeha male waged worker stood in for the universal New Zealand citizen. Identities that deviated from the predominant waged worker identity were defined in their connection to him (Jenson, 1999, p.6; Brodie, 2002, p.93). Women were the wives and mothers of workers, the elderly were retired workers and Maori were to be integrated into Pakeha society through urbanisation and full employment (Sutch, 1964, p.39; Hunn 1961). For instance, the family benefit both provided mothers with additional income and dramatically increased the incomes of larger Maori families without overtly addressing Maori's or women's

entitlement (Cheyne, O'Brien and Belgrave, 1997, p.155). This citizenship regime sought to achieve social solidarity via a universalist discourse of social homogeneity which established unity by subsuming gender and racial difference. "Social security was designed to obscure difference and achieve a common culture" (McClure, 2004, p.149). A cult of domesticity naturalised a gendered division of labour and an integrationist social policy agenda aimed to de-differentiate Maori and immigrant groups and create a homogeneous Pakeha hegemony. The Maori Social and Economic Advancement Act 1945 "aptly conveys the goals of Maori policy following the war" and was explicitly designed to "integrate Maori fully into the social and economic structure of the country" (Harris, 2004, p.192). The 1967 report of the Department of Maori Affairs endorsed the pepper-potting of Maori families throughout Pakeha areas based on the expectation it would lead to increasing rates of integration and inter-marriage (Spoonley, 1982, p.281).

One of the key values institutionalised in New Zealand's Keynesian welfare state was 'social justice' defined as equality and inclusion and manifested in terms of a fully employed workforce. Full male employment however, was premised on a strict division of labour in which women were relegated to the domestic sphere. The integrationism of the Keynesian welfare state subsumed Maori identities within the identity of the worker. Maori were to be integrated into the Keynesian welfare state so long as they accepted the basic censorship of their particular Maori identity. Social differences and divisions between men and women and Maori and Pakeha were subsumed by a conception of the universal citizen organised by the privileged identity of the worker. According to McClure:

> Labour's programme derived from the male workplace, and an
> understanding of social rights in terms of the brotherhood shared by
> the band of socialist colleagues, Christian idealists and male workers
> who formed the core of the Labour Party. (McClure, 2004, pp.146-7)

During the 1970s, calls for social justice appealed for recognition of social needs beyond the male Pakeha worker to include Maori and women. A politics of

recognition that exclusively recognised the wage earner failed to fit with social expectations and expanding discourses of the needs and aspirations of these "second class citizens". The influence of second wave feminism put women's domesticity and exclusion from both the labour market and welfare provisions on the agenda (Shirley and St John, 1997, p.42). Maori asserted their tangata whenua status and challenged the assimilationism of the welfare state (Kelsey, 1997, p.20).

During this period Prime Minister Robert Muldoon provoked confrontations between the state and Maori, sanctioned police raids on Pacific immigrant "overstayers" and insisted the Springbok rugby tour go ahead despite widespread public opposition (Kelsey, 1997, p.22). These events, and others, combined to undermine the social consensus underpinning the Keynesian welfare state's mode of regulation. The social citizenship discourse of the Keynesian welfare state became the focus of social conflict and the discursive terrain upon which these social movement groups demanded consideration of their differentiated social needs. In this way, the achievements of the Keynesian welfare state citizenship regime were increasingly seen as at odds with its programmatic promise (Neilson, 1998). Put another way, these demands were made within the terms of the Keynesian welfare state citizenship discourse, rather than in the name of an alternative discourse of citizenship.

The disarticulation of New Zealand's Keynesian welfare state

The ascendant neoliberal citizenship regime was built on the disarticulation of the Keynesian welfare state. During the late 1970s, as a result of changing socio-economic relations and the incapacity of the Fordist mode of development to maintain coherence in the face of societal dislocation and economic decline many of its central tenets fell into disrepute. Unemployed workers and feminist and Maori groups drew attention to their systematic exclusion from full citizenship (Walker, 1992; Dann, 1985). Feminist groups drew attention to the cult of domesticity that

underwrote the breadwinner workerist citizenship regime and excluded women from access to welfare services and to equal participation in the labour market. The women's movement in New Zealand supported a series of legislative reforms including the Equal Pay Act 1972 which guaranteed gender equality in setting wage rates; the Matrimonial Property Act 1976 which recognised the contribution of unpaid work and established equal entitlements to matrimonial property and the Human Rights Commission Act 1977 which prohibited discrimination in access to employment, housing and other goods and services (Shirley and St John, 1997, p.42). Maori claims of cultural leveling drew attention to the incapacity of the Keynesian welfare state to recognise differentiated social needs (Kelsey, 1997, pp.20-23). The Keynesian welfare state citizenship regime blocked recognition of the claims of Maori and women because their demands for recognition and equality could not be domesticated within a citizenship regime that exclusively centred on the norm of the Pakeha male wage earner. The growth of an underclass marginalised by the Fordist hegemony and over-represented by women and ethnic minorities became politically significant as unemployment began to rise (Neilson, 1996, p.29), reinforcing the claims of women and Maori for recognition of their disadvantage in the labour market. The 1972 Equal Pay Act challenged the family wage which recognised the familial responsibilities of male workers via the fair wage policy and through tax exemptions and benefits.

Poor economic performance during the late 1970s and early 1980s signalled the crisis of New Zealand's Fordism and attendant Keynesian welfare state citizenship regime. During this period, established patterns of economic management were maintained under new conditions. The policies of the Muldoon government essentially served to stave off the effects of the decline until the election of the Fourth Labour Government in 1984.

> Under Muldoon's political leadership, borrowing, and increasing state intervention in the daily management of the economy and social relations maintained a declining regime of accumulation. (Neilson, 1998, p.53)

By 1984, a number of discourses challenged New Zealand's Fordist mode of development and created a political opportunity for the incoming Labour government to pursue a radical break with New Zealand's policy trajectory. The defeat of Muldoon's Government in 1984 was the culmination of a coalition of opposition to his heavy handed interventionism that united the Left and Right (Cheyne, O'Brien and Belgrave, 1997, pp.40-41).

The Fourth Labour Government was elected in 1984 with an unspecified mandate for change underscored by the party organisation, the unions and a constituency of middle and working class voters (Neilson, 1998, p.54). The advent of a foreign exchange crisis in the week of the election provided further indication of the seriousness of New Zealand's economic situation (Jesson, 1992, p.43). Debt levels had reached 35.4 percent of GDP and inflation skyrocketed to 15 percent (Larner, 1997a, p.10). Upon election, the Fourth Labour Government moved quickly to establish a new policy paradigm, initiating a shift from Keynesian macroeconomic theory and demand management to a neoliberal policy agenda (Roper and Goldfinch, 1993, pp.50-55). The government's programme to reinstate the market involved the devaluation of the New Zealand currency by 20 percent, the deregulation of finance markets, and the removal of exchange controls, controls on wages, prices, interest rates, rents and credits. The tax regime was altered with emphasis moving from direct to indirect taxation through the introduction of a goods and services tax (GST). Personal income tax rates were flattened, representing a shift away from the redistributional tax system central to the Keynesian welfare state, New Zealand markets were opened up to international capital and there was a radical restructuring of the public sector. The restructuring of the public sector has been referred to as New Zealand's 'bureaucratic revolution' and centrally involved the corporatisation of a range of state organisations, many of which were later privatised (Kelsey, 1997, pp.2-3; Neilson, 1993, p.52). The logic behind the corporatisation and privatisation programme was to make the goals of efficiency and profitability primary, by

replacing centralised state management with market modes of government (Neilson, 1998, p.60).

The shift to a neoliberal mode of regulation involved not only a series of strategic responses to the harsh economic realities of a globalised economic system but transformation of the mode of signification governing citizenship which in turn transformed the form and content of political struggle into the 1990s. In the context of economic decline, neoliberal conceptions of economic policy dominated by the regulatory ideal of competitiveness were articulated with discourses of subjectivity and institutional reformism that articulated a new citizenship regime and political problematic. Discourses of employment and taxation central to New Zealand's Keynesian welfare state, were disarticulated. Once the economy was liberalised, discourses of employment were repositioned as a function of the economy rather than of politics (New Zealand Department of Labour, 1985) and Labour's substantial flattening of the tax rate scale and introduction of GST (Stephens, 1990) disarticulated the connection between the social citizenship right to an income and the broader discourse of redistribution.

As the Keynesian welfare state mode of development entered decline so too did its citizenship regime. Long standing ideals of citizenship, discourses of the national community and patterns of political participation were disrupted. Historical practices through which citizens were constituted were transformed and novel ways of addressing the electorate were launched.

Discourses concerned with the inflated powers of the bureaucratic state were powerfully mobilised against the Keynesian welfare state's centralist bureaucratic social administration and articulated with neoliberal arguments for the restoration of control to the citizen as a free choosing individual (Cheyne, et al., 1997, p.40).

> Underlying all the neoliberal reforms there was a rejection generally
> of communal values and processes, and a re-emphasis on

> individualism.   The rights of an individual were emphasised, however, to the extent that his or her responsibilities or duties to the community were largely ignored. (Gustafson, 2003, p.27)

According to Larner, by the early 1980s a broad range of social forces challenged state involvement and service provision in terms of both cost and effectiveness (Larner, 1997a, p.17). Central to these challenges was the identity of the consumer. The Fourth Labour Government specifically targeted consumers as the beneficiaries of its neoliberal programme emphasising the disadvantages consumers had faced under the previous mode of development and presented its neoliberal programme of economic and state reform as key to promoting the rights of consumers and supporting rather than suppressing social diversity (Cheyne, O'Brien and Belgrave, 1997, p.41).

The citizens of New Zealand's Keynesian welfare state comprised Pakeha male workers and their families. During the 1980s and 1990s this image of society was disarticulated.

> There were decisive shifts in the shape of political culture.… Moving away from envisioning society as a system of collectives and revamping this vision towards a new individualism, was an attempt to do away with the historical baggage of collective agreements, the role of unions at centre stage, and their replacement with autonomous individuals making choices. (Wilkes and O'Brien, 1993, p.135)

Rolling back social democracy

Citizenship regimes shape the social organisation of the economy by supporting and encouraging forms of subjectivity compatible with economic and political forms of

organisation (Kingfisher, 2002). The neoliberal prescription for personhood prescribes characteristics of self reliance, adaptability and individualism. During the 1980s and 1990s, the political identities of New Zealanders were reconstituted first as consumers and subsequently as taxpayers. These identities were articulated with an economic nationalism which prioritised the goal of competitiveness. This process of reconstituting citizenship entailed the metaphorisation of the particular identities of consumers and taxpayers. This means that these particular identities became the means of expression by which specific demands could be asserted. These neoliberal citizenship discourses articulated already formed subject positions in new discursive relations. As Smith (1998, pp.169-70) suggests, to be effective hegemonising discursive strategies must develop articulations that appropriate discourses from sedimented traditions. Taxpayer and consumer identities played a role in the Keynesian welfare state citizenship regime to the extent that politicians and bureaucrats frequently categorised citizens in this way; however, these identities appeared within certain clearly defined policy areas. By the late 1980s, taxpayer and consumer identities were politically mobilised as central universal categories and applied extensively across policy fields.

According to Jenson (1999) a citizenship regime establishes the legitimate relations between citizen categories. The political construction of a neoliberal citizenship regime, therefore, included discourses of intersubjectivity. In particular, the neoliberal citizenship regime created alliances between active consumers, working mothers, hardworking family men (Phillips, 1996), entrepreneurs, and business investors, and articulated these experiences and identities via a discourse of the consumer or taxpayer. For instance, working women taxpayers were constructed in terms of their right to equality of opportunity in the labour market. Self-reliant taxpayer/consumers were constructed as entitled to 'value for money', 'choice' and 'accountability' from politicians. In this way, political professionals offered constructions of the public interest which implicitly constructed their publics as consumers and taxpayers and the beneficiaries of the neoliberal policy programme. These identities were articulated with a conception of the nation that defined our

collective purpose in terms of enterprise and competitiveness. Politicians began to emphasise the need to foster an enterprising culture:

> Having been part of a Government prepared to break the vicious cycle of ever-increasing public expenditure and high levels of tax burden, I am very pleased to have been part of a Government that has broken the mould. The third and last policy mould that I want to speak about is more of the desire to match an enterprise economy, which our heads tell us we need, with an enterprise culture. That is a rather more difficult task of attitudinal change…. We are recognising that success comes from playing to our strengths; our strengths lie in the energy and the attitudes, and the endeavour of individuals. (Richardson, 14 Jul 1994, NZPD, Valedictory)

In these discourses, entrepreneurialism was linked to a pre-welfare state settler tradition of "rugged individualistic pioneers" (Kelsey, 1995, p.186) and the revival of a pre-colonial Maori tradition of entrepreneurialism (Asher and Naulls, 1987). In his keynote address to the 1993 National Party annual conference, Prime Minister Bolger argued:

> This recovery is about New Zealand and New Zealanders; about how we see ourselves. For a while New Zealand lost its way. We forgot the pioneer spirit, the sense of independence, and the community's responsibility for those who fell by the wayside. We said the state can look after this-and-that and eventually we expected the state to look after everything…. What we are dealing with here is nothing more or nothing less than the renaissance of the Kiwi spirit. The pulse of New Zealand is beating again. And with it we are seeing the return of the true spirit of New Zealand; proud, independent, hard working and caring for your neighbour. (as cited in Kelsey, 1995, p.186)

Prime Minister Bolger thus expresses a crisis of cultural character which he attributes to the welfare state and argues for a return to our authentic pioneering roots.

Rolling out neoliberalism

It is useful to make a distinction between coordinating and communicative discourse when comparing the social policy discourse and the political rhetoric of the 1980s and 1990s.[19] Coordinating discourse contributes to the consolidation of a mode of development by coordinating policy and administration to specified ends. Coordinating discourse operates in the integral state and is directed at policymakers, bureaucrats and employees of the state responsible for implementing policy. Communicative discourse, on the other hand, is directed at the electorate and is mobilised in order to win popular consent and redirect subjective understandings, expectations and behaviours.

Following Schneider and Ingram (1993), parliamentarians construct communicative discourses which justify their policy positions to the electorate by articulating their particular perspective on the public interest. They do so, for example, by setting the goals to be achieved and showing how their proposals are logically connected to these end goals.

> Elected officials may emphasise some goods rather than others because target populations that they wish to benefit or burden have credible linkages to the goals. (Schneider and Ingram, 1993, p.336)

In addition they construct excluded groups as blocking the realisation of public interest and in this way order social antagonism(s).

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[19] The distinction between coordinating and communicative discourse is adapted from Schmidt (2000b, p.232-3).

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The following discussion makes the argument that in New Zealand during the 1980s, a neoliberal coordinating discourse was consolidated in the policy arena before a corresponding communicative discourse was mobilised in the political field. This put political professionals in the position of constructing a *postfacto* communicative discourse that sought to persuade the New Zealand public of the benefits to them first as consumers (1980s) and later as taxpayers (1990s) and re-order social democratic value traditions in a neoliberal direction (Schmit, 2000b, p.245).

The process of constructing a neoliberal citizenship regime entailed the rolling out of a set of neoliberal rationalities and policy approaches (Tickell and Peck, 2003) alongside sedimented traditions. The Fourth Labour Government attempted to harness aspects of sedimented social democratic citizenship discourse to their project to neoliberalise the state and economy (Larner, 1997a). This articulation involved the jettisoning of some aspects of social democratic discourse while retaining those discourses and projects that could be incorporated within the neoliberal reform programme. The Labour government linked a number of demands that had gone unrecognised in the Keynesian welfare state citizenship discourse and constructed an antagonism-free system of differences between the neoliberal reform project and this selection of social movement identities and projects. This strategy both broadened its support base and neutralised its opposition, differentially incorporating the discourses and goals of Maori self-determination, radical democracy and liberal feminist demands for equity in the labour market. Labour's construction of a coalition of a select group of social movement discourses and goals sought to reconcile its commitment to social diversity with their neoliberal reform agenda. This coalition of special interests retained the universalism and inclusiveness of the Keynesian citizenship discourse by claiming to recognise social diversity and metaphorised the social consumer as the genuine representative of these articulated interests in a neoliberalised political economy.

The tension between the Fourth Labour Government's neoliberal economic policies and their expressed support for the continued expansion of social services in

recognition of the claims of previously excluded groups was reconciled to some extent through their discourse of "efficiency", and later, "value for money", which argued that present levels of social spending could provide improved services at a lowered cost. The mobilising of the identity of the consumer in, for example, addressing the demands of some social movement groups for a more differentiated social service model, sought to reconcile the Fourth Labour Government's economic strategy and its expressed commitment to social diversity and solidarity. The demands of social consumers were constructed by Labour as representing the demands of New Zealand citizens. In this way, the social consumer functioned as the "surface of inscription" (Laclau, 1994) for a set of differentiated identities and demands.

The Fourth Labour Government deployed the political logic of difference in the construction of a universalising and inclusive discourse of social membership. The discourse of the social consumer embraced the entire population and became the basic unit of social policy (Belgrave, 2004, p.36). During the 1980s, a neoliberal mode of political identification was actively reconstituted around a celebratory conception of the active consumer (Kelsey, 1997, p.294). Consumers were constructed as empowered to demand better products and services at a reduced cost. The consumer was the agent of competition and the sovereign of the market. This new mode of political identification retained the idea of New Zealanders as a collective group, constructed as the beneficiaries of the new order (Larner, 1997b, p.384). For example, the Minister of Internal Affairs, Michael Bassett, targets consumers as the beneficiaries of Labour's programme to open the economy in opposition to the previous regime that protected industries at the expense of consumers:

> What the member's party did to tariff rates while it was in
> Government should also be remembered. It tried to ensure protected
> and inefficient industries in New Zealand, which meant high costs
> for consumers---and that resulted in people in my electorate

suffering, the cost price index increasing, and everything suffering as
the country became uncompetitive. (Bassett, 15 Nov 1985)

The social consumer was constructed in opposition to a number of adversaries of the neoliberal project. During the 1980s the consumer was pitted against the unionised worker, state bureaucrat, subsidised agriculture and manufacturing industries whose actions were seen as increasing New Zealand consumers' cost of living and ultimately reducing the competitiveness of the New Zealand economy.

There is now economic growth that will fund the social programmes…. The Government has grasped the global economy and taken the primary sector off its addiction to subsidies. The Government has lowered some of the protections that imposed unnecessary costs on consumers. It has reformed the public sector. It has devolved power in education to the parents. (Jeffries, 5 Dec 1989)

While the Fourth Labour Government (1984-1990) is not usually credited with reforming the structures of the welfare state, they did deploy a number of discourses that set in motion the process of rolling out neoliberal rationales and workfare policy initiatives and have for this reason been described as the "gravediggers" of the welfare state (Castles and Shirley, 1996, p.89). In particular, their unemployment policy discourses shifted the indices of disadvantage away from socioeconomic towards individual determinants (Cheyne, O'Brien and Belgrave, 1997, p.194). This shift involved a rhetorical focus on the exceptionalism of the disadvantaged unemployed that recast them as a special class of people with "skill deficits", "social and psychological difficulties" and who are often "hostile to authority" (New Zealand Dept of Labour, 1985, p.6). This discourse retained a continuity with New Zealand's Keynesian citizenship regime, which, due to the experience of full employment, had tended to treat beneficiaries of social support as exceptional categories. "If wages were fair and reasonable it would only be the improvident and those unusually circumstanced who would require help" (Castles, 1985, p.99). In addition, during the

Keynesian era, the preoccupation of the New Zealand labour movement with wage levels and relativities as a defence of living conditions and equality effectively categorised other social needs and identities as atypical.

While the Labour Government positioned the unemployed within a discourse of disadvantage that built on New Zealand's Keynesian welfare state discourse of exceptionalism, it jettisoned the previous connection between unemployment and injustice. The Keynesian welfare state's discourse of the socioeconomic determinants of social inequalities was built on a construction of the unemployed as receiving an unjustly large share of the burdens of the socioeconomic structure. Redress for this injustice was redistributive and entailed social security for the unemployed in order to ameliorate disadvantages generated by the socio-economic structure. In this discourse, the disadvantages of unemployment were structurally determined rather than the fault of individuals.

By 1990 the tensions between the neoliberal direction of Labour's economic restructuring programme and its social democratic aims in the area of social policy were becoming apparent to the electorate and the National Party was elected on the platform of "the decent society" (New Zealand National Party, 1990a), implying an intention to roll-back the market. Beginning in 1990, however, the newly elected National administration set about constructing a complementary citizenship regime to buttress the neoliberal economic structures put in place by Labour (1984-1990). The newly elected National Government presided over a new phase of neoliberalisation. This phase included the "redesign of New Zealand's welfare state" (New Zealand National Party, 1990a, p.25), involving the roll-out of a neoliberal workfare rationale and policy approach central to the consolidation of a neoliberal political problematic and citizenship regime. The National government's citizenship discourse deployed the political logic of equivalence in the reordering of social antagonism around a polarisation of the identities of the New Zealand taxpayers and the unemployed beneficiaries. National constructed a positive discourse of the taxpayer defined in

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opposition to the unemployed beneficiary who was cast as the taxpayers' inverse, as discussed below.

The taxpayer, rather than the social consumer, was foregrounded in National's communicative discourse and was constructed as a producer, as the generator of wealth, who contributes by paying taxes which fund social services. The 'social consumer' identity mobilised during the 1980s was retained and included within the taxpayer identity, which unlike the social consumer identity, was able to articulate both consumption and production relations. The state, in National's discourse, was cast as the taxpayers' delegate, ultimately acting on behalf of and accountable to the taxpayer. For example, the government must "provide value for taxpayer's money" and must "maintain the confidence of the taxpayers" (New Zealand Department of Social Welfare, 1991, p.11 p.24).

While this change in the mode of political identification and the re-specification of the relationship between the state and the citizen involved a significant challenge to a number of sedimented discourses and practices central to the previous Keynesian welfare state citizenship regime, it also entailed the retention and recombination of a number discourses central to it. For example, discourses about the work ethic were a central component of the previous workerist citizenship regime. A productivist work ethic was redeployed in the 1990s, and articulated with the identity of the taxpayer/producer and a nationalist project of competitiveness.

The National Party's discourse strategies attempted to create a specific unity among different interests by connecting them to international competitiveness constituted as a national rallying project and by establishing a political frontier to define the forces to be opposed. The deployment of an economic nationalism constituted around the logic of international competition reinvested the privileged identity of the worker central to the previous regime, within a new set of discourses that encouraged workers to internalise the motives of the firm to see themselves as contributing to the competitiveness of the firm. This discourse was central to National's preamble to the

introduction of the Employment Contracts Act 1991, which sought to displace the previous discourse which stressed the antagonism between employees and employers and at the same time rearticulate the longstanding social democratic ideal of high employment:

> We intend to liberalise the current structure [of industrial relations], remove existing constraints, and bring true democracy to the workplace with a wide range of choices. (New Zealand National Party, 1990b, p.26)

> A labour market based on a common-law freedom to contract would lead to major improvements in work practices. It would result in higher productivity and much higher employment because employment contracts would now be based on mutual interests of employer and employee. (Richardson, 1995, p.62)

This discourse attempted to reconcile the interests of employees and employers by offering a discourse of work as a means to self-realisation, encouraging a revitalised work ethic which stressed the assumption of responsibility for the success or failure of the firm in opposition to their construction of the Keynesian welfare state wages system as encouraging an irresponsible worker disregard for the profitability of the firm. National's discourse equated democracy with increased choice and displaced recognition of the unequal power between employees and employers in bargaining that was previously recognised in the state-led advancement of the egalitarian interests of the labour movement through the institutionalisation of union representation.

While many of the components of this discourse originated in university and management circles and espoused a Left-wing view about how to create a spirit of collaboration (New Zealand Employers Federation, 1977), they were taken up by the neoliberalising state in an effort to displace the class collectivism and corporatism of the Keynesian citizenship regime and connect the interests of employees and

employers to a project of economic nationalism emphasising settler discourses of entrepreneurialism, classlessness and a competitive state. For example, National MP, Marie Hasler states:

> We have to recognise that economic nationalism is a major force internationally. Japan and Germany often act upon the basis that the nation-State is the key unit of analysis, rather than the individual.… I do not mean that the Government should tell firms what to do, or that it should replace them, but only that there should be a more systematic method of working with business and markets to achieve mutually beneficial goals. (18 August 1992)

The linking of employees and the employers in the joint project of the competitive firm incorporated an established critique of the Taylorist technology paradigm[20] of the Keynesian mode of regulation, which excluded the producers from involvement in intellectual aspects of the labour process and argued for increased employee participation in the interests of increased productivity and competitiveness (Victoria University of Wellington, Industrial Relations Centre, 1989; New Zealand Department of Labour, 1979).

The National Government's economic nationalism and taxpayer mode of political identification was accompanied by the exclusionary definition of beneficiaries as potentially fraudulent bludgers (Bassett, 1998), who constituted a threat to the competitiveness of the New Zealand economy. The abjectification[21] of beneficiaries was central to the discourse of economic nationalism which axiomatically constituted employers and employees as one subject with one interest under the rubric of the internationally competitive firm. International competitiveness was to be the new

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[20] *Technology paradigm* is a French Regulation School term that expresses the general principles of labour organisation and deployment of technology and managerial techniques (Lipietz, 1992)

[21] *Abjectification* is a psychoanalytic concept developed by Kristeva who argued that the social being is constituted through the force of expulsion (Kristeva, 1982, p.5). This is reinforced by Laclau and Mouffe's (1985) political theory that social identity is resultant from the constitution of social antagonism.

fulcrum of social solidarity uniting contributing taxpayers in opposition to a non-contributing underclass of beneficiaries who were constituted as blocking the achievement of an internationally competitive nation.

This social antagonism was emphasised in the construction of a solidarity between the employees and employers in the competitive sector in opposition to unemployed beneficiaries, displacing the universalising discourse of social citizenship that had been central to the Keynesian citizenship regime and the Fourth Labour Government's communicative discursive strategy. Norval (2000a) argues that the construction of national identities tends to draw clear-cut frontiers, dividing us from them.

> Far from being given only through 'positive' characteristics, identities coagulate, or are given their unity, in and through that which distinguishes them from others. (p.226)

The articulation of the shared interests of employees and employers was legislatively consolidated in the passing of the Employment Contracts Act 1991, which was introduced in conjunction with severe cuts in social spending and to benefit levels. The Employment Contracts Act replaced the principle of class-based collectivism as the basis for industrial relations with the individual employment contract, in which the parties are individual employers and employees (Larner, 1998a, p.605).

The passing of the Employment Contracts Act 1991 was the legislative component of a wider discursive shift. Then Finance Minister, Bill Birch, in a statement to the House in 1990, argued that New Zealand's industrial relations structure was based on an outmoded "adversarial relationship between employers and employees" (as cited in Bolger, Richardson and Birch, 1990, p.42). The new industrial relations legislation aimed to provide a more "constructive" environment where "both employers and employees will be responsible for the development and operation of productive, efficient and rewarding enterprises" (Bolger, et al., 1990, p.42). This discourse

articulated collaborationist principles with the market mechanism and critiqued the previous state-led industrial relations system.

This shift entailed a disarticulation of union activity from class-based sectional interests and the re-articulation of working people and business behind a national competitiveness project. "We will also create an environment which rewards co-operation between employer and employee for their mutual benefit" (New Zealand National Party, 1990b, p.27). This was achieved by discursively breaking down previous class-based solidarities, reconfiguring subjectivity by privileging individual consumers, taxpayers, families, parents, working New Zealanders and self-determining ethnic group subject positions and representing them as non-antagonistic groups sharing common concerns. 'The people' were articulated as a population of individual New Zealanders rather than as members of social and class groupings, and class interests were displaced onto a defunct socialist past.

Within this new chain of signification the state is reconstituted as the firm and taxpayers as its shareholders. As the then Chairman of the New Zealand Dairy Board, Sir Dryden Spring, speaking at the Partnership and Enterprise Conference, put it:

> …as a nation we can determine our objectives and then focus on
> developing the strategies that will enable New Zealand Incorporated,
> as I like to think of it, to obtain those objectives. (1991, p.39)

In this discourse a chain of equivalence is constructed between the competition state (Jessop, 1993b), the competitive firm and the internationally competitive nation. The conflation of the nation and the firm recast the government's role in terms of the effective investment of taxpayer dollars. For example, the *Welfare that Works* reforms of 1991, were framed in terms of better use of taxpayer funds and as preserving the rights of taxpayers. In this discourse the government must deliver value for money, be accountable to the taxpayer and generate a "return on the money

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that the taxpayer invests" (New Zealand Department of Social Welfare, 1991, p.11). The state was to be responsible for creating a competitive market environment in which consumers can direct outcomes via their individual consumer choices and taxpayers can expect accountability from government in terms of a return on their investment.

In the 1980s the reconstitution of the national citizenry as a community of consumers articulated a celebration of the autonomous choice-making of consumer citizens with Labour's agenda of corporatisation, privatisation and deregulation. Until 1986, most of the Labour Government's attention had been focused on the quasi-commercial activities of the public sector. In this context the identity of the consumer was actively mobilised as both an active force and a key beneficiary in the restructuring. By the 1990s, however, welfare reform was placed high on the agenda and the identity of the consumer was unable to motivate the electorate in the right direction. According to Kelsey, advocates of the neoliberal turn began to express concern that the new order did not have the support of the population (New Zealand Business Roundtable, 1992, p.2). The Porter Report (1991) on New Zealand's competitive advantage also expressed concern that New Zealand's competitiveness could be hampered by "people's inability or unwillingness to adapt, change and thus compete successfully in the global economy" (Crocombe, Enright and Porter, 1991, p.157).

> Changes to the key conduits of national identity, values and culture—education, media and the family—were of supreme ideological importance to the consolidation of the project. The immediate effect would be to neutralise potential sources of criticism. Their longer-term goal was to instil the neo-liberal ethos in the minds of the future generation, the 'children of the market' who had known no other way. (Kelsey, 1997, p.327)

In this context unemployed beneficiaries were the focus of National's political rhetoric and were identified as irresponsible, dependent and blocking New Zealand's competitiveness. Support for restricting eligibility for welfare and cuts to benefit

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levels was mobilised through a discourse of the taxpayer, burdened by increasing social spending on dependent individuals who, unlike taxpayers, do not take personal responsibility for themselves (Richardson, 1995). A discourse about the proper relation between the state and the taxpayer was also articulated with National's redesign of the welfare state. The welfare state was to be restructured in accordance with the principles of fairness to the taxpayer rather than the differentiated needs of social consumers.

National's disciplinary project: Constituting the taxpayer as producer and the beneficiary as other

The taxpayer in National's discourse was constructed as a producer and this construction was consistently and repeatedly mobilised in their political rhetoric. This identity shaped the formation of policy during the 1990s and provided incentives and inducements for New Zealanders to see themselves as taxpaying producers.

The reform agenda outlined in *Welfare that Works* not only provided an implicit and abject account of the welfare dependent beneficiary but also assumed and promoted a positive construction of the identity of the productive taxpayer. This mobilisation of the identity of the productive taxpayer emphasised the taxpayer as the funder of services and contrasted with Labour's discourse of the social consumer of public services. This taxpayer producer identity constituted a privileged identity in the citizenship regime under construction, which articulated neoliberally inflected discourses of fairness and reciprocity with a discourse of national competitiveness and market democracy.

The National Government's restructuring discourse justified restricting access to welfare services and sold its market regulation of the labour market project as deregulation, designed to relieve taxpayers of the burden and unsustainable cost on

society of welfare and provide a return on taxpayer investment (New Zealand Department of Social Welfare, 1991). In this way the taxpayer is a funder of social services and a shareholder in New Zealand Incorporated entitled to a return on his/her investment.

The thrust of the argument put forward in *Welfare that Works* and much of the official discourse that was to follow was that taxes were too high, benefit payments were too high and incentives for beneficiaries to move from welfare into work too weak. The argument was made that a growing number of beneficiaries found it morally and financially acceptable to remain on benefits:

> There are too many stories of beneficiaries who appear to be reliant on benefits when they could provide for themselves. This is largely because of the rules of eligibility and their implementation. (New Zealand Government, 1991, p.24)

The reforms were justified in order to provide taxpayers with confidence that the system delivers to the deserving: "People will no longer be expected to pay taxes to provide free social services to those who can afford to pay for themselves" (New Zealand Government, 1991, p.22). This discourse defines beneficiaries as rejecting the work ethic, as giving work a limited role in the organisation of their lives, and as potentially fraudulent in the maintenance of entitlement.

> Tighter eligibility will be fairer to those people genuinely in need of a safety net and it will mean New Zealand taxpayers will be helping those in genuine need, and not contributing to the lifestyles of those who can work but are not prepared to do so. (New Zealand Government, 1991, p.33)

The invocation of a new taxpayer citizen in antagonistic relation to the beneficiary evident in official problematisations of 'welfare dependency' signalled the exclusion

of 'non-productive' members of society from the emerging neoliberal citizenship regime.

The shift from a social democratic to a neoliberal citizenship regime involved a shift from discourses of national community involving notions of collective identity and democratic citizenship to discourses of community as a competitive market of interests and identities. The collective totality motivated by a social citizenship ethos was disarticulated, and citizen and social movement claims making were re-presented as "sectional or special interests" whose claims and/or demands were in opposition to taxpayer interests. In this discourse, taxpayers were ordinary New Zealanders as opposed to special interests. According to Brodie, the construction of oppositional groups as special interest groups effectively casts them outside the community (Brodie, 1996, p.393; New Zealand Government, 1985b, p.10; New Zealand Treasury, 1987).

The construction of the taxpayer as a central identity is articulated with a discourse of democracy that equates democracy with the free market. The taxpayer through the act of paying taxes contracts political representation and social services. New Zealand's Keynesian welfare state on the other hand, provided funding for intermediary organisations, such as workers' cooperatives that were creative of channels of democratic representation and participation for a number of disadvantaged groups. The shift from a social democratic to a neoliberal citizenship regime transformed discourses and practices of democracy through the consistent opposing of the imperatives of "value for money" and "sound" economic policy to the sectoral interests of electoral politics and the artificial collective identities they impose (Treasury, 1987).

Within the chain of equivalence established in the neoliberal citizenship regime, democracy was re-articulated as a calculated device for the provision of competitiveness, making market conditions required for an enterprise society.

Democracy within this chain of equivalence is competitive market democracy. According to Larner and Walters:

> Whereas taxpaying was once understood primarily as a mechanism for linking New Zealanders into a collective totality motivated by the ethos of the welfare state, it is now linked to formulations of the self responsible neo liberal subject. (Larner and Walters, 2000, p.372)

The establishment of a set of meaning-producing relations between discourses of the market, democracy, taxpayers, consumers, producers, international competitiveness etc was not, however, internally coherent and always already involved contradictory elements. For instance, the neoliberal discourse contained a fundamental contradiction between, on the one hand, a nationalist discourse that united New Zealanders in their commitment to New Zealand's competitiveness discursively constituted as the 'joint product' of the individual efforts of all New Zealanders, and on the other hand, international competitiveness constructed as requiring the commitment and active cooperation of a range of economic, political and social actors.

> There is no inevitability about New Zealand's economic decline.… Effective change will require a broad-based consensus about the general thrust of the changes required. A turnaround will have to be driven by thousands of individuals behaving differently in their firms, schools, unions, industry associations and government agencies. (Crocombe, et al., 1991, p.157)

This same discourse promotes a market version of democracy that disarticulates previous notions of collective solidarity, relegating the democratic state to a mere pragmatic association of interests embodied in the terms taxpayer, consumer, producer and shareholder. Although discourses of solidarity linked to collective interests have to some extent been retained they have been recast in terms of a shared interest in the prosperity generated by the achievement of international

competitiveness and in opposition to the welfare state. The social democratic citizenship regime offered an 'imagined community' of New Zealanders collectively responsible for each other. In this regime the New Zealand citizen was cast as a social being. The neoliberal competitive state connects New Zealanders to a national economic project that enjoins them to understand their social selves in terms of taxpaying with both individual consumer and producer emphases.

Conclusion

During the 1980s and 1990s New Zealand's citizenship regime underwent a radical transformation. This entailed significant change in the form of political identities and the content of ideological struggle. This chapter traced the links between shifting political discourses, forms of social administration and contemporary discourses of citizenship. Citizenship discourses are conceived as a political strategies aimed at the subject's self-perception and are important because people's subjective understandings are not simply a reflection of their lived experience but also reflect the limited repertoire of available and legitimate discourses of social membership that can be used to interpret their experience.

The following chapter outlines the contingently realised process of building and embedding a neoliberal citizenship regime and political problematic in more detail. In particular, it maps the discontinuities and displacements of meaning in policy discourse during the 1980s and 1990s and demonstrates the ways New Zealanders were incited to recognise themselves and thus take on certain obligations and behavioural norms via the material inscription of discourse into the social policy programmes of the state.

CHAPTER FOUR

From unemployment to welfare dependency: Shifting policy narratives in New Zealand 1970-2000

Introduction

During the 1980s and 1990s unemployment policy was problematised and produced through discourses and political programmes which constructed unemployment and the unemployed as objects of regulatory policy in new ways. A number of key discourses are implicated in these reforms. This chapter provides an account of the diachronic development and synchronic interplay of the discourses, which, it is argued, drove the reform of New Zealand's policy paradigm. It maps a number of key shifts in the discourse of unemployment that occurred over the period beginning in the late 1970s and ending in 2000 and focuses on a number of significant discursive events which provide focal points where contestation between the discourses of New Zealand's state and different social groups occurred.

The chapter argues that, over the period, the neoliberalising state imposed a sequence of constructions of unemployment that were a part of a restructuring strategy which sought to integrate the operations of social security with the neoliberalised state and economy. These constructions were deployed in the discursive struggle to establish competition as the new regulatory principle capable of conceptually and practically overseeing economic and social regulation. The discourse changes also functioned in

and of themselves as technologies of governance[22] aimed principally at the unemployed but also at reconfiguring the representational practices and meanings of citizenship more generally.

The Keynesian welfare state viewed unemployment as a central concern. The social policy programmes initiated in the 1990s, however, were oriented towards combating the problem of welfare dependency. This shift in the focus of social policy should be understood as the outcome of a wider process of change occurring on a number of discourse fronts from discourses of competitive advantage and economic management to ethical dimensions of personhood. This chapter investigates some of these discourse transformations and argues that the disarticulation of the Keynesian welfare state and the corresponding ascendance of a set of articulated discourses dominated by a neoliberal interpretive framework drove a radical restructuring of New Zealand's social policy paradigm in a workfare direction. According to Peck and Theodore (1999), a workfare policy approach reflects a shift away from discourses of job creation, demand-side intervention and full employment towards a discourse of combating cycles of dependency, enforcing obligations and incentivising work (pp.485-6).

The shift from a social democratic to a neoliberal citizenship regime and political problematic in New Zealand centrally involved the disarticulation and rearticulation of economic discourses about the role of the state in the management of economic processes. During the 1980s, a Ricardian discourse of comparative advantage (Ricardo, 1971), central to New Zealand's Keynesian mode of economic regulation, was displaced by a new discourse of competitiveness (Crocombe, Enright and Porter, 1991). This new discourse was articulated with a state strategy of pursuing monetarist economic management alongside the restructuring of many socio-political institutional structures. This shift was associated with changing conceptions of the international economic system and drove changes to perceptions of the role of the

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[22] Technologies of governance are the diverse techniques through which governing is achieved. The term comes from Foucault's lecture "Governmentality" (1979), which emphasises the practical modalities deployed to align the interests of the governed with those of the governing.

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state in the management of the economy and the restructuring of the welfare state, as part of a strategy to achieve 'competitiveness'.

A new discourse of international competitiveness increasingly dominated policy discussions in both economic and social policy and expressed the view that central to national competitiveness was a complex set of extra-economic conditions such as cultural norms, ethics and incentive structures that may be strongly influenced by welfare structures (Department of Social Welfare, 1991; Crocombe, et al., 1991; OECD, 1986, p.87). Calls for targeting benefits, tightening eligibility and work search requirements and an emphasis on training reveal the extent to which the state and business in New Zealand adopted a competitiveness discourse which linked the need to restructure the benefit system to a strategy to facilitate an export-centred, flexible economic policy. This section investigates the discursive dimensions of this radical shift. It analyses how successive governments came to recognise their interests and thereby construct the field of policy options. It explores the extent to which that process was a function of the way problems such as the management of the national economy in an increasingly global economic context were discursively represented in New Zealand.

From comparative to competitive advantage

From the mid-1980s onwards, discourses of competitiveness began to locate New Zealand's ability to compete economically in a dynamic and socially constructed set of conditions that included a wide range of non-economic factors such as cultural values and political and social institutions. For example, Crocombe, Enright and Porter (1991) state: "The factors most important to modern industrial competitiveness are not inherited but created" (p.28). Earlier discourses of national economic strategy were based on Ricardo's theory of comparative advantage which assumed that national comparative advantage was derived from the efficient exploitation of factor

endowments such as land, labour, natural resources, capital and infrastructure. Ricardo's theory assumes that countries specialise in what they are best at producing and comparative advantage is derived from producing a better product at a better price than other countries. The dominance of this discourse is evident in the New Zealand Planning Council's 1980 employment policy proposal which emphasised structural change to exploit the natural factor endowments of the country:

> Changes in the structure of the economy are necessary to encourage the expansion of those activities in which New Zealand has a comparative advantage. (1980, p.19)

The Think Big programme was an example of this view being implemented as economic development policy in the pursuit of economic advantage[23]. An important point here is that comparative advantages, derived from naturally occurring endowments of a geographical locality, were perceived as relatively fixed. While governments might work to efficiently exploit comparative advantages through such schemes as Think Big, state actors did not see themselves as having the capacity to construct comparative advantages. New Zealand's comparative advantage flowed from natural endowments such as land and climate, rather than being seen as resulting from a dynamic, changing and socially constructed mix of factors including culture, social institutions, education, infrastructure, firm compatibilities, etc.

Comparative advantage was articulated by governments with a strategy of economic management that rested on: (1) securing the conditions under which economic activity can develop, and (2) setting up the appropriate Keynesian macro-economic policy framework. This policy framework corresponded with a system of international coordination, especially constraints on capital movements, which provided Keynesian welfare states with considerable autonomy from capital. Within this framework stable and dynamic economic reproduction was achieved by applying

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[23] The so-called Think Big projects of the Muldoon-led National government after 1975 involved the state resourced expansion of natural gas and oil exploration as well as aluminium and iron sand exploitation.

wage labour-driven demand and corporatist methods of management in a way that directly eased the disciplinary effects of competition (Aglietta, 1998).

Ricardo's theory of comparative advantage maintained an image of the national economy as a system of localised capitals whose interests were promoted by the state, and as a largely self-regulating system endowed with a natural tendency to grow. Ricardo's theory of international trade assumed that trade occurred between "a number of distinct and relatively self-contained national economies" (Hindess, 1998, p.215) and was to the advantage of all trading nations because trade development over the long term would involve beneficial exchange based on the distinctive development of each nation's comparative advantage (Hindess, 1998, p.215). Comparative advantage ran parallel with the Keynesian prescription that required the self contained national economy in order that demand-led policies could sustain viable accumulation.

Hindess (1998) points out that the ascendance of a new discourse of international competitiveness involved a number of challenges to the Ricardian discourse. Ricardo's theory entailed a static view of international trade based on the view that: "Owners of capital, in particular, are constrained by the difficulty of controlling the use of capital invested in foreign parts, the difficulty of adapting to new laws and forms of government" (p.215). Processes of globalisation have removed these kinds of restrictions on capital movements and mobile capitalist firms now seek to optimise profitability by exploiting differentials of advantage across nations such as labour costs. In this context individual states must pursue policies that achieve an environment attractive to capitalist firms including a workforce characterised by an optimal mix of skills, attitudes and prices (Neilson, 2006, p.17).

According to Hindess, the shift from a view of the national economy derived from Ricardian theory to a view which prioritises the national economy in terms of its relative position in an internationally competitive global economic system entailed a number of displacements of meaning; in particular, the idea that the national economy

has a natural tendency to grow was displaced onto the international economy. This displacement had far reaching effects on perceptions of security and responsible national economic management because while the international economy may continue to expand, individual national economies may not. In particular, this discursive change moves from a positive-sum world of comparative advantage to a zero-sum world of competitive advantage. That is:

> There is nothing in the idea of a supra-national economic system, even one endowed with a benign tendency towards expansion, which requires that all geographical regions within that economy will benefit from its expansion. (Hindess, 1998, p.221)

This discursive shift was reinforced by the experience of many nations during the 1970s of zero and negative growth. By the early 1990s this view was generally recognised in New Zealand within policy-making circles and is expressed here in a report commissioned by the New Zealand Planning Council[24] entitled *The Fully Employed High Income Society*:

> Although all countries share in the reorientation of production within multinational enterprises there is no guarantee, or indeed any expectation, that all will share equally. Multinational enterprises are by and large commercially rational. Their location decisions may or may not benefit a particular country. (Rose, 1990, p.9)

According to Torfing (1999), competitiveness is a discursively constructed notion with implications for strategic policy choices. Internationally, discourses of competitiveness changed during the 1980s in response to recognition of the limits of earlier Ricardian discourses of comparative advantage that renegotiated the role of the state in accordance with a new set of priorities. Top of the list was the requirement to pursue structural competitiveness (Torfing, 1999, p.376; see also Jessop, 1993b).

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[24] A small independent think tank set up in 1977 as a result of the Task Force on Economic and Social Planning.

According to Torfing (1999), during the 1980s discourses of structural competitiveness that emphasised relative costs, prices and exchange rates were extended to include "structures that influence the capacities of firms to compete in technology, delivery, after sales services and other forms of firm specific advantages" (p.377). He argues further that official policy discourse often defined structural competitiveness in very broad terms, and included "socio-cultural values and institutions" and "entrepreneurial culture" (p.377). These differing emphases in discourses of structural competitiveness led to a policy which stressed either institutional rigidities or national competencies in the pursuit of structural competitiveness (Torfing, 1999, p.377).

These changes were emphasised by the OECD (1986) which argued that the bases of industrial strength and competitiveness themselves were rapidly changing and defined this change as the central adaptive challenge facing member countries. In the same document, the OECD defined structural competitiveness broadly and emphasised the role of "social and institutional frameworks" in stimulating or hampering the competitiveness of domestic firms (p.86). Internationally recognised organisations, such as the OECD, direct national strategies by providing authoritative information and argumentation. In New Zealand the OECD contributed to setting new directions for discursive struggle over policy by identifying central policy problems and formulating solutions [25]. For example, OECD publications established links between international competitiveness and the restructuring of social policy (OECD, 1986: 1988). OECD proposals for reform such as the "intensification of benefit administration" were taken up by the New Zealand Department of Social Welfare and their discourses were deployed by the Department to legitimise the reforms and connect the Departments strategic direction with internationally recognised trends in policy making.

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[25] The analysis of OECD documents in this chapter recognises that discourse shifts in New Zealand were influenced to a great degree by international organisations and discourses coming from the US and UK (c.f. Kelsey, 1997; 2002).

In New Zealand, the Porter Report (Crocombe, et al., 1991) identified a number of strategies to enhance New Zealand's competitive advantage. The Porter Project engaged the expertise of Michael Porter, author of the influential book *The Competitive Advantage of Nations*, in a study of the New Zealand economy culminating in the publication of *Upgrading New Zealand's Competitive Advantage* (Crocombe, et al., 1991). This study involved, among other things, "a detailed audit of New Zealand's institutional environment" (p.13) in order to assess its impact on the competitiveness of the New Zealand economy. The Porter Report and the debate it initiated played a significant role in directing the shift in governmental policy away from the achievement of economic growth through the efficient exploitation of natural resources within a national accumulation strategy towards a focus on the achievement of structural competitiveness within a globalised economic system:

> In today's global economy, success is a function of a nation's ability to develop competitive advantage in advanced industries and industry segments rather than its ability to exploit comparative advantage of inherited endowments of factors of production.… Globalisation decouples the firm from the factor endowment of a single nation. Raw materials, components, machinery and many services are available to firms in all nations on increasingly comparable terms. Much traditional thinking has embodied an essentially static view of competition focusing on cost efficiency due to factor or scale advantages. In contrast, the essential character and source of competitive advantage is innovation and change. (Crocombe, et al., 1991, pp.26-27)

This competitiveness discourse also featured in the New Zealand Planning Council commissioned report, *The Fully Employed High Income Society* (1990), which challenged earlier discourses of comparative advantage and promoted a view that many elements of competitive advantage are not only fluid but result from our social and political institutional arrangements as well as our cultural attitudes and expectations (Rose, 1990, p.9).

Unlike past notions of comparative advantage, structural competitiveness included a widened range of factors that fall within the state's regulatory ambit. These socially constructed and widened set of factors, seen as contributing to competitiveness, led policymakers to view social policy as increasingly significant because of its effects on the competitiveness of New Zealand's economy and society. As a result, unemployment policy began to be assessed in terms of its consequences for promoting or impairing the pursuit of national competitiveness. This is evident, for example, in the recognition that the state's responsibility to support the unemployed through social protection is constrained by "the need to take account of possible corporate responses" (Rose, 1990, p.9). In addition, past discourses which prioritised social justice in assessments of social policy (c.f. Sutch, 1971) began to lose salience due in large part to the irrelevance of social justice to the new criterion of structural competitiveness (Jessop, 1993a). While social policy based in egalitarian redistributive ideals depended on economic growth, its social justice rationale developed alongside but independently from economic policy considerations. During the social democratic era, social policy was conceived as an autonomous policy field driven by its own logic primarily based in conceptions of equity and social justice (New Zealand Royal Commission, 1972). The challenge to the idea of a relatively self-contained national economic system undermined government perceptions of the autonomy of distinctive policy arenas.

The ascending hegemony of a discourse of international competitiveness inaugurated a new conception of the link between unemployment policy and other policy fields. Analysis of public sector policy discourses throughout the period reveals a marked shift from a social rationale for benefits and programmes for the unemployed, to economic justifications for their reform. The policy documents and conference papers analysed in this chapter reflect the growing dominance of economic policy concerns in government. Economic concerns are evident in references to "fiscal crisis", "economic efficiency", the presentation of state overload and the "crowding

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out" thesis[26], as well as a number of references to the "tax burden" of the welfare state (New Zealand Planning Council, 1980; OECD, 1988; New Zealand Department of Social Welfare, 1991).

Unemployment policy underwent a shift from a Keynesian welfare state strategy of full employment and welfare provision that eased wage dependence and competition in the labour market to the competitive re-regulation of the labour market, involving active labour market policies designed to promote a competitive, flexible workforce in terms of wages, attitudes, availability and skills.

While economic arguments for the reform of welfare proliferated, these new discourses argued not simply for the reassertion of an economic over a social rationality in policy development but for a re-specification of the nature of the relation between economic and social policy. For example, the OECD publication of *The Future of Social Protection*, (1988) argued:

> The improvement of economic performance should be one of the functions of social policy: that social policies should, in a sense, be concerned with the effective functioning of the supply side of the economy is one way to achieve important social aims. (OECD, 1988, p.24)

The supply side here refers to the supply of human attributes and capacities, motivations and expectations that can contribute to the improvement of economic performance. The Porter Report (Crocombe, et al., 1991) also emphasised how many of the contemporary dimensions of firm competitiveness, such as wage and labour flexibility and innovative capacity, are the effects of re-regulation rather than deregulation. Thus, in order to align with the multiple dimensions of firm competitiveness, states need to pursue a correspondingly compatible institutional

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[26] The crowding out argument is that economic growth is undermined when the state is a player in the economy such that the private sector is constrained.

policy nexus including: a workfare approach to unemployment and welfare policy and investment in competitiveness-enhancing education, training and infrastructure.

Competitiveness increasingly became an explicit goal of policy during the 1990s. Following the election of the National government in 1990, the state, international organisations, employers and even the union movement began framing their discourses in terms of the need for competitiveness (Larner, 1998a, p.599). Increasingly, the motivation of the state, in an era of globalisation, was to achieve the structural conditions of competitiveness and foster business confidence in order to create employment opportunities for New Zealanders. The focus of the following section is an analysis of the policy means to the achievement of business confidence.

Fostering business confidence

The concept of 'business confidence' has its origins in the work of Kalecki (1943) who argued that unemployment in a market system indicates declining business confidence in terms of the motivation of capital to invest. A crisis of unemployment such as that which occurred in New Zealand during the late 1980s is interpreted in a Kaleckian discourse as a crisis of business confidence. In order for the state to avoid an unemployment crisis, according to Kalecki, it must directly address the declining state of confidence. Since the mid-1980s, the focus of the New Zealand government was the pursuit of an environment conducive to international competitiveness specified in terms of business confidence. This discourse articulated firm competitiveness with national competitiveness. For example Richard Prebble leader of the the Association of Consumers and Taxpayers of New Zealand Party (ACT) commented in Parliament in the debate over Government expenditure:

> Let us look at the fundamentals of the New Zealand economy. One
> has to conclude that the economy at the moment is underperforming

and that business confidence is dangerously low. Business
confidence is at a 6-year low. That comes out of the National Bank
survey. The difficulty about those sorts of surveys is they become
self-fulfilling unless we can find reasons to turn them around. Then
we have to look at why businessmen have lost confidence. Well,
there is a string of reasons why they have lost confidence. New
Zealand has slipped to 13th place in international competitiveness in
the World Competitiveness Yearbook put out by the Swiss-based
IMD. (Prebble, 19 Jun 1997)

That business confidence surveys can become "self-fulfilling" means that competition
enables capital to exert disciplinary power, through the logic of business confidence,
on the behaviour of nation states and workforces. The goal of government
intervention was articulated in terms of the need to secure the conditions necessary to
increase business confidence (New Zealand Department of Social Welfare, 1991,
p.25). As these comments from Labour Prime Minster, David Lange and Labour MP,
Philip Woolaston debating the Labour Government's Budget in parliament confirm:

The Government will create a climate of certainty and confidence
that will cause the business sector to invest in employment based
industry. (Prime Minister Lange, 13 Nov 1984a, p.1657)

The member from Waitotara can grumble away, but he knows that
unemployment figures are down because business is getting
confidence back. (Woollaston, 13 November 1984, p.1669)

Business confidence did not feature in earlier Keynesian discourses which promoted
extra-market mechanisms that subordinated capital investment to national macro-
economic policy and offered alternative policy instruments for addressing
unemployment. National Keynesian mechanisms for regulating the economy and,
specifically, Keynesian policy instruments to provide the social welfare goal of full
employment, were displaced by the discourse of business confidence. This discourse

was evident in the rhetoric of politicians and in government documents from the mid-1980s and established an equivalence between profit motivation and job creation in discourses of economic growth. The ascendance of the discourse of business confidence as a means to the promotion of competitiveness and employment is articulated with the neoliberal project to promote market regulation[27] because the concept of business confidence assumes a laissez-faire system. Structural competitiveness, business confidence, social policy and market regulation were combined and substituted in a discursive chain of equivalence that began increasingly to dominate policy development in New Zealand. In particular, continuity was established between the interests of capitalist firms, structural competitiveness and market regulation under the signifier business confidence. This chain is articulated by the OECD:

> Social policies generally complement and support the market mechanisms through which economic progress occurs; they provide protection against personal economic insecurity which is the first step to a stable social climate and, hence, to consumer and business confidence. (1994, p.9)

The relationship between economic growth and business confidence was also established when financial institutions offered surveys of 'business confidence' and the results were cast as a general prospective economic forecast (c.f. McManus, 1992, p.13). This articulation of discourses limited understandings of the conditions for national competitive advantage to neoliberal market reform.

The Porter Report was a particularly coherent articulation of a neoliberal strategy and acted as a rationale and blueprint for the National-led government's policy programme. The Porter Report argued: "The New Zealand government should move more forcefully to embrace a new role, one that focuses on creating an environment in which New Zealand firms can prosper" (Crocombe, et al., 1991, p.177). In the

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[27] Some authors refer to the construction of markets as deregulation. This obscures the active re-regulation involved in creating and maintaining markets and quasi-markets (c.f. Standing, 1997)

same year, the newly elected National government signalled a re-focusing of their economic strategy towards 'competitiveness' (New Zealand National Party, 1990b, 14).

The Porter Report was dismissive of past notions of comparative advantage, viewed as not appropriate to the new reality of globalisation (Crocombe, et al., 1991, p.26-7). In place of the image of the well-managed national economy providing resources for the promotion of social justice central to the Keynesian welfare state discourse, the Porter Report provided an image of an extravagant and politically irresponsible state, undermining efficient, competitive national economic performance.

According to the Porter Report, the provisions of the Keynesian welfare state had resulted in under-investment in human capital. Keynesian welfare policy undermined the wage dependency of workers, thereby disinclining them to invest in their human capital, providing conditions which disfavour an investment-led economy. The authors took issue with government policy in terms of how past welfare policies had created a dysfunctional structure of individual and firm incentives:

> New Zealand government policies have shaped incentives for individuals and firms in ways that work against the economy. In particular, government policies have inadvertently resulted in disincentives for individuals to save and, for some, disincentives to obtain training or work. Policies have also limited the incentives for firms to invest in long-term development. (Crocombe, et al., 1991, p.173)

In contrast, two decades earlier, the Report of the New Zealand Royal Commission (1972) had argued that social security in the form of income support was an important part of an economic growth strategy because freedom from the fear of poverty raises aspirations and provides a stimulus to effort, self-help and productive capacity:

> On the one hand, economic growth enables the community to raise living standards. On the other, better education, better health and living conditions and the freedom from fear of poverty not only raises people's aspirations, but tends to stimulate effort and self help, and enhance the capacity to produce. (New Zealand Royal Commission, 1972, p.8)

This social citizenship discourse had underscored New Zealand's Keynesian welfare state and starkly contrasted to the argument made in the Porter Report which emphasised welfare dependence and the need to incentivise work and training. Both viewpoints highlighted the goal of enhancing productivity. However, whereas the New Zealand Royal Commission was concerned to promote social citizenship as a stimulant to individual effort, the Porter Report, written nearly twenty years later, viewed income support and full employment policies as creating disincentives to individual effort (Crocombe, et al., 1991, p.125).

The Porter Report problematised government policy both in terms of the creation of disincentives for individuals to invest in their own human capital and in terms of weakening capital's motivation to invest. They argued that the solution to rising unemployment required the raising of business confidence by investing in human capital and infrastructure. Their argument assumed that capital's disinclination to invest in employment-generating business activity reflects the low quality of the workforce, implying that raising the skill levels of the unemployed will induce employers to invest in employment.

> The rate of participation in the workforce is low as are levels of training and skills.… Burgeoning unemployment provides ready evidence that the tens of thousands of New Zealanders lack the skills to be able to support themselves in productive and rewarding work in the modern economy where skills are paramount. (Crocombe, et al., 1991, pp.99-105)

That raised levels of employability among unemployed could coincide with continued joblessness is not explicitly considered by the authors. Instead, they emphasise that New Zealand's overly generous and passive welfare system has produced dis-incentives to work and train:

> New Zealand's social welfare system tends to dampen the pressure for, and rewards from, skills upgrading .… Full employment up until the 1980s reduced pressure for individuals to upgrade their skills while high marginal tax rates reduced the incentives to work longer hours. The low differential between unemployment benefits and paid work that has developed has the same effect. (Crocombe, et al., 1991, p.143)

The Porter Report linked New Zealand's competitiveness with the capacities of the workforce to respond to the demands and opportunities of an increasingly global economic environment. The authors argued that social policy should be set in a way that creates the skills and incentives needed for an investment-led economy. Whereas earlier discourses concerned with social investment were rationalised on social grounds, this discourse rationalised investment in human capital in terms of its capacity to promote business confidence and thus attract investment capital:

> New Zealand faces fundamental human resource challenges. We have not invested aggressively in creating the pools of human resource skills needed to be internationally competitive. (Crocombe, et al., 1991, p.99)

The discourse of competitiveness found in the Porter Report, and in much subsequent policy discourse, articulated a state strategy to foster a suitable extra-economic environment supportive of competitive advantage (Crocombe, et al., 1991). Within this discursive environment, social policy was viewed as an instrument of a competitive economic strategy. Services to the unemployed were to be assessed not just in terms of the resources they redirect away from productive activity or "fiscal

burden" but also in terms of how they contributed to or hampered the pursuit of national competitive advantage (Hindess, 1998, p.223). The onus was on achieving an environment capable of attracting and retaining capital investment as a central priority of both economic and social policy.

This shift in the rationale for social policy initiated a restructuring of income support in order to incentivise paid work, training and a life-long commitment to self-development in the service of employability. The aim of policy shifted from full employment to full employability in which the entire unemployed workforce is available and actively engaged in job search as well as a range of other activities designed to foster activity and enhance employability.

In 1991, the National Government introduced major changes to social security which transformed the administration of unemployment benefits and challenged previously hegemonic notions of social citizenship. The nature and rationale for the reforms were outlined in the Budget paper *Social Assistance: Welfare That Works* (1991) published shortly after the publication of the Porter Report. Benefit cuts were introduced for working-age beneficiaries. Eligibility criteria were tightened and work tests were extended beyond those on the unemployment benefit to apply to all categories of working age beneficiaries. The government's restructuring discourse outlined in *Welfare That Works* assumed this new relation between the economic and the social and was centrally concerned with issues of competitiveness mirroring concerns expressed in the Porter Report (1991) and the OECD (1988) report on the future of social protection, to coordinate economic policy with appropriate social policy:

> Economic and social policies must be developed and function together. They are interdependent.… The new social assistance policies being introduced by the Government are an essential part of the process of creating an environment which encourages the economic growth that will generate jobs and relieve that demand for welfare. (New Zealand Department of Social Welfare, 1991, pp.2-3)

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This view contrasts with the public policy discourses of the 1970s which discussed welfare policy in isolation from economic policy concerns. The New Zealand Royal Commission (1972) made particular note of the absence of debate or consideration of the economic aspects of social security:

> Indeed, if we were to judge by the general nature of many submissions, we could only conclude that, even among those of the general public who have professional interests in social policy, there is widespread lack of appreciation of the plain fact that if a social security system is to accomplish its goals, it cannot be separated from the economic system through which it must work. (New Zealand Royal Commission, 1972, p.68)

This comment reveals a discursive climate in which social policy goals were assessed as ends in themselves and largely independent from economic policy. This ring-fencing of social policy continued after the election of the Fourth Labour Government in 1984 whose economic reforms were justified as an economic means to social democratic ends (Larner, 1997a). Under the previously hegemonic Keynesian welfare state, economic policy was geared to the achievement of social goals. Social citizenship and forms of wealth redistribution were considered separately and in accordance with a social justice rationale. The New Zealand Royal Commission (1972) had recognised, for example, the growing need to attend to economic growth as a means to sustain the "essentially humanitarian" social security system which was to be determined by political judgement:

> The level of social security expenditure must be determined by need, and by judgement (which we agree must finally be political) of what level of income support is fair and adequate relative to changing incomes and living standards in the community as a whole. (New Zealand Royal Commission, 1972, p.69)

The Commission argued that while economic growth was an important consideration, the level of social security expenditure was a political decision that reflected society's commitment to relative levels of income equality. This point reflects the priority of the Keynesian welfare state which was security and employment articulated by the first Labour Prime Minister, Michael Joseph Savage, when he said "Social justice must be the guiding principle and economic organisation must adapt itself to social needs" (Sinclair, 1980, p.263). By the late 1980s relative equality of incomes, once a central concern of social policy makers, was excluded from the policy discourses altogether. The displacement of discourses of relative equality partly reflected the constitution of an equivalence between equality and mass produced standardised social service provision associated with an outmoded Fordist national accumulation strategy. Reference to this was evident in statements by the OECD which, for example, asked in *The Future of Social Protection* (1988):

> How can the affluent desire for individual and differential service be reconciled with the uniformity of provision which is the visible aspect of distributional equity? (1988, p.20)

Here the universality and equality goals of the Keynesian welfare state are respecified in terms of a trade off between consumer choice and standardised provision. This discursively constructed trade off between equality and consumer choice is not inevitable. An insistence on the provision of choice was a discourse strategy deployed to popularise the neoliberal project which was constituted in opposition to egalitarianism constructed as equivalent to deadening sameness and the restriction of choice. The Fourth Labour Government emphasised the rights of consumers to choice and value for money in justifying the extension of market regulation into public service provision. This comment from the then Deputy Prime Minister, Helen Clark, in the House is an example of the Fourth Labour Government's targeting of the consumer:

> In the meantime the government is getting on with the job, with significant initiatives designed to increase the economy's flexibility

and competitiveness and to enable it to be more responsive to the consumer. (Clark, 5 Dec, 1989)

By 1990, social policy goals were closely coordinated and aligned with economic goals. The OECD signalled this new direction when it pronounced that, "Public programme policies need to be seen less as ends in themselves and rather more as policy instruments within a wider package" (1988, p.17). The need for a more "integrated approach" was everywhere emphasised in the official policy discourses.

The shift from perceiving social policy concerns as separate from economic policy concerns to a view of social policy as in the service of economic policy occurred as a result of changing governmental perceptions of the national economy both in relation to its insertion into the international economy and in terms of the widened set of "externalities" now viewed as pertinent to governmental regulation of a competitive economy.

Discourses highlighting an increasingly competitive global environment spurred new governmental discourses that emphasised the fostering of business confidence in order to attract and retain capital investment. The dominance of this discourse articulation had significant implications for unemployment policy. The shift from a Keynesian to a neoliberal mode of regulation centrally involved the disarticulation of the discourse of social rights and egalitarian redistributive justice, and the ascendance of a discourse of structural competitiveness which demanded that the goals of welfare policy be brought into line with the requirements of a competitive economy. According to Jessop, this shift

> … marks a clear break with the Keynesian welfare state as domestic full employment is downplayed in favour of international competitiveness and redistributive welfare rights take second place to a productivist reordering of social policy. (1994, p.263)

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This productivist reordering was to be achieved via an "active assistance" model of welfare provision (Department of Social Welfare, 1996, p.24). The following section focuses on the process of re-articulating social policy discourses to competitiveness via the vision of the active society (Gass, 1988; OECD, 1988; OECD, 1990; New Zealand Department of Social Welfare, 1996).

The active society

Much of the social policy discourse particularly from the late 1980s onwards was preoccupied with active policy measures. In 1988, at a meeting of social policy Ministers, OECD members proclaimed that "an active society in which all members have a constructive role is a primary goal for social policy" (1994, p.9). Public policy should facilitate and assist people in seeking and achieving a more active social role in both their working and non-working lives (OECD, 1988, p.26). Active assistance policy represented a critique of past "passive" forms of income support and was constructed in opposition to the Keynesian model, which was represented as hampering production and economic growth, as well as increasing 'dependency' amongst the population. Thus the OECD report (1994) stated:

> While income support programmes enhance security, they are not intended to be long-term alternatives to employment. To the extent that these systems lead to persistent dependency on the State, they become a poor alternative to active participation and self sufficiency. (1994, p.7)

In promoting a broader concept of activity beyond full time waged work, the active society discourse replaced the policy goal of full employment central to the Keynesian welfare state with activity in the service of full employability. The active society discourse promoted paid work but also training and education. The

promotion of life-long learning and self-development were proposals designed to change the relation of individuals to their productive work. And much of the restructuring of income support delivery focused on prompting a psychological attachment between the beneficiary and paid work (New Zealand Department of Social Welfare, 1996). The OECD (1994) had argued that human potential must be actively encouraged through "prevention", "rehabilitation" and "treatment" (p.16). The psychological language used in discussions of programmes for dependent populations signalled a shift in analysis of the problem posed by unemployment from a societal critique to a social disease.

These discourses of active citizenship prevalent in OECD reports and reproduced in government policy documents from 1990 articulated discourses of international competitiveness and business confidence. This articulation undermined the long standing separation between discourses of production and discourses of social welfare. New Zealand's process of neoliberalisation involved a reversal of this relation. Social policy was recast as a resource for the competitiveness of the economy. Everywhere in the official discourses the primacy of production was re-asserted: "Sustainable prosperity will only be achieved if we create incentives and focus resources on building the productive capacity of our economy" (Crocombe, et al., 1991, p.172). The OECD argued in *New Orientations for Social Policy* (1994), that programmes which provide the unemployed with income and assistance with training and job search are "investments in the productive capacity of the economy" (p.9).

While the implementation of an active assistance model in New Zealand did not begin until 1985 with the Fourth Labour Government's *New Deal in Employment and Training Opportunities* the notion of active social policy was in circulation among New Zealand policymakers as early as the late 1970s. During this time, unemployment levels were rising for the first time since the Depression and began to be represented in terms of crisis even if the numbers involved were not high by international standards. It was in the context of this perceived crisis of

unemployment that active policy measures first appeared in the official discourses. Full employment had been the mainstay of New Zealand's Keynesian welfare state throughout the 1950s, 1960s and early 1970s (Castles, 1985). The 1975 Budget justified high levels of overseas borrowing to "prevent tens of thousands of New Zealanders from being thrown out of work" (Budget 1975 as cited in Endres, 1984, p.39). By the 1980s, however, a shift in favour of export-led growth and a priority on the balance of payments began to dominate over concerns to maintain full employment (Endres, 1984).

The active society model was promoted by the New Zealand Planning Council, a key participant in the employment debate publishing extensively on the welfare state, employment and the economy. The New Zealand Planning Council sought to give advice to Government and to publish documents on topics that merit wide consultation and debate.[28] In this respect, the Council was expected to serve a democratic function:

> The mechanism [the Council] should aim to improve the workings of our Parliamentary democracy by giving the public more adequate information and opportunity to comment on the main issues of national development, as well as providing a better basis for informed debate among political parties and interest groups. (Fischer, 1981, p.4)

In their 1980 publication, entitled *Employment: Towards an active employment policy*, the Council recommended an active policy approach and proposed a radical reorganisation of the administrative terrain covered by the unemployment benefit. The Council adopted a skill deficit analysis of unemployment: "There are increasing numbers of people inadequately equipped with the basic educational, technical and social skills required for employment" (p.22), requiring an active employment policy

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[28] The chairman of the Planning Council had a weekly meeting with the Minister of National Development who saw himself as an active protagonist for the Council and liaised with government Ministers to ensure that recommendations from Council publications were taken up (Fischer, 1981, p.13).

approach in order to achieve "efficiency" and "competitiveness" (New Zealand Planning Council, 1980).

To this end, the Council proposed that income support be integrated with human resources and a number of training initiatives. The specific policies advocated consisted of the intensification of a range of training measures particularly aimed at school leavers or those who return to school because they are unable to find employment, and an increase in adult vocational education. The Council also proposed that the unemployment benefit be replaced with a Job Search Allowance payable for up to a ten-week period. After ten weeks of unsuccessful job search the beneficiary would be offered a training allowance or placement in a job creation scheme. 'Towards an active employment policy' did attract some criticism. For instance, the New Zealand Council of Social Services criticised the policy proposal for failing to consider a wider range of development options; a broader definition of work, different value systems and societal goals (Fischer, 1981, p.11).

The Council problematised unemployment from the perspective of human capital and activity and promoted an active employment policy in order "to promote the best use of New Zealand's human resources" (New Zealand Planning Council, 1980, p.22). The focus of the problem was the long-term unemployed:

> The changes we propose are specifically designed to minimise the number of people unemployed for long periods of time. This is an aspect of the present situation of special concern to the Council. We readily accept that of itself the concept of job search allowance does not 'solve' our unemployment problems although it could to some extent circulate a given level of unemployment. (p.39)

Here the Council articulated a concern to restructure income support in order to avoid a situation where there was unemployment even though employers were unable to fill vacant positions. The neoliberal interpretation of this mismatch is the growth in the number of voluntary unemployed content to remain welfare dependent and/or whose

skills and discipline deteriorate as a result of their long term detachment from the labour market (Torfing, 1999, p.378).

The Council's proposal consisted of an emphasis on work search requirements as a means to activate the unemployed and sought to govern the social and psychological effects of unemployment by defining the proper and legitimate orientation and conduct of unemployed beneficiaries.

> In our job-oriented society people who want, but cannot find, paid employment often experience severe financial, psychological, and social stress. This undermines their self-confidence, their sense of purpose in life, their sense of belonging to a wider community, and their physical and mental health. The despair followed by apathy, which is commonly experienced by those who are unemployed for a long time, can often be discerned in the young after only a few months of unemployment. Periods of sustained unemployment also impose costs on the whole community. Symptoms of social stress, such as crime and racial tensions tend to increase. (New Zealand Planning Council, 1980, p.6)

In other words, the active employment policy advocated by the Council not only acted upon the financial plight of the unemployed and upon their job prospects, but also upon those attitudes, conduct and dispositions which have a bearing on their future job prospects and may cause alienation from social norms such as the work ethic and law abidance. The motivation for a policy approach which works upon the attitudes, conduct and dispositions of the unemployed reflected a governmental concern to avoid the development of a 'structural unemployment'[29] problem.

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[29] Government recognition of "long term unemployment" and "a curious anomaly: while unemployment still remains high … employers are currently reporting difficulty in filling many positions through lack of appropriate skills in job seekers" (New Zealand Department of Labour, 1985, p.5) suggests that the problem had been identified in these terms.

The Council's proposals in *Employment: towards an active employment policy* (1980) were followed up by a series of ministerial meetings in which relevant ministers were provided with a checklist of policy measures. Extensive pre-publication consultation both within and outside the state ensured the document had wide acceptability. Following its publication, the Department of Labour was reorganised in accordance with the Council's recommendations (Fischer, 1981, p.14). The Council's human capital discourse and particularly the notion of an active policy approach became the new orthodoxy among policymakers. During the 1990s, this active society discourse provided the underlying rationale for a much more far-reaching restructuring of social policy.

Shifting the indices of disadvantage

The Employment Promotion Conference of 1985 undertook to "invite ideas and debate on strategies to solve our present problems of unemployment" (New Zealand Government, 1985a, p.5). A large number of submissions were received from a wide variety of groups from the public, university, and community sectors. Key participants at the conference came from the workers' co-operative movement that had emerged in the late 1970s and early 1980s alongside rising levels of unemployment. The workers' cooperative movement represented a raft of small self-managed cooperatives which combined training and work and sought democratic forms of work organisation (Co-operative Workers' Trust, 1984, p.2). Funded by an assortment of government employment subsidy schemes the workers' cooperative movement represented increasing numbers of work cooperatives and trusts providing socially useful work outside of the formal economy. These schemes were a focus of debate at the conference. This was, in large part, due to the Department of Labour's pre-conference publication of the discussion document entitled *Review of the Employment Subsidy Programmes: A Framework for Consultation.* Published in November 1984, it aimed to inform discussion leading up to the conference. In the

'Preface from the Minister of Employment', the Minister argued, "it is apparent that employment programmes do not increase the total number of jobs in the economy, but they can be useful in providing employment assistance to those people who are genuinely disadvantaged in the labour market" (Burke, 1984 cited in New Zealand Department of Labour, 1984, p.4). The Minister's statement represents the beginning of an attempt to articulate a workfarist approach to employment programmes that constituted the unemployed as disadvantaged in terms of individual incapacities and assessed the needs of the unemployed, in terms of training.

The government's construction of the disadvantaged unemployed in the review and in much of the subsequent policy literature began to shift from a view of labour market disadvantage based on systemic disadvantage and discriminatory practices against women, Maori and Pacific Islanders (New Zealand Department of Labour, 1988, p.14) towards the construction of the disadvantaged unemployed in terms of individualised deficits in skills, education and motivation.

> Some people lack, for example, occupational skills, general work skills, or personal qualities such as confidence or the ability to relate to others. Training can overcome these problems, and may be more effective than undirected work experience. (New Zealand Department of Labour, 1984, p.11)

At the conference, members of the workers' co-operatives movement contributed a radically different conception of the problem of unemployment. Questions were raised for the first time about the feasibility of 'full employment' as a policy goal taken to mean a continuous full time job for all who want it. A number of submissions to the employment conference argued that full employment might not be possible under new conditions and that the problem of unemployment could be solved by a redistribution of a reduced quantum of work.

> Now is the perfect time to consider options to full paid employment such as job sharing, permanent part-time work, flexible working

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hours and co-operatives. (A Community Organisation quoted in New Zealand Government, 1985a, p.20)

Calls were made by the workers' cooperative movement and other community organisations for a redefinition of work to include work forms outside of the formal economy. These arguments were made alongside a critique of the model of economic growth as a solution to unemployment based on predictions of jobless growth. Community sector contributors argued that the government should work with community groups to construct a socially useful third sector where service to the community would be recognised.

Certainly there is value in getting as many people as possible into paid employment that is commercially viable but, since the number of such jobs is not going to be enough to go around, it is imperative that work that contributes to the richness of community life and the environment within which people live be respected and paid for. (A Community Organisation quoted in New Zealand Government, 1985a, p.29)

According to Higgins (1997), workers' cooperatives had attempted to create alternative work forms that challenged standard forms of employment and sought to create a political context for their needs outside the official economy (p.147). The argument that the unemployed should be channelled into a socially useful third sector servicing the needs of the community was supported to varying degrees by a raft of different groups and organisations including the university sector, the New Zealand Planning Council, unemployed workers groups and the voluntary sector.

The New Zealand Planning Council had argued in 1980 that "Publically funded [work]…should enhance social, economic, and cultural development in the broadest sense" (p.50). A submission from economists from the Department of Economics, University of Auckland, to the conference argued that employment subsidy programmes could be made more productive with the possibility of employing more

unemployed workers if they were linked to medium and longer term "cultural and local economic development strategies and objectives, rather than being almost exclusively for short-term temporary work as with existing schemes" (O'Connor and Endres, 1985, p.10). Arguments for the extension of the length of employment subsidy programmes beyond "short-term temporary work" featured in community responses to the report (e.g. New Zealand University Students' Association). These and other submissions sought a positive articulation between the employment subsidy programmes and non-market work projects providing tangible benefits to the community.

Following the Employment Promotion Conference in 1985, the Government published its *New Deal in Training and Employment Opportunities* (New Zealand Department of Labour, 1985). In it the Minister of Employment identified the problem in terms of the lack of employability of jobseekers: "employers are currently reporting difficulty in filling many positions through lack of appropriate skills in job seekers" (p.5). The problem of unemployment was in this way constituted as a problem of human capital, thereby removing the issue from its wider political context and reconstituting it as a problem of individuals.

This document signalled a practical and discursive shift in the wider field of employment policy. The government's plan to phase out wage subsidy schemes was outlined alongside its intention to channel unemployed workers through a single targeted training programme aimed at specific groups "in trouble" (Wilkes and O'Brien, 1993, p.142). The phasing out of job creation/wage subsidy schemes represented a wider shift in the Labour Government's discourse. Job creation schemes in 1985 serviced 52,000 unemployed and underwrote a commitment to the idea that every New Zealand citizen had a right to a job (Wilkes and O'Brien, 1993, p.133). The disestablishment of the job creation schemes signalled a shift away from the citizenship discourse of a right to a job and a downward reorientation of citizen expectations of the state. This entailed redefining what was legitimately within the regulatory ambit of the state such that the state was no longer perceived as

responsible for levels of unemployment. The Labour Government argued that a guarantee of jobs for everyone was not possible. These examples from the *Review of Employment Subsidy Programmes* (1984), and the *Report of the Working Group on Employment Policy* (1988), respectively reconstituted the problem of unemployment as a problem of labour market adjustment:

> It is often thought that employment programmes can increase the total number of jobs in the economy, and ideally we would like to set up programmes in times of unemployment which would guarantee jobs for everyone. Unfortunately, this is not possible. (New Zealand Department of Labour, 1984, p.6)

> The key task for employment policy at present is to promote adjustment to change. Successful adjustment within the labour market depends on being able to achieve speedy, fair matching of the changing flows of jobseekers, to the changing flows of job opportunities as they arise. (New Zealand Department of Labour, 1988, p.17)

The government identified the target group as "jobseekers" rather than unemployed. This further signified the shift away from recognition of the unemployed's right to a job towards recognition of the "jobseekers" need for assistance to adapt to "changing flows of job opportunities".

In the *Review of Employment Subsidy Programmes: A Framework for Consultation* (1984), the government argued that employment programmes cannot increase the total number of jobs because subsidised jobs displace unsubsidised jobs (New Zealand Department of Labour, 1984, p.12). The government characterised the employment subsidy programmes as "job redistribution schemes" and argued that "the effect of subsidies is to redistribute available jobs" (New Zealand Department of Labour, 1984, p.13). This argument evoked a discourse of unfairness. Government job creation schemes interfere in the market to redistribute jobs away from those who

would otherwise acquire them towards the disadvantaged who would not otherwise be able to secure a job. In this discourse, job creation undermines a meritocratic distribution of rewards based in the level playing field of the market.

The government also argued that subsidised employment is "almost always" lower productivity work and crowds out the market by diverting employment into low productivity areas with the effect of reducing long term national income and employment (New Zealand Department of Labour, 1984, p.13). The Treasury document *Economic Management* (1984) argued,

> Subsidised jobs in the public sector have … contributed to an assistance structure which has tended to distort private returns between activities and diverted resources from areas that would provide the greatest gains in national income. (New Zealand Treasury, 1984, p.238)

However, a number of submissions from community organisations, trusts and cooperatives to the Employment Promotion Conference argued that low productivity was the result of meagre overheads and infrastructural support, the low priority and temporary nature of the projects and the lack of integration into longer term community, cultural or local economic development goals (O'Connor and Endres, 1985, p.10). The government argued that recruitment of jobseekers into the formal market economy was a more effective approach to promoting employment, while a tightly targeted set of employment subsidy programmes could address the training needs of the "especially disadvantaged" (New Zealand Department of Labour, 1985, Appendix 3).

Calls from the workers' cooperative movement for a wider definition of work and for remuneration of work outside of the formal economy were not ignored in the government's discourse. Rather, they were artfully refashioned as "work other than conventional waged employment" and incorporated within their market model. For instance, the Review of Employment Subsidy Programmes stated:

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There seems to be no reason to distinguish between wage employment and other alternative forms of employment, such as group employment, cooperatives or self employment…. Subsidies should be made available at the same rate and on the same basis for all forms of employment…. To offer different subsidies for each kind of employment may distort the choices people make, and therefore interfere unnecessarily with the normal functioning of the labour market. (New Zealand Department of Labour, 1984, p.17)

The social and community service function of the work cooperatives and trusts was not acknowledged in the government's discourse which repositioned them as training providers and employers within the normal market economy.

The oppositional discourses of the cooperative movement and the community sector challenged the feasibility of full employment within the formal economy and linked this challenge with the need to create a socially useful and socially recognised third sector. The government re-articulated their challenge within the terms of its neoliberal discourse by acknowledging calls for a wider definition of work and articulating them with the neoliberal strategy to introduce flexibility into the labour market. The aim of this widened definition of work was the "expansion of the range of vacancies to include more flexible and non-traditional work arrangements" (New Zealand Department of Labour, 1988, p.7). In this way, oppositional discourses were reconfigured within the terms of the Labour Government's neoliberal regulatory goal of making labour markets flexible.

The discourses of the workers' cooperative movement emphasised the Keynesian welfare state citizenship discourse of the citizen's right to a job. Within the terms of this discourse, unemployed workers could legitimately make claims for recognition and assistance based on their right to productive work as part of the state's commitment to inclusive citizenship based in participation and belonging. The Fourth Labour Government revealed the contingency of the idea of the rights of the

unemployed and rearticulated their claims in terms of the "needs of the [disadvantaged] unemployed" (New Zealand Department of Labour, 1984, p.4). This shift from a discourse about citizens' rights to a job to a discourse about the needs of the disadvantaged unemployed had the effect of depoliticising the claims of the unemployed. This discursive manoeuvre repositioned the unemployed within a complex of administrative assessment that placed them along a continuum from those who require assistance to re-train in areas where there are job opportunities to the "severely disadvantaged" requiring special assistance in the pursuit of self-sufficiency. Further, the Labour Government's discourse constituted the unemployed as "individuals" with "special needs" (New Zealand Department of Labour, 1984, p.11).

> It seems that a reasonably practical and effective way of deciding who should receive help is based on the length of their unemployment, supplemented with a careful assessment of each individual's special needs. (New Zealand Department of Labour, 1984, p.11)

This discourse constructed the unemployed as a separate group of individuals requiring special assistance rather than as members of the wider community. In this way, not just anyone becomes unemployed but particular individuals—individuals with an inferior capacity to adapt; with skill deficits; with social and psychological difficulties; and those hostile to authority who lack work habits. The Labour Government's discourse began a process of recommodifying the unemployed within the boundaries of the market economy. Moreover, the new government discourse side-stepped issues of inequality of opportunity in the labour market by focusing on the unemployed as individual catalogues of deficits requiring targeted interventions instead of, as in earlier discourses, as politicised groups with economic and social rights.

The rolling back of job creation schemes coincided with the rolling out of the Access scheme, a vocationally-oriented programme offering short courses in specific

industry areas or in "social" and "life skills" aimed at the "disadvantaged jobseeker" (Shirley, Easton, Briar and Chatterjee, 1990, p.108). The *Access Charter* (1988) outlined the aim of the programme as follows:

> 1   Ease individual entry or re-entry into the labour market, by enabling them to acquire vocational skills;
>
> 2   Enhance the individual's ability to enter or re-enter the workforce by promoting the acquisition of skills necessary for working life;
>
> 3   Provide a skill base for further vocational development, which will enhance the long run employment and earning potential of trainees. (Shirley, Easton, Briar and Chatterjee, 1990, p.109)

The Government's *New Deal* constituted the unemployed as disadvantaged in terms of a skill deficit in vocational, social and life skills. The *New Deal* retained wage subsidies for a targeted sector of the unemployed that the government identified as "particularly disadvantaged" and dysfunctional in terms of social norms.

> A key element of the Government's employment strategy is assistance to the most disadvantaged in the labour market to gain or return to real jobs. …. Two new additions to the Job Opportunities Scheme will make special provision for the particularly disadvantaged. The additional options are designed to assist (through either full or part time work) people who are finding it difficult to integrate into the work force as a result of physical or psychological disability. In addition, assistance will be made available to small groups of job seekers who are alienated from society to the extent that they have become hostile towards authority, institutions and established work places. Some examples are gang members and those with criminal records who are at risk of re-offending in the absence of positive alternatives. Experience suggests that they can benefit from employment assistance if they are

able to work together as a group. (New Zealand Department of
Labour, 1985, p.6)

The government identified a group of severely disadvantaged who were variously
defined as skill deficient or having social or physical disadvantages which hamper
their ability to find work (New Zealand Department of Labour, 1985, p.77). A
package of wage subsidies and short-term work cooperative activities were retained
to provide additional employment assistance to these "severely disadvantaged"
jobseekers. This additional assistance included the Job Opportunities Scheme:
Special Groups and Small Cooperative Enterprises Scheme, and aimed

to provide assistance to severely disadvantaged job seekers who are
assessed by the Employment and Vocational Guidance Service as
likely to benefit most from group forms of employment. It offers
disadvantaged registered unemployed job seekers, who wish to
establish a co-operative or a group enterprise, a period of initial
assistance in which they can develop their skills before becoming
self sufficient. (New Zealand Department of Labour, 1985,
Appendix 3)

Here the cooperative or group enterprise is considered a provisional and enabling step
in a progression towards self-sufficiency. These schemes were to provide a
"supportive environment" to assist the severely disadvantaged to adjust to a "full
working life and integrate into the workforce successfully" (New Zealand
Department of Labour, 1985, Appendix 3). The "special need" for social support and
recognition is here a marker of incomplete personhood. The Labour Government's
New Deal rearticulated the utility of workers' cooperatives and trusts in the service of
managing the shift from incomplete sociability to mature, self-possessed market
participation. The workers' cooperatives and work trusts, on the other hand,
specifically valued cooperative work as producing socially useful goods and services
and promoting democratically organised enterprises as an alternative to the alienating

character of work organisation in the formal economy (Cooperative Workers' Trust News, 1984, p.28; New Zealand Government, 1985a, p.29).

The privileging of self-sufficiency has implications for discourses of gender and race. The construction of the disadvantaged in the Labour Government's discourse acknowledged that women and racial minorities were over-represented in the unemployment statistics (New Zealand Department of Labour, 1984, p.10). These disadvantaged groups were identified as in need of "special assistance" unlike "most people who become unemployed" who "find work for themselves within a short period" (New Zealand Department of Labour, 1984, p.9). The form of assistance targeted towards these severely disadvantaged groups retained aspects of the work cooperative activity in order to provide "a period of initial assistance in which they [*the severely disadvantaged*] can develop their skills before becoming self-supporting" (New Zealand Department of Labour, 1985, p.14). A limited function for group forms of enterprise was retained on the grounds that some unemployed needed assistance to become employable before they can enter the formal labour market.

The shift away from work cooperatives and trusts towards individualised training was based, in part, on claims regarding a deficit in the subjective attributes, skills and motivations of the unemployed.

> People who are without work, particularly for long periods, become subject to a range of problems. They tend to have a low status, a low income, a low sense of well being and may withdraw from social interaction into apathy and depression. They may even become so discouraged that they give up trying to find work…. Some people lack, for example, occupational skills, general work skills, or personal qualities such as confidence or the ability to relate to others. Training can overcome these problems, and may be more effective than undirected work experience. (New Zealand Department of Labour, 1984, pp.10-11)

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This construction of the needs of the disadvantaged unemployed according to an individualised prescription of personhood and employability implicitly positions women by virtue of their assumed responsibility for children, and ethnic groups, particularly Maori and Pacific Islanders, by virtue of their wilful sociability as limited in their capacity to participate in the liberal institutions of citizenship and the market (Hindess, 2002) and thus in need of training and rehabilitation.

The Labour Government's administrative reforms paved the way for the construction of a system for the continuous and seamless regulation of the unemployed. The rolling out of the Access training scheme coincided with the institutional reorientation of the Department of Labour away from job placement towards counselling, training retraining and relocation. This institutional reorientation represented a shift in the government's policy discourse away from viewing the unemployed as in need of a job towards an individualised and therapeutic discourse that captured the unemployed within a series of administrative interventions aimed at behaviour modification (c.f. Dean, 1995). Ironically, the government's active labour market policy constituted the unemployed as the passive receivers of training, whereas as members of government-funded work cooperatives and trusts, unemployed workers were active in shaping, managing and implementing concrete and socially useful projects.

The official governmental discourses continued to construct the unemployment problem in terms of frictional employment caused by a mismatch between the needs of employers and the skills of the unemployed. For instance, the *Report of the Working Group on Employment Policy* (1988), states:

> The capacity for rapid adjustment through wage flexibility depends on the extent of wage flexibility actually available and the degree of responsiveness to wage changes; the incentives to search actively and accept work are affected by income maintenance levels. (New Zealand Department of Labour, 1988, p.17)

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In neo-classical economic theory, long term unemployment does not occur in an 'unregulated' market system because short-term unemployment lowers the price of labour, since the unemployed underbid those in employment. This lower price of labour induces employers to increase investment, employment and production thereby reducing unemployment (Diesing, 1982, p.76). Implicit in the Labour Government's *New Deal* was the idea that the labour market would clear once the unemployed increased their employability. The rationale for phasing out the employment subsidies focused on the market distortions they were said to produce in terms of misdirected investment, inflation and job displacement (Higgins, 1997, p.146).

The employment subsidy programmes were designed to provide productive employment to the unemployed as part of a full employment strategy and a social citizenship discourse of the citizen's right to a job. The government's *Review of Employment Subsidy Programmes* and subsequent *New Deal* shifted the terms of debate by re-casting the employment subsidy programmes in terms of their capacity to assist the disadvantaged into paid work. The political critique advanced by the cooperative movement was neutralised by the application of funding criteria oriented towards training for 'unsubsidised employment'. Funding for cooperative groups was dependent on whether participants found paid work. Higgins states:

> Required for their survival, to operate according to the relationships
> of the official economy, work trusts and co-operatives had to
> refashion themselves in a process of self regulation that effectively
> neutralised them as an oppositional grouping. (Higgins, 1997, p.146)

In the Labour Government's discourse, the employment subsidy programmes were narrowly conceived in terms of their training function. The Labour Government's *New Deal* pre-empted the abandonment of the sacred cow of full employment. This officially occurred later in 1990 with the passing of the Reserve Bank Act which

traded full employment for low inflation and reversed the state's commitment to wealth re-distribution and employment security (Neilson, 1998, p.60).

The Access training programme initiated by the Labour Government was the forerunner to a number of programme changes to the administration of the unemployed that were to follow under the leadership of a National Government. In 1991, the newly elected National Government restructured the benefit system introducing case management as a new technology of governance designed to actively assist the unemployed.

The active assistance model of the 1990s

By the mid-1990s, an active assistance model defined the New Zealand Department of Social Welfare's strategic direction. The 1996 briefing papers to the incoming coalition government, entitled *Strategic Directions: Implementing the Active Assistance Model,* represented an unalloyed invocation of the active society model. The report promoted "positive income support" designed to "create incentive oriented benefits" (Department of Social Welfare, 1996, p.17). This package was broadly consistent with OECD (1994) proposals to "increase the intensity of benefit administration" (as cited in Department of Social Welfare, 1996, p.24).

In it, a discourse of work, perceived not as a matter of constraint but as a good in and of itself and as a means of self-development, was promoted alongside a range of policy proposals designed to activate not just the unemployed but all beneficiaries including those on disability, sickness, domestic purposes and superannuation benefits. This widening of the target population had the effect of enlarging the field of application of dependency and discrediting rival discourses which had promoted social support for a number of socially useful activities outside the formal labour market, such as childrearing. The discourse of welfare dependency severely

restricted the conditions under which non-participation in the formal labour market was permissible. Furthermore, state support for the domesticity of mothers that had underwritten post-war welfare policy was in this way officially dropped. The 'choice' between paid work and domesticity was to be made by individual women.

This broadening of the application of dependency also entailed a shift in notions of "retirement" and "disability" from relatively fixed static categories to negotiated "flexible" and temporary categories. This shift reconstituted these categories of beneficiary as members, or at least potential members, of the active society. For instance, in 1990, the OECD argued for the increased participation of the elderly and those with physical, mental and social disabilities "whose work potential is often grossly under-utilised" (OECD, 1990, p.11).

The categories of beneficiary defined as dependent was enlarged and the principle of 'activity' replaced 'full employment' as the goal of policy; however, the demarcation between the self-sufficient and the dependent continued to be arbitrated by full-time paid work. The active assistance model promoted the possibility of re-socialising the beneficiary through various 'rehabilitation' and 'treatments' with the end goal being self-reliance through full-time paid work. This resocialising was to be achieved by aiding the beneficiary to discover his/her own powers of self sufficiency through an administrative approach referred to by the department as a mix of "helping and hassling" (New Zealand Department of Social Welfare, 1996, p.26). "Helping" techniques for re-socialising the beneficiary largely involved training and skills development and constituted the beneficiary as deficient in the skills and training necessary for employability. "Hassling" techniques, on the other hand, addressed the beneficiary's attitude to work and sought to enforce:

> … clear and firm requirements on applicants…. The work expectation sends a clear message to recipients that they are capable of work. (New Zealand Department of Social Welfare, 1996, p.26)

This approach constitutes the beneficiary in terms of an ethical deficit that can be rectified by restoring their work ethic. The attitude and work ethic of beneficiaries was subject to the scrutiny of their individual case managers which formed the new basis of their entitlement to social support. The need to re-emphasise the moral dictum of work corresponded with a decline in the material incentives to work, the outcome of National's neoliberal labour market policy which placed a downward pressure on wages.

The active assistance model deployed a discourse of "reciprocal obligation" as a means to manage the relation between the state and the beneficiary. This discourse of reciprocal obligation replaced the social citizenship discourse and associated practices of income maintenance with a contractual relation designed to activate the beneficiary. "An active assistance approach can be used to make explicit reciprocal obligations of a recipient on a benefit" (New Zealand Department Of Social Welfare, 1996, p.24). Activation was taken to mean both "active payment and active receipt" of benefits. Implicit in the language of active payment and receipt was a contractual relation between the beneficiary and the state. Active assistance administered a new pattern of obligation that sought to promote a number of subjective effects central to the achievement of competitive labour markets. Active assistance sought to govern the attitudes and lifestyles of those on benefits, constituted as "at risk" of welfare dependence, and was in large part, administered via practices of case management introduced in 1996. Case management of the unemployed required that "jobseekers" be assisted through a series of steps:

- Meeting with an advisor to assess the individual's needs;
- Production of a plan for getting into employment and self-sufficiency;
- Individual agreement to carry out plan;
- Individual progress through agreed activities towards unsubsidised work; and
- Follow-up and employment support (New Zealand Prime Ministerial Task Force on Employment, 1994).

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Case managers administered 'Job Action Plans', these being agreements between the beneficiary and the case manager on what constitutes appropriate job search and/or training activities for individual beneficiaries. This administrative practice displaced the citizen with the right to social support and replaced him/her with the "jobseeker" (Dean, 1995, 576). A contractual relation was established between the state and the beneficiary in which the receipt of benefit is attached to the obligation to be "job ready". Many of the changes proposed under the heading "positive income support" involved techniques for motivating and impelling the beneficiary to assume greater responsibility to be active in the pursuit of employment.

The administration of a contract between individual beneficiaries and a case manager covered not just job search activity but any activities considered to enhance the beneficiary's employability. These 'contracts' were backed up by sanctions for non-compliance:

> Central to the notion of a more active system is a reciprocal requirement for recipients themselves to be 'more active'. Picking up on such 'reciprocal obligations' can involve simple changes in attitude (towards accepting responsibility for changing circumstances), but it can also involve meeting new statutory requirements…. In some instances, the plan [job action plan] may be quite specific and involve close follow up, with clear sanctions for 'non performance'. (New Zealand Department of Social Welfare, 1996, p.25)

This new contractual relation administered the shared management of an individual's 'employability' and involved the contractual exchange of employability for "income protection": "The focus of active assistance is on reducing an individual's welfare dependence by ensuring that they are better placed to take up opportunities in employment when they arise" (New Zealand Department of Social Welfare, 1996, p.25).

Under the social democratic citizenship regime unemployment conferred a right and demanded a remedy. The neoliberal citizenship regime conferred an obligation on the unemployed to become employable as a matter of civic responsibility and contractual obligation.

During the 1990s, a network of programmes were directed at resocialising the beneficiary into activity. The development of a series of integrated programmes established a seamless network for managing the relation between the beneficiary and work. *Welfare that Works* (1991) proposed a graded series of interventions according to three streams of beneficiaries: fully work ready, work ready-part time and fully work exempt. The design of benefit administration was meant to promote the movement of people through these streams towards the fully work ready category. The Department of Social Welfare's *Strategic Directions* (1996) proposed four selective programmes under the rubric of 'customised service' aimed at particular categorisations of beneficiary defined in terms of the particular risks or sets of risks. They included: (1) 'Compass' which focused on single parents and aimed "at assisting sole parent beneficiaries into education, training and employment" (New Zealand Department Of Social Welfare, 1996, p.28); (2) 'Boost' which addressed youth unemployed and was "aimed at assisting young people in receipt of the independent youth benefit to greater self reliance through increased participation in education, training and employment" (New Zealand Department of Social Welfare, 1996, p.28), which had a particular focus on "personal issues" defined as barriers to successful participation; and, (3) 'Passport to your Future' which addressed young people still in school and aimed "to shape the attitudes of young people so that they do not see benefit receipt as a 'career choice'" (New Zealand Department Of Social Welfare, 1996, p.29). This tailoring of programmes reflected the idea that the same "treatment" does not have the same effect on everyone. For instance, the young unemployed were constructed as lacking the proper inculcation in the work ethic and were for this reason placed in programmes designed to instil good timekeeping,

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respect for authority, etc. The single parent, on the other hand, who has been detached from the labour market, may require rehabilitative assistance.

While the goal of policymakers has focused on getting beneficiaries into paid work, the active society discourse presents activity as a good in and of itself rather than solely as a means to enter paid employment. In contrast, in 1980, the New Zealand Planning Council recognised the futility of activation (consisting then of a work test) in the context of depressed labour markets:

> We readily concede that of itself the concept of job search allowance does not 'solve' our unemployment problems; although it could to some extent circulate a given level of unemployment, it does not create jobs. (New Zealand Planning Council, 1980, p.39)

By the mid-1990s, activity was constructed as the ultimate goal of welfare policy:

> There is a link between the concept of reciprocal obligation and that of contribution of participation. It is important not to limit these too tightly to contribution through work force participation only. For most, work force participation will unlock the doors to wider participation in society. For others contribution made by activities such as caring for children, developing personal and homemaking skills should be encouraged as ways of meeting reciprocal obligations. (New Zealand Department Of Social Welfare, 1996, p.29)

Benefits were not to be granted as a right of citizenship but as part of a contract between the beneficiary and the government. In return for the payment of the benefit the beneficiary must be active. This emphasis on activity as a way of meeting reciprocal obligations was evident in the document *Towards a Code of Social and Family Responsibility* (CSFR) (1998), a government-produced pamphlet that was delivered to all New Zealand households. This discussion document's intention was

presented as a means to provide a basis upon which to build a code concerning the shared values and principles of New Zealanders (New Zealand Department of Social Welfare, 1998). The document suggested what some of these principles might be and put questions such as "Should parents who receive a benefit be required, as a condition of benefit, to get their children to school?"(New Zealand Department of Social Welfare, 1998, p.15) The offence of the beneficiary here was not the truancy of their children, as many working parents children play truant; the real offence of the beneficiary with a truant child was his/her seeming inactivity in the face of the child's truancy. In the context of this discussion the proposal to withhold benefits from beneficiaries whose children play truant is an example of the way activity beyond job search activity served as a new relation of obligation imposed upon the beneficiary.

A large number of the questions put in the CSFR (1998) clearly targets beneficiaries and signals the government's intention to move in a workfare policy direction. For instance, the response form asks:

> What groups of working age beneficiaries should be required to accept training opportunities?… What more can the Government do to encourage beneficiaries into work?... Is it fair to expect a working-age beneficiary to take up part-time or full-time work or training when they have the ability to do so?... Should a person on a benefit long-term who cannot take up part-time or full-time work be encouraged to do things such as community service? (New Zealand Department of Social Welfare, 1998, pp.21-23)

In addition, the document established a principle of continuity between benefit receipt and irresponsible patterns of behaviour bearing costs to taxpayers. For instance:

> Should the Government use the contact it has with women receiving pregnancy-related sickness benefit to encourage good care during pregnancy, e.g. to check they have sought proper care?... What more can we do to make sure all young children receive immunisations

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and child health checks? E.g. should Income Support encourage parents on benefits to take their children for immunisations and child health checks?... Should parent support and education services be targeted more to families with the greatest needs? If so, how could this be done? (New Zealand Department of Social Welfare, 1998, pp.9-13)

This had the effect of constituting a chain of equivalence between benefit receipt and a number of socially and economically disruptive factors such as single motherhood; irrationality; criminality; smoking, alcohol and drug dependence; child neglect and abuse; lack of education etc. into a single theory of deficits, which a number of active assistance programmes can be employed to address. For example, Christine Rankin the then CEO of the Income Support Services arm of the Department of Social Welfare stated:

> Welfare dependent families have a higher call on the taxpayers' resources of health, welfare and education. They also figure highly in the justice statistics. It seems likely that there is also a string correlation between domestic violence and child abuse and long term benefit dependency. (Rankin, 1996, p.171)

In this way, the active society discourse broadened the concept of welfare dependency into a general concept condensing all those factors which inhibit an individual's inclusion into the active society. For instance:

> Priority should be given to active measures such as training, placement and rehabilitation programmes for the unemployed, the inactive and those on welfare in order to break dependency cycles, reduce inequality in the access to jobs and generally integrate people into the mainstream of productive activity. (OECD, 1990, p.10)

This single theory of deficits resulted in a significant shift in the focus of treatment for a population which had hitherto been viewed as simply in need of employment.

In addition, this chain of socially and economically disruptive factors was condensed onto the figure of the beneficiary who was constituted as a bearer of need, necessity, want, dependence, immorality and irrationality.

The authors of the OECD paper, *New Orientations for Social Policy* (1994), established a principle of continuity between benefit receipt and criminality in their description of the appearance of a "culture of dependency on non-market incomes" inclusive of both benefit payments and income from "illegal or criminal activities" constituting a threat to the "fabric of society" (p.9). The CSFR (1998) established a link between unemployment, child neglect, skill deficiencies, and irresponsible decisions affecting health, in the statement "Some social and family circumstances are linked with poor outcomes for children. Amongst such circumstances are: long term unemployment; low educational attainment of caregivers; poor housing and poor health status" (fact sheet 1). This statement establishes a principle of continuity between unemployment, disadvantage and deviance from social normality. The idea that unemployment is the arbitrary effect of economic downturn was in this way replaced with the view that unemployment is the effect of individual incapacities and psychological maladjustment.

The discourse of the active society invokes the negative image of a cycle of inter-generational dependency among a social underclass of welfare beneficiaries "whose prospects seem little better than subsistence dependency, without an active role in society" (OECD, 1988, p.21). In response to this "underclass" of beneficiaries policy makers have constructed a range of ethical administrative practices and reciprocal obligations in order to transform beneficiaries into active responsible subjects. This shift entailed changes to the object of social policy. Previously, social policy was directed at the poverty and lack of capacity to participate fully in society caused by loss of income and employment. The active society model constitutes the object of social policy in terms of the self-concept and motivations of the beneficiary. For example, Deputy Prime Minister and New Zealand First leader, Winston Peters, argued in support of the CSFR:

It is time to change attitudes, and perspectives. It is time to ask "What can I do for myself?".... Similarly we are taking an active role in promoting Maori affairs and in changing the way Maori think of themselves. (Peters, 17 Feb 1998)

Active assistance aimed to reconstruct the beneficiary as an active jobseeker via a set of active assistance programmes designed to administer and control beneficiaries' interpretation and experience of unemployment. The following discussion provides an account of the Beyond Dependency Conference of 1997, hosted by the Department of Social Welfare. This event brought together local and international speakers who promoted a workfare solution to benefit dependence. Established practices for governing the unemployed were called into question and a discourse of welfare dependence was articulated and actively promoted by the National-led government.

Beyond Dependency: 'A watershed for welfare'

In 1985, the Employment Promotion Conference had focused on the problem of unemployment. By 1997, the problem of unemployment was displaced by the problem of benefit dependence. The title of the conference indicated an acceptance of the neoliberal view that income assistance encourages dependence on the state instead of self-sufficiency. The conference brought together social policy and welfare delivery arms of the state bureaucracy as well as a number of overseas experts, but, excluded community and beneficiary organisations as well as members of the academic community (Cardy, 1997, 12 March). A decade previously the exclusion of community groups from the forum would have been seen as incongruent with democratic principles of consultation and consensus building.

The Beyond Dependency Conference signalled a shift away from a policy geared to supporting the unemployed and facilitating their return to work to a policy designed to assist and oblige not only the unemployed but a number of other beneficiaries, previously defined as "unable to work", to take up paid employment. The conference was centrally concerned with how the relationship between work and welfare should be re-configured given what was described as increased levels of benefit dependence.

In his opening address, Roger Sowry, the then Minister of Social Welfare, relayed these statistics:

> In the year to June 1996, despite 62,000 more people in the workforce, benefit numbers have risen by 2,000. Between 1991 and 1996, the number of unemployment beneficiaries fell by 12%. Domestic purposes beneficiaries rose by 11%. Numbers of sickness beneficiaries rose by a staggering 68%, and invalid beneficiary numbers rose by an equally staggering 44%, so that by last year, 21% of working age people were dependent on a benefit. This compares to just 8% in 1985. (Sowry, 1997, p.4)

Sowry's identification of the problem demonstrates a shift away from viewing the unemployed as the problem towards those other categories of beneficiary previously defined as unable to work. A larger number of categories of beneficiary were now viewed as unemployed, particularly those in receipt of the DPB who were previously defined as engaged in socially useful work.

The conference furnished a broad consensus among policymakers and welfare delivery workers about the nature of the welfare problem. This consensus defined the problem as centrally about the dependency and lack of motivation of beneficiaries. Welfare dependency was conceived as a collective attitude among beneficiaries, one which was necessary to redress strategically via a renewed social policy package.

While a number of overseas contributors to the conference presented neoliberal reform rhetoric, only three of the thirteen papers subsequently published in the *New Zealand Social Policy Journal* (1997), clearly present this neoliberal viewpoint. Nevertheless, even the alternative viewpoints, for instance, Baker (1997), St John (1997) and McKenzie (1997) conceded to a broadly neoliberal framework. These Left liberal contributors approached the workfare discourse by assessing it in terms of its own promises and found it wanting. For instance:

> The evidence indicates that welfare-to-work programmes cannot be expected to substantially increase the well-being of poor families and to significantly reduce government expenditure on the poor. (McKenzie, 1997, p.109)

Evaluating workfare programmes simply on their likely success or failure misses the significance of discourse-directed effects and overlooks alternative ways of articulating welfare and work such as, for example, the provision of a universal basic income in order to facilitate the development of a socially useful third sector. The approach taken by these contributors unwittingly conceded to the underlying rationale of workfare by accommodating their proposals for social change to the limits of adaptability of the business order and failed to challenge the fundamental precepts of the market imperative.

Hardline neoliberal arguments, such as those made by overseas conference contributors including, Mead (1997), Rogers (1997), and Preston (1997), constructed the beneficiary as voluntarily welfare dependent. In this way, a clear association is made between the maladjustment of beneficiaries and their appropriate treatment. The uncontroversial goal of raising employment, it follows, can be achieved by improving incentives to work. This view reflects the neoliberal analysis of labour market clearing, articulated here in *Welfare that Works* (1991):

> Past benefit levels have had a negative effect on the lives of many New Zealanders, in particular, those they are intended to assist. For

many people the generosity of the benefit system has become a poverty trap. Benefit payments have been high enough compared to wages that for many people there has been little financial encouragement to take on paid work and employers have been unable to attract workers at rates that would maintain the viability of their businesses. (New Zealand Department of Social Welfare, 1991, p.12)

The workfare approach that follows from a neoliberal account of labour market clearing depresses wage levels by raising the supply of potential employees who are under threat of benefit withdrawal. Hence, because labour is cheaper employers are able to employ more people, thereby reducing unemployment. So while the behaviour of beneficiaries is the focus of the discourse, the employment strategy is about lowering the cost of entry level labour.

The articulation of the discourses of voluntary unemployment, competitiveness, structural unemployment, benefit fraud and active and flexible labour markets strengthened the case for a workfare approach to social policy since workfare addressed a number of these problematisations simultaneously. The problem of structural unemployment, whether seen in terms of voluntary unemployment or alternatively, from the perspective of the unemployed in terms of social exclusion, can be addressed by workfare strategies which aim to place a downward pressure on wages and increase flexibility within the labour market thereby stimulating employment growth. Structural competitiveness can be addressed by workfare policies which tighten eligibility criteria and impose stringent work tests, thereby lowering the cost of welfare expenditure that is re-interpreted in a competitiveness discourse as a cost of international production rather than, when articulated within a Keynesian economic framework, a source of domestic demand. In addition, competitiveness entails a highly skilled and flexible workforce. Workfare policies hold out the promise of eliminating skill deficits and raising the quality of the workforce.

The Beyond Dependency Conference was part of a wider strategy to discursively reshape citizen subject positions. The discourses articulated at the conference individualised unemployment which during the Keynesian welfare state era was seen as embedded in the economic and social structure. The discourse offered at this Conference presented unemployment as reflecting problems of incentives and as the effect of social security. The consensus about the nature of the welfare problem paved the way for the construction of a new social pathology condensed onto the fictive character of the beneficiary who was to become the culpable subject raised in response to the social dislocation generated by the neoliberal restructuring of New Zealand's mode of regulation. In this way, discourses about beneficiaries became part of an ideological ritual of exclusion functioning to displace the contradictions of the neoliberal societal project onto its constitutive outside. The concepts of the self-sufficient taxpayer and the active society only make sense within a system of classification which designates beneficiaries as dependent, passive, irrational, etc. This is because the idea of independent self-sufficiency already implies needy and dependent. The experience of independence requires recognition of its own limits. Thus the constitution of the dependent beneficiary is a technique for governing the formation of the self-sufficient taxpayer central to the active society. This process of othering in which the contradictions inherent in the active society are disavowed and projected onto the beneficiary is centrally about harnessing a new mode of political identification to the neoliberal societal project. The social identity of the citizen is in this way a political creation whose character is defined and practised by welfare institutions in order to motivate certain behaviours and sanction others.

The Beyond Dependency Conference aimed to shift both policy discourses and common sense understandings of the nature of the welfare problem. It signalled a new phase of the National Government's project to establish a neoliberal citizenship regime and political problematic by popularising the main tenets of the neoliberal critique of welfare, particularly, an essentially behaviourist explanation of unemployment and its solutions. Advocating the benefits of training and a recommitment to the work ethic as solutions to increasing benefit dependence became

the means by which the neoliberal hegemonic attack on social democratic welfarism and its underlying principles of social citizenship was waged during the 1990s. State actors made use of the Beyond Dependency Conference, and a number of events directly preceding and following it, to re-specify the system of inter-subjectivity underpinning citizenship in New Zealand. Contributors to Beyond Dependency utilised quantitative social scientific, therapeutic and administrative discourses circulated in public and private medical and social service agencies to de-politicise the issue of unemployment by screening out those dimensions of the issue that involved the political construction of social identity and meaning.

In contrast to the Beyond Dependency Conference, The Beyond Poverty Conference, which took place the weekend prior to Beyond Dependency, gave voice to the discourses of counter-hegemonic social movements excluded from the Beyond dependency forum.[30] The Beyond Poverty Conference privileged the expertise and experiences of the unemployed and positioned beneficiaries as members of social groups. Many conference contributors focused on the socially useful activities performed by beneficiaries and promoted recognition of a socially useful third sector in which the work of beneficiaries could be recognised and valued (Boulton, 1997; Briar, 1997; Else, 1997; Peet, 1997). Unlike the neoliberal discourses which aimed to represent the beneficiary as excluded, disadvantaged and maladjusted, these oppositional discourses emphasised the advantages of free time, with independence from wage labour allowing for contribution to family and community needs. This discourse was particularly threatening to the neoliberal citizenship regime as it recognised the advantages that flow from being detached from the wage relation and challenged the precepts of the work ethic.

Feminist contributors to the Beyond Poverty Conference emphasised the special disadvantages women, Maori and Pacific Islanders face in the labour market (Nowland-Foreman, 1997; Briar, 1997; Else, 1997). Their discourses can be

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[30] The registration fee for Beyond Dependency Conference was $1,700 making it inaccessible to many of those who attended Beyond Poverty held at Massey University, Albany.

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contrasted with the discourses of the Beyond Dependency contributors who represented all beneficiaries, including solo mothers, as potential employees. The shift in the official discourses to treating solo mothers primarily as potential employees rather than parents represented a reversal of a policy that was in place for almost 25 years, a policy which foregrounded women's role as mothers (Nolan, 2000). This shift in official discourses centrally involved an articulation between the claims of feminists, based on women's right to autonomous personhood most clearly articulated in feminist calls for equal pay and equity in employment relations (Larner, 2000; New Zealand Royal Commission on Social Policy, 1988), the aspirations of Maori for self-determination and the neoliberal project to build a society of self-sufficient individuals. Feminist criticisms of the benefit system for encouraging women's financial dependency on a husband were emphasised and articulated with the government's neoliberal agenda. The government argued that women should have equal rights in waged work to advance according to merit and choice in a competitive labour market and that this approach would promote women's equality (Nolan, 2000).

Conclusions: From governing unemployment to governing the dependent beneficiary

Ideas such as equity, social justice and egalitarianism were moments in a discursive chain that made up New Zealand's social democratic citizenship regime. Social justice subordinated the capitalist imperative to the redistributive requirements of an egalitarian social order. Once the links in the chain of equivalence that made up the social democratic citizenship regime were severed they began to lose their associational meaning and became floating signifiers. At that point the neoliberal discourse, previously confined to academic economics circles, began to articulate and collect cultural and institutional signifiers. Whereas previously social needs had

taken priority over market forces, now questions of value for money, competitiveness and the equation between freedom and the free market began to gain currency not just in parliament and policy circles but also in the popular press.

During the 1990s in New Zealand, the National-led governments made a number of attempts to re-specify the nature of the national community of New Zealanders based on claims regarding the ideals of subjectivity. Previous representations of the national community emphasised social membership through attachment to the welfare state. The new discourse recognised a community of individual taxpayers as the new citizens to which the government was accountable.

The National-led governments embarked on a project to respecify the conditions under which non-participation in the formal labour market was permissible. This re-specification involved the replacement of the category of unemployed worker with the dependent beneficiary. This over-arching category included not only the unemployed, but also Domestic Purposes beneficiaries, the trainee, the sick and to some extent also the retired, and the disabled.

The social construction of the targets of unemployment policy is a significant axis along which transformations in government policy can be mapped. A displacement of the previous divisions between workers and non-workers in the policy discourse resulted in a breakdown of the previous divisions between work and welfare central to the Keynesian citizenship regime (Walters, 1996, p.227). This discursive shift pre-empted the promotion of a neoliberal, workfarist policy paradigm which integrated previously distinct policy fields such as income support, job training, workforce preparation and job placement assistance. This new strategic policy nexus was designed to marry the objectives of unemployment policy and active labour market policy in order to provide for the imperatives of business confidence and reduce costs in order to raise productivity with the ultimate goal of raising New Zealand's competitive advantage.

Understanding the shift from a social democratic to a neoliberal citizenship regime depends partly on understanding the way neoliberal discourses about economic space dominated by the regulatory ideal of competitiveness articulated with wider cultural and institutional discourses. Problematisations of unemployment are caught up in larger chains of discourse which establish the boundaries and relationships between the economic, the political and the social. In New Zealand, the shift from a social democratic to a neoliberal citizenship regime centrally included a shift in the discursive administrative complex aimed at unemployment. The issue of unemployment during the 1980s was highly politicised and constructed in terms of a crisis. Prior to the 1980s, unemployment policy was discussed and formulated in a relatively consistent fashion. The policy documents and public debates of the 1970s present a single, coherent conceptual framework in which unemployment featured. The goal of full employment understood as "total employment of a homogenous labour force" (Endres, 1984, p.35) underpinned New Zealand's Keynesian welfare state and predominated over price stability and productivity goals. During this period unemployment, even at low levels, was considered politically untenable. This was because full employment featured as the mainstay of the Keynesian welfare state citizenship regime (Endres, 1984, p.35).

During this period the question of unemployment was treated as a problem of internal demand management and not as a problem of export-led growth and international competitiveness (Endres, 1984, p.34). Consequentially, discourses centred on the social justice implications of unemployment. Measures to alleviate unemployment and provide for unemployed workers and their families were rationalised in terms of social justice. This conception of unemployment made sense as part of a discursive chain of equivalence which linked an egalitarian philosophy with a solidaristic conception of society, manifested in the institution of the Keynesian welfare state. Economic problems were ring-fenced as the responsibility of macroeconomic management dominated by a Keynesian formula. Over the course of the 1980s, this ring-fencing of economic and social policy, while still a feature of government discourse, gradually lost ground to a new discourse which saw the coordination of

economic and social policy as increasingly important. The depoliticising of unemployment and the new emphasis on policy coordination reflected a large scale shift in the state's *raison d'etre* from managing the efficient domestic performance of the national economy to promoting its overall international competitiveness understood in broad terms, and reflecting a heightened awareness of the international context of economic and social policy. The goal of full employment was abandoned and a new chain of signification heralded competitiveness as the new regulatory ideal. Within this new discourse, job creation was seen to depend on the active management of the supply side and the overall flexibility of the labour force. Employment began to be seen as resultant from profitable capital accumulation rather than the result of welfare state interventions in the economy.

By the 1990s the general attitude of the Government to unemployment had undergone a radical change. A comparison of the Employment Promotion Conference (1985) with the Beyond Dependency Conference (1997) held just over a decade later brings the extent of the change into focus. The government held the Employment Promotion Conference as part of a commitment to democratic decision-making. The organisers of the Beyond Dependency Conference made no such concessions to democratic consensus building. The status of beneficiaries and community workers as stakeholders with rights to consultation and consensus were displaced and the rights of taxpayers heralded in their place.

At the Employment Promotion Conference it was legitimate to make claims in the name of equal rights for women and Maori constructed as disadvantaged. These claimants drew attention to the structural determinants blocking the realisation of their social citizenship such as low wages, racism, lack of childcare, glass ceilings, tokenism, etc. The Beyond Dependency Conference reconstituted these disadvantaged groups as dependent and constructed their dependency in opposition to the self-reliant taxpayer citizen. Within this discourse the taxpayer was defined by that which he is not. He is not raced, gendered or classed and as such does not demand special treatment from the state. This move is instituted, in part, through the

use of inclusive language thereby disguising the special disadvantage that women, ethnic minorities and working class people face in the labour market.

State actors within the policymaking field utilised the Beyond Dependency Conference and a number of other events, most notably the CSFR (1998), to reconfigure discursive relations. Neoliberal contributors and their supporters appealed to the traditionalism of the work ethic as part of a discursive strategy designed to construct oppositional groups as deviating from recognised social norms. In this way the propriety of waged work and the impropriety of benefit receipt was reinforced.

In 1988, the OECD argued that as employment has become less available, discussion of the imposition of work has been replaced by greater emphasis on the positive social role of work (OECD, 1988, p.25). This statement obscures the active role of governments, policymakers and organisations such as the OECD in the promotion of this new emphasis in order to transform the social relations of production as part of a wider project to implement a neoliberal mode of regulation.

This chapter has documented how the Fourth Labour Government and the National-led Governments of the 1990s deployed these discourses in attempts to re-articulate points of subjective identification consistent with the ideals of an active society and the socioeconomic requirements of international competitiveness. The following chapter provides an analysis of the Fourth Labour Government's citizenship discourse and focuses on the struggle between the neoliberalising state and the workers' cooperative movement at the Employment Promotion Conference of 1985.

CHAPTER FIVE

Articulating neoliberal goals with social democratic values: Labour's coalition of special interests

Introduction

During the 1980s, unemployment was disarticulated from its established chain of signification within the social democratic citizenship regime and political problematic and rearticulated with neoliberalism. The neoliberal restructuring emerged out of political struggle rather than being the result of the straightforward implementation of a neoliberal policy agenda (Larner, 2002, p.154). Much of the scholarly analysis of the Fourth Labour Government's incumbency has focused on the rolling out of a neoliberal economic framework. This chapter focuses instead on the Fourth Labour Government's under-analysed strategy to articulate a selection of new social movement discourses with their neoliberal policy paradigm that included soft workfare, entrepreneurialism, devolution and market determination of employment levels.

Post-Marxist theory of the logics of equivalence and difference (Laclau and Mouffe, 1985) is applied to analyse the discursive articulation of, and broader discursive struggle between, the neoliberal project and other discourses. In particular, this chapter focuses on the proceedings of the Employment Promotion Conference 1985 which I argue was a ruptural event in the discursive struggle over the restructuring of unemployment policy and the re-specification of citizen subject positions. Analysis of this key discursive event reveals a fuller understanding of how the discourses of counter-hegemonic groups were articulated to the state-driven neoliberal project and

how both hegemonic and counter-hegemonic discourses and policy outcomes were shaped in this process.

Labour's coalition of special interests was constituted via a discourse of the social consumer. Larner (1997b), in a discussion of the politics of restructuring of New Zealand's telecommunications industry, draws attention to the construction of the consumer as an inclusive identity encompassing all New Zealanders. Larner states:

> In conjunction with the new dominance of the identity of the consumer came a shift in the content of this identity, from that of a narrow category encompassing the interests of major users, to a broad category in which all New Zealanders were discursively constituted as consumers. (Larner, 1997b, p.383)

Larner argues that the consumer was centred as the dominant form of identity in the debates over corporatisation and deregulation. While the discourse of the 'social consumer' was an attempt to re-specify citizen subject positions according to neoliberal prescriptions for personhood, it was also an attempt to rearticulate the social and the economic and retain certain earlier understandings of political subjectivity (Larner, 1997b, p.384). She argues:

> In this version of the consumer the social remained present as a territorially bounded and singular form of social solidarity. New Zealanders, as a collective group, were constituted as the beneficiaries of the new order…. While the 'social consumer' was a variant of the active self of neoliberalism, it was also an attempt to reforge the economic and the social, an 'alternative modality of the social bond'. (1997b, p.384)

I argue that the category of social consumer was a privileged signifier in Labour's citizenship discourse which enabled the Labour Government to combine a selection of counter-hegemonic projects and rearticulate their claims as the claims of social

consumers entitled to differentiated service achievable only in a neoliberalised environment.

The discussion emphasises the constitution in policy discourse of the disadvantaged unemployed who became the focal point of struggle between the neoliberalising state and the counter-hegemonic workers' cooperative movement. The latter articulated unemployed beneficiaries with a discourse of structurally determined social inequality. The unemployed were constituted within and through an inclusive social citizenship discourse which asserted their needs and rights and constructed them as the legitimate responsibility of the state. Disadvantage in this discourse resulted from a restructured political economy unable to provide employment opportunities to a large group of New Zealanders. The Fourth Labour Government, on the other hand, represented the disadvantaged unemployed as an unskilled and socially deviant subclass whose personal skills and attributes fell short of market requirements (New Zealand Department of Labour, 1985, pp.4-5; Appendix 3). This discourse redirected unemployment policy away from structural solutions towards individualised training programmes designed to improve the employability of the unemployed beneficiary. Further, this policy shift disaggregated the unemployed into a series of individualised others requiring specific forms of targeted training and assistance.

Principally, this chapter examines the struggle between the state and the workers' cooperative movement over interpretations of unemployment and the social needs it generates. The Employment Promotion Conference (1985) was the stage for the conflict over interpretations of the needs of the unemployed. This conference was closely followed by the Fourth Labour Government's *New Deal in Training and Employment Policy* (1985) which disestablished a range of employment creation programmes and replaced them with the Access training scheme. The Employment Promotion Conference is treated as central to the rolling out of a new citizenship discourse, one that constructed a coalition of special interests connected each in their own way to Labour's neoliberal project.

According to Higgins, "The Employment Promotion Conference provided a national stage upon which a gallery of key social actors played out a drama about the future direction not only of employment policy, but of its wider domain, economic policy" (Higgins, 1997, p.140). This discursive event manifested the key points of distinction between the workers' cooperative movement, which made claims based on the needs of the unemployed as members of an inclusive welfare society, and the neoliberalising state promoting skills-based training for the individual in order to foster a competitive labour market. For this reason it functions as the empirical background for a more generalised discussion of the Labour Government's articulatory discourse strategy to forge a new citizenship discourse based on a coalition of minority interests, each connected to particular neoliberal reforms.

During the 1980s, the Fourth Labour Government deployed a number of articulatory discourse strategies designed to expand its basis of support and neutralise key sectors of its opposition. It did so by connecting its neoliberal regulatory project with the separate projects of a select group of counter-hegemonic social forces that sought to critically extend the Keynesian welfare state project. This strategy incorporated the distinctive goals of Maori self-determination, liberal feminist demands for equality in the labour market, and radical democratic calls for devolution by articulating each of these distinctive projects in terms compatible with their neoliberalising agenda and offering certain political, social and economic concessions.

This articulatory strategy established an antagonism-free system of differences between a number of, until then, excluded identities. It did so by articulating their discourses with social democratic values of inclusion and recognition of social diversity. This discourse strategy articulated their distinctive projects and discourses alongside aspects of Labour's neoliberal programme. Labour's citizenship discourse deployed the logic of difference by establishing links between the distinctive identities and purposes of these counter-hegemonic groups and its neoliberalising project, and highlighting their differences in what Howarth and Stavrakakis (2000) describe as a relational and antagonism-free system. The chapter focuses in particular

on the articulation between the government's neoliberal restructuring project and the movement for Maori self-determination.

The workers' cooperative movement: A radical democratic alternative

In New Zealand during the 1980s, work cooperatives proliferated and were based on the principle of democratic decision-making, socially useful work, and common ownership of the enterprise (Evans and McCalman, 1982, p2 p.6). At this time New Zealand's mode of economic and social development began to falter manifestly in its ability to secure full employment[31]. Under these circumstances, the state supported a boom in a range of employment creation schemes in order to shore up the Keynesian citizenship regime in the context of rising unemployment. Work cooperatives and trusts in 1979 numbered 34. By 1984, this number had increased to 300 (Cooperative Workers' Trust (CWT), 1984, p.3). These schemes were justified as addressing the social disadvantage created by unemployment and promoting social justice defined in terms of relative equality and democratic participation, and were part of a legitimate vocabulary for making claims for recognition and redistribution (see Chapter Four). For this reason, groups who made claims for equal rights and sought employment programmes that aimed to deliver social justice to the unemployed were politically effective (c.f. Brodie, 1996; 2002). For example, Jane Stevens, a representative of the Unemployed and Beneficiaries Movement made this statement at the Economic Summit Conference 1984:

> We are not against growth or changes in the economy, but what we are concerned about is the way the wealth of this country is shared out…. We want some serious discussion on how workers, unemployed, beneficiaries, low income earners, Maori and

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[31] While figures for unemployment remained relatively low in the 1980s, public sector employment and employment creation schemes masked the extent of the problem which by the late 1980s was evident in the figures.

> Polynesian workers, women and community groups will get the
> recognition and involvement in decision making that is their right….
> There can be no serious or honest attempt to solve our economic
> problems without the redistribution of wealth to those who need it,
> and without participation by a wide range of people in the planning
> and decision making process. (Economic Summit Conference, 1984,
> pp.63-65)

These government-funded programmes, established and administered by workers' cooperatives and trusts, articulated the state's interest in providing for the needs of the unemployed with the wider aims of the workers' cooperative movement. Government funding of work cooperatives reflected the state's interest in countering the social dislocation caused by unemployment and in maintaining the motivation and confidence of the unemployed until employment could be generated (Higgins, 1997, p.145). The aims of the workers' cooperative movement, on the other hand, included the transformation of relations between people in work towards democratic control by workers and of social relations in order to reduce hierarchies and increase respect for difference, especially between the genders and ethnicities. These goals reflected the worker cooperative movement's recognition of the structural determinants of higher concentration of Maori, Pacific Islanders and women among the unemployed (Te Roopu Rawa Kore O Aotearoa, 1984, p.469), and its radical democratic socialism. In defining the movement's vision, direction and principles one member argued:

> The development that began at Kaiwhaiki [Marae] on land and [the
> need to challenge] racism and sexism points to the way the work
> cooperative movement should go. They are part of working out what
> we want in Aotearoa in the way of working life, social life, work that
> blends a sense of social justice and our control of the destiny of this
> land … this means a Pacific socialism. (CWT, 1985a, p.36)

Upon the election of the Fourth Labour Government in 1984, the CWT called upon the government to look favourably on work cooperatives and trusts as centres of

alternative work forms: "They make space for and encourage cultural differences in regard to work and life styles" (CWT cited in Higgins, 1997, p.141). The movement saw the election of the new government as opening up the possibility for the recognition of cultural difference through the expansion of the sector (Higgins, 1997, p.141).

The workers' cooperative movement aimed to articulate the work schemes with a more radical conception of employment and thus citizenship that went beyond the waged society by trying to legitimate a socially useful third sector between market and state employment (Kelsey, 1997, pp.361-4). The report of the working group on job creation programmes at the Employment Promotion Conference stated:

> The main aim of job creation programmes should be the development of new work of value to the community and the economy. In looking at the whole area of job creation the group recognised the need to redefine what is useful work…. All forms of work, traditional/non-traditional, subsidised/non-subsidised, voluntary or paid should be seen as of equal social worth, and recognised when incomes are being set for this work. (New Zealand Government, 1985b, p.16)

In addition, this articulation between respect for difference and the socially useful third sector connected feminist, Maori, radical democrats, environmental and Christian socialist contingents to the workers' cooperative movement's project of social transformation. According to Higgins, the spread of the workers' cooperative movement funded by an assortment of wage subsidy schemes popularised the idea that the needs of the unemployed could be met through work forms outside of the official economy (Higgins, 1997, p.144).[32]

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[32] This idea was reactivated in the 1990s by the New Zealand First Party in order to popularise its workfare community wage policy.

The workers' cooperative movement in New Zealand was connected to a wider international movement to create alternative forms of work organisation in the civil society space between the market and the state (CWT, 1985c, p.30).

> The economic 'alternative' proposed by proponents of co-operatives was deliberately anti-capitalist. It aimed to minimize the dominance of the interests of capital in economic activity, and at the same time offered a model of a 'service-oriented' and democratically controlled form of organization. (Cockburn, 1985, p.3)

Advocates of workers' cooperatives argued they were more "equitable, socially responsible and brought the economy under more direct democratic control" (Cockburn, 1985, p.3). The international movement sought a radical democratisation of capitalist relations of production and consumption. In New Zealand, this discourse was taken up at the Employment Promotion Conference:

> It became clear at the Employment Promotion Conference that this movement, with others in the community sector, was voicing a broader critique of the market economy, and calling for the reshaping of power relationships within the economy. (Higgins, 1997, p.145)

Criticism of the capitalist system of wage labour was articulated with the cooperatives' strategy to create an alternative system to provide socially useful services and produce marketable goods based on the democratic association of workers. For example:

> A work trust is a way of operating on the principle of trust in each other to achieve co-operation over bigotry, discrimination. Work is the medium by which trust is achieved; trust is the bond between people.... The longer I live the more I understand that we are all wanting very simple things. To be accepted on a basis of equality,

not in a master-servant relationship. (Jim, member of the workers cooperative movement quoted in CWT, 1985a, p.33)

The workers' cooperative movement emphasised cooperation and the social benefits of democratically organised work. Their discourses directly confronted the principle of competitive regulation central to the neoliberal restructuring. The following discusses the articulation between the workers' cooperative movement and the new social movements and examines their role in the disarticulation of New Zealand's social democratic citizenship regime.

The role of social movement discourse in the disarticulation of New Zealand's Keynesian welfare state citizenship regime

Social movements, such as the women's and Maori self-determination movements associated with the workers' cooperative movement, occupied a contradictory position in relation to the restructuring of the Keynesian welfare state. They both contributed to a radical critique of the Keynesian welfare state (see below) and at the same time defended it, by protesting the erosion of many of its central institutions and discourses (such as equality and social rights). Further, they expressed post-Keynesian welfare state principles, for example, the need for a socially useful third sector and the democratisation of work (Evans and McCalman, 1982). This contradictory position was politically exploited by those promoting the neoliberalisation of the New Zealand state. For example, part of the feminist and Maori critique of the Keynesian welfare state was based on its failure to recognise the plurality of social identities. This critique fed into the Labour Government's strategy to translate disaffection with the standardised service model (Palmer, 1988, p.2) into support for neoliberal reform.

Maori and feminist groups associated with the workers' cooperative movement critiqued the Keynesian welfare state because of its failure to achieve its own goals in

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terms of inclusion and participation (New Zealand Royal Commission, 1972). New Zealand's Keynesian welfare state had not delivered to women and Maori on an equal basis with Pakeha men, they were heavily over-represented in unemployment and poverty statistics (New Zealand Royal Commission on Social Policy, 1988). According to Neilson, the new social movements critiqued bureaucratic institutions and sought voluntary and egalitarian associations on the terrain of civil society. They sought to achieve their goals through the reform and extension of social rights and the democratic principles of participation and discourse (Neilson, 1996, p.23). In this way, the new social movements demanded the extension of social citizenship to previously excluded groups and a democratisation of work and welfare.

While the workers' cooperative movement expressed a demand for the extension of social citizenship, they also expressed a demand for the transformation of the Keynesian welfare state away from forms of national solidarity based in waged employment, income redistribution and administrative hierarchy (see Chapter Four) towards funding for activities which were self-organised, of agreed social usefulness and in a space beyond the mixed economy. The workers' cooperative movement expressed the right to difference and autonomy, and Maori workers' cooperatives, in particular, saw their activities as revitalising traditional ways of organising work or *mahi* which means cooperative work for a purpose other than yourself (Higgins, 1997, pp.143-144; CWT, 1985a, p.2). For example, a member of the workers' co-operative movement expressed the desire to return to communal life:

> Certainly in contemporary society our personal freedom is absurdly
> limited. We can be jailed, for example, for swearing in the street or
> for having no job and no money. But the terrible aspect of our lack
> of freedom is the fact that we are not free to act communally. (Hemi,
> quoted in Cooperative Workers Trust, 1985a, p.17)

Women's cooperatives were established on the basis of women's need for income and flexible forms of work that incorporated women's childcare responsibilities (Evans and McCalman, 1982, p.26). Many of the cooperatives implicitly expressed a

critique of Taylorist forms of work organisation (Lowe, 1988) which separated workers from the conceptual and control aspects of the work process and supported managerialist prerogatives. In New Zealand, work cooperatives and work trusts implicitly opposed Taylorist forms of work organisation in their expressed commitment to democratic forms of work organisation (Evans and McCalman, 1982, p.6) and many cooperative enterprises were based on the revival of craft-based industry (Cooperative Workers' Trust, 1985b, p.2, p.4; Cooperative Workers' Trust, 1985b, p.2).

The workers' cooperative movement's critique of the Keynesian welfare state articulated a more fully inclusionary social citizenship discourse with the democratisation of work and welfare in order to generate more equal social relations between Pakeha and Maori and women and men as well as employers and workers. While the worker cooperatives contested the institutions of the Keynesian welfare state they argued for a substantive *extension* of the social democratic citizenship regime in terms of an extension of social rights and the inclusion of previously excluded groups via a taxpayer funded, socially useful third sector.

Jenson and Phillips (1996) argue that during periods in regulation, when a mode of regulation is hegemonic and routinised, the "representation of citizens by the state accommodates citizens' representations of themselves" (p.113). When the mode of regulation starts to break down, citizens' representations of themselves and the state's representations of citizens become "mismatched" or "out of regulation" (p.113). This type of mismatch developed in New Zealand during the 1980s when marginalised groups attempted to assert their positive identity against both their invisibility and their negative construction (see below) within the Keynesian welfare state citizenship regime. The second wave of the women's movement and the Maori renaissance drew attention to the mismatch between women's and Maori representations of themselves on the one hand, and the welfare state on the other hand. This mismatch stemmed from a renewed emphasis on issues of Maori sovereignty and women's contradictory

relationship with the welfare state (Cheyne, O'Brien and Belgrave, 1997; Briar, 1992; Walker, 1990; Du Plessis, 1992; Pateman, 1989).

The women's movement of the 1960s and 1970s generated a substantial critique of New Zealand's welfare state. Feminists argued that the male breadwinner model, central to the Keynesian welfare state, assumed and reinforced the sexual division of labour which was the source of women's inequality and offered a gendered analysis of work (Cheyne, O'Brien and Belgrave, 1997, p.101; Gardiner, 1983; McKinlay, 1992; Dann, 1985). The feminist critique, both in New Zealand and internationally, was based on the Keynesian welfare state's articulation between social democratic and liberal theories of personhood exclusive of women (Cheyne, et al., 1997, p.108; Pateman, 1989). Feminists emphasised economic independence as the key to women's liberation from patriarchal structures and their demands were clearly directed at the state to facilitate both equality of employment opportunity and social security.

At the same time, Maori groups critiqued the Keynesian welfare state for reinforcing their subordinate status (Wetere, 1984, C-3; Ministerial Advisory Committee on a Maori Perspective for the Department of Social Welfare, 1986; Henare, 1995). The institutional organisation of the Keynesian welfare state imposed Pakeha values on Maori citizens and failed to address the specific needs of Maori. For instance, Cheyne et al. comment:

> Assumptions about family structure and commitments have resulted
> in policies (for example, eligibility for social security benefits,
> education and state housing design) based on nuclear family forms
> with no regard for wider extended family commitments that are part
> of many cultures. (Cheyne, et al., 1997, p.116)

The Hunn Report of 1961 marked the beginning of a new impetus to more fully integrate Maori, particularly urban Maori, and led to the abolition of the separate

Maori welfare system[33] including Maori schools. While the Keynesian welfare state had always been integrationist, prior to the 1960s a measure of Maori autonomy had been preserved. In the 1960s and 1970s, Maori citizens were increasingly dependent on general provisions and the autonomy of Maori community organisations was reduced (Belgrave, 2004, p.33). In the late 1970s and early 1980s, Maori demands for the right to culturally appropriate services constituted a significant critique of the welfare state (Larner, 2002, p.154). New Social Movement discourse challenged the mismatch between the practices and the ideology of universalism that underpinned the Keynesian welfare state. This ideology assumed that all citizens had the same rights and needs, but, in practice, its privileging of Pakeha male workers positioned women and minority ethnic groups as second class citizens.

The Keynesian welfare state provided standard services within a discursive frame that positioned the nuclear family comprising male breadwinners and domestic females as the ideal (Belgrave, 2004). In supporting women's domesticity it played a critical role in the maintenance of women's economic dependence. For example, while provisions were made for the support of divorced or separated women, these provisions were not statutory. Divorced and separated women were entitled to emergency benefits that were administered at the discretion of a welfare officer (McClure, 2004, p.147). In this way, the special benefit offered financial support for a growing group of women who fell outside of the idealised nuclear family ideal without drawing political attention to their plight (Belgrave, 2004, p.32) Women's domesticity was positively supported by the state in the provision of the family benefit paid to mothers. Women's status as legitimate citizens and eligibility for social benefits primarily hinged on their role as wives and mothers. The state discriminated against women in the workplace via the family wage which institutionalised women's lower pay (Briar, 1992, p.51).

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[33] Maori welfare officers interfaced between the Department of Maori Affairs and Maori communities. The Maori Women's Welfare League was also strongly supported by the Department (Belgrave, 2004, p.31).

Maori and Pacific Islanders were also treated as second class citizens in a number of ways. Maori and Pacific Island workers were concentrated in what is referred to as the reserve army or the peripheral workforce with inferior employment conditions and limited job security (Larner, 1991). Maori were also subject to discrimination in the administration of benefit entitlements (McClure, 2004, pp.145-146). According to Mohanram (1998), discourses emphasising difference are "necessary for sameness to come into being and for it to be valorised" (p.24). In this connection, the citizenship discourse of New Zealand's Keynesian welfare state relied on the othering of the "morally corrupt unmarried mother" and the "feckless unemployed Maori" (McClure, 2004, p.145 p.150) in the construction of Pakeha workerist social solidarity based on the ethics of work and social respectability. The mobilising of a discourse of a common national identity based on equality and social justice, central to the Keynesian welfare state's citizenship regime, was partly maintained and partly undermined by discourses that both highlighted and repressed recognition of gender and cultural difference. The universal New Zealander, the kiwi joker of the Keynesian citizenship regime, was culturally and ethnically homogeneous and the New Zealand family was constituted as comprising a Pakeha male breadwinner with dependent wife and children. Equality, as the repression of difference, was expressed in the provision of standardised services designed to address the universalised needs of the Pakeha, male, breadwinner citizen defined as the universal citizen. In this way, a homogeneous Pakeha male workerist solidarity was built on the suppression of recognition of the unwed mother on the DPB and the unemployed 'Maori waster'. However, in their distinction from these politically exploited characters, the mainstream of New Zealanders could identify themselves as not only male and Pakeha but hardworking, productive and socially respectable. In this regard, Awatere's statement that "White people have no real identity of their own apart from what exists through opposition to Maori" (Awatere, 1984, p.38) draws attention to how social identity is constituted as an effect of social antagonism.

During the 1980s, the Fourth Labour Government actively reconstituted New Zealand's mode of political identification around a celebratory conception of the

social consumer. Consumer confidence was consistently emphasised as a positive economic indicator and the Labour Government emphasised the benefits for consumers of their neoliberal reforms (Palmer, 12 Dec 1989; Hunt, 12 Dec 1989; Clark, 5 Dec 1989). Consumers were constructed as empowered to demand better products and services at a reduced cost. This new mode of political identification retained the idea of New Zealanders as a collectivity constituted as the beneficiaries of the reforms (Larner, 1997b). The previous mode of political identification associated with New Zealand's wage earner Keynesian welfare state emphasised workers and was displaced by this new discourse of the social consumer.

As already argued, the Labour Government articulated the social movement critique of the welfare state for failing to account for social diversity with its marketisation project by connecting the recognition of social diversity with the market model. This articulation expressed the recognition of difference by constituting New Zealanders as social consumers of state services entitled to differentiated services (Larner, 1997b). This re-articulation of citizen subject positions in terms of the different needs of social consumers initiated the first phase in the movement from the hegemony of a Keynesian to that of a neoliberal citizenship regime, and signalled a major shift from production to consumption relations in discourses of citizen subjectivity.

The previous discussion examined the social movement critique of New Zealand's version of the Keynesian welfare state and explored the related emergence of the workers' cooperative movement in New Zealand. It demonstrated the mismatch between the Keynesian welfare state citizenship discourse based on the privileged identity of the Pakeha male waged worker and the discourses of these counter-hegemonic groups, and introduced Labour's attempt to manage this mismatch by representing citizens as social consumers. The following discussion of the 1985 Employment Promotion Conference and the subsequent *New Deal in Training and Employment Opportunities* (1985), demonstrates both how discursive struggle directed policy change and how the re-specification of the citizen subject was central

to this process. It examines more fully the articulatory discourse strategies deployed by the Labour Government to construct a new citizenship discourse supportive of its neoliberal programme.

The Employment Promotion Conference: Creating a fit between counter-hegemonic discourse and the priorities of a neoliberalising state.

The Employment Promotion Conference (1985) was an important stage for confrontation and contestation between the state and social movement groups on the causes of and solutions to unemployment. Members of the workers' cooperative movement were active participants in this debate.

The *New Deal in Training and Employment Opportunities* was released following the 1985 conference. While this package initiated an active employment policy which ran contrary to the discourses of the worker cooperative movement's contributors, their contesting discourses were, nonetheless, articulated with the Labour Government's reform discourse.

The conference functioned to bring together participants from a range of positions within the debate and held out the promise of policy change. For those groups seeking change, government pressure was brought to bear to scale back aspirations and adapt arguments so as to reduce the ideological distance between aspirations and likely policy directions. Community sector participants adapted their views in order to remain relevant and effective in the policy making context, and the Labour Government was under pressure to concede ground to the community sector in the name of democracy and devolution.[34] For example in the Employment Promotion

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[34] The Labour Party at this time retained a commitment to a delegate theory of democracy. The delegate theory of democracy articulates the role of the politician as a delegate of the community s/he represents. This implies the need for the politician to consult his/her electorate and act in accordance with the electorate's wishes (Mulgan, 1978).

Conference discussion paper the Government asserted its commitment to consultation and consensus:

> This Labour Government intends its decisions to be informed by consultation and debate and strives to take decisions based upon a community consensus. (New Zealand Government, 1985a, p.13)

I argue that the Labour Government pursued a policy of consultation in order to recognise, but, more significantly, to articulate in a transformative way the discourses of counter-hegemonic social movement groups and align them with their neoliberal restructuring discourse. For example, the restructuring of the public sector through market-based, output-oriented and service-based forms of public administration addressed a new political subject, the social consumer (Belgrave, 2004; Larner, 1997b).[35] I argue that the re-specification of discourses of citizenship in accordance with the identity of the social consumer was strategically deployed to neutralise resistance from social movement groups.

In the government's *New Deal* a number of priorities were identified as having emerged out of a process of consultation (New Zealand Department of Labour, 1985). The Labour Government aimed to popularise the neoliberal restructuring by creating connections between their neoliberal agenda and the agendas of a number of counter-hegemonic political projects, namely, the Maori self-determination movement (Durie, 1998; Walker, 1990), the devolution project seeking a deepening of democratic practice (New Zealand Public Service Association, 1990) and the liberal feminist project to create equal opportunities for women in waged work (Briar, 1992; Sayers, 1992). The articulation of these projects with the neoliberal restructuring of unemployment policy did not simply involve the adding together of discourses but involved the articulation of this selection of counter-hegemonic discourses with the

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[35] Larner (1997) argues that although the government began to address the citizenry as taxpayers in relation to asset sales it was the social consumer that was the privileged subject position in Labour's discourse.

government's hegemonising discourse which resulted in a reordering of their contents.

The government's articulatory strategy was achieved by constructing links between their respective projects via discourses of entrepreneurialism, devolution and the apellation of the social consumer, and displacing antagonistic discourses to the margins. These separate but overlapping articulatory strategies both broadened the system of differences defining the government's neoliberal position, adding depth to their neoliberal discourse and undercut the antagonistic potential of the remaining excluded elements by representing the neoliberalising programme as recognising a variety of legitimate demands. Smith (1998, p.175) argues that a hegemonic discourse organises an imaginary national space that provides the appearance that all demands of all people can be recognised. This appearance, however, is supported by aggressive behind-the-scenes exclusionary practices, which manage the boundaries between legitimate populations and surplus populations. The Labour Government articulated a commitment to liberal feminism via its promotion of Equal Employment Opportunities; to Maori self-determination via the bicultural project involving, among other things, devolution of government department functions to iwi structures; and to radical democrats seeking direct forms of democracy through devolution in social policy, particularly, Community Organisations Grants Scheme (COGS), Tomorrow's Schools, and Mana Enterprises. These policy initiatives linked the aspirations of counter-hegemonic projects with the neoliberal reforms and generated the appearance of a commitment to social diversity, inclusion and democratic participation. However, these inclusions were accompanied by the winding down of the cooperatives and work trusts and the exclusion of the broader and more radical agenda of the workers' cooperative movement. While the neoliberalising Labour Government offered opportunities to a selection of counter-hegemonic groups to advance their aspirations, these inclusions also set clear limits on the extent and direction that recognition of diversity and democracy was to take.

One of the priorities that emerged following consultation was "a call for a wider definition of work" (New Zealand Department of Labour, 1985, p.8), underpinned by the claims of the workers' co-operative movement for the further development and legitimation of work forms outside the formal labour market as a means to generate a positive sum game between meeting the needs of the unemployed for socially useful work and meeting the economic and social development needs of communities (New Zealand Government, 1985b, p.16). This discourse also articulated the claims of feminists for social recognition of the unpaid caring work done by women, and Maori, for revitalising traditional forms of *mahi*. The call for a wider definition of work received strong support from conference participants (New Zealand Government, 1985b).

Unemployed workers, feminist and Maori groups argued for "the right to employment and participation" based in recognition of voluntary and unpaid work done in the home and community (New Zealand Government, 1985b, p.16). Their claims for equal rights and recognition assumed and emphasised an inclusionary citizenship discourse. Their demands for a right to employment and democratic participation via the extension of socially useful employment creation schemes for the unemployed were re-articulated within the government's *New Deal* with the obligation to search for and accept often low-paid work or participate in training schemes designed to increase employability within the formal labour market.

The shift away from job creation towards flexible labour markets and the targeting of training and employment programmes towards specific groups of disadvantaged unemployed reflected the government's commitments in economic policy, which ran counter to the emphasis on job creation within the public sector that had historically been a feature of successive government policies towards the unemployed (New Zealand Treasury, 1984, p.245).

During and after the conference, alliances between the neoliberalising Labour government and counter-hegemonic groups were forged around a number of key

signifiers. Labour's play for ideological hegemony centred on giving spin to devolution, entrepreneurialism and the construction of a social consumer citizen subject. According to Zizek (1997, p.30), the struggle for political hegemony is always the struggle to appropriate key terms which are experienced as apolitical or transcending political boundaries. For example, everyone is for entrepreneurialism, competitiveness, and democracy, but, the struggle to define the connections between these discourses, social identities and policy is fundamentally structured by social antagonisms. Hegemonic articulatory practices appropriate key terms that shape the content of other signifiers in the chain. For example, this chapter claims that Labour privileged a discourse of entrepreneurialism and both Labour and Maori articulated Maori discourses of self-determination in terms compatible with it. This privileging of entrepreneurialism was not politically neutral but involved the subversion of alternative pathways to Maori self-determination. The following section analyses Labour's discourse strategy to articulate their neoliberal agenda with discourses of devolution and entrepreneurialism. In particular, the following discussion focuses on the articulation between Maori self-determination, devolution and entrepreneurialism.

Articulating democracy and the market via devolution

One of Labour's key policy platforms was 'devolution'. Devolution was framed by Labour as empowering both the state and local communities at the expense of bureaucracies (Palmer cited in New Zealand Institute of Public Administration, 1988, pp.1-5). Labour successfully articulated its approach to devolution with anti-bureaucratic discourses from the Left and the Right (McClure, 2004, p.14); as McKinlay argues, support for devolution came from the New Right which favoured privatisation and the New Left which favoured community participation (McKinlay, 1990, p.23).

Sociologist and conference participant, Geoff Fougere, speaking at the Devolution and Accountability Conference (1988), argued that devolution owes its current popularity to an "ambiguity…that allows [it] to speak to widely shared concerns at the same time as it lends itself to radically different prescriptions for change" (Fougere quoted in New Zealand Institute of Public Administration, 1988, p.7). Labour overcoded the signifier devolution with meaning such that it came to signify both the withdrawal of the state, and a direct form of people's democracy.

In particular, Labour established the Community Organisations Grants Schemes (COGS) in 1986. This scheme administered grants to local community organisations for community projects. In education, *Tomorrow's Schools* (New Zealand Department of Education, 1988) stressed the need for community decision-making in the management of schools. Labour also articulated devolution with Maori aspirations for self-determination through Maori control of their economic resources and through partnership with iwi structures (Palmer, 1988, p.4). In all of these policy areas Labour presented devolution as both fulfilling a need for greater democracy in social policy, and promoting responsiveness to consumers, particularly Maori. A key example of this was the 1987 announcement that devolution would form the basis of its reform of Maori policy. *Tirohanga Rangapu*, released in 1988, proposed the devolution of the functions of the Department of Maori Affairs to iwi authorities (New Zealand Public Service Association, 1990, p.2).

Work cooperatives and trusts operating in the early 1980s were themselves instances of devolution to the extent that they provided services for the unemployed, many of which were conceived and administered by the unemployed. The workers' cooperative movement represented an application of the principle of devolution and promoted further devolution in the interests of democratisation. Their support for devolution in programmes for the unemployed was expressed at the Employment Promotion Conference. Members of the cooperative movement and other community groups called for the transformation of the public sector away from centralised

bureaucratic rule towards self-governed local authorities (New Zealand Department of Labour, 1984, p.32).

> In considering how job creation programmes should be designed and implemented there was a widespread call for local community control. The working group felt that the community knows best its local resources and needs. (p.16)

Conference participants articulated aspirations for "regional control" and decision making at the local level and "maximum consultation and participation of all affected groups" (New Zealand Government, 1985b, p.13, p.16, p.21). The wide popularity of devolution, particularly in the area of social policy, was evident in over one hundred substantial submissions to the 1988 Royal Commission on Social Policy (New Zealand Institute of Public Administration, 1988, p.37).

Calls for transformation of the public sector made by the workers' cooperative movement and groups working in the community sector were taken up by the Labour Government in their stress on empowering consumers and creating a service-oriented state that was responsive to the needs of consumers. In social services, the argument was made that effective social service delivery required responsive consumer organisations. The argument put for devolution of social services was based on a critique of the Keynesian welfare state citizenship regime. For example, McKinlay states:

> Social service delivery requires a more flexible and client responsive organisation than a central government structure can provide. Much of the bureaucratic structure is said to be based on outdated concepts of 'nuclear families' and 'Pakeha clients' when real needs are said to be elsewhere in the community. (1990, p.20)

Labour's discourse recast the work cooperatives' support for devolution of services for the unemployed and a taxpayer-provisioned, socially useful third sector and

emphasised instead recognition of social diversity via the development of a consumer-oriented social service sector.

Further, Labour (re)articulated the discourses of the workers' cooperative movement for democratisation of work as a means to address the needs of enterprise for employee participation. In 1989 the Minister of Labour, Stan Rodger, addressed a Seminar on 'Industrial democracy/ employee participation: Prospects and plans for New Zealand'[36], where he defined industrial democracy as:

> The meaningful participation of workers in decisions affecting their working lives. Among other things, it includes the involvement of labour market participants at national, industry and workplace levels and, through individual and/or union channels, the system of workplace delegates. (Rodger, 1989, p.3)

The Minister goes on to state that industrial democracy has the potential to reconcile the needs of employers for a "cooperative way of managing change" and make the most productive use of human resources in the interests of efficiency and competitiveness as well as serve the needs of employees for involvement in decisions that affect them (Rodger, 1989, p.3).

The Labour government re-articulated the workers' cooperatives aspirations for industrial democracy with the needs of competitive enterprise. This articulatory strategy recast the radicalism of the workers' cooperatives commitment to industrial democracy as employee participation in the interests of enterprise. Labour rearticulated workplace democracy as the basis of a new solidarity between workers and employers in the competitive sector (Rodger, 1989, p.6).

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[36] This seminar was held in Wellington, (11 May 1989) and Auckland, (19 May 1989). It was organised by the Industrial Relations Centre, Victoria University of Wellington and was designed to promote informed discussion and debate about issues relating to the Government-appointed Committee of Inquiry into Industrial Democracy. Participants at the seminar included the Minister, committee members, academics and industrial relations practitioners.

The following discussion focuses on Labour's strategy to articulate Maori economic self-determination with devolution and a revitalisation of the economy via entrepreneurialism. This discursive strategy sought to articulate Maori economic development with the neoliberal restructuring by constructing a neo-traditionalist discourse of Maori entrepreneurialism. This discourse articulated the revival of a pre-colonial tradition of Maori entrepreneurialism with Maori self-determination through the development of Maori economic bases and marginalised counter-hegemonic alternatives based on the resocialisation of work and the ethic of *mahi*.

Devolution and Maori self-determination

In 1984, when the Labour Government was elected, Maori activism centred on the alienation of Maori land and resources. The Waitangi Tribunal had been established in 1975 to "mediate tensions" revolving around interpretations of the Treaty of Waitangi and its contemporary relevance (Goodall, 2005, p.190). In this context, the workers' cooperative movement articulated Maori unemployment in relation to Maori grievances over land alienation. For example, "core trust members had commitments to political takes [positions] such as Waitangi, which they saw as part and parcel of getting economic justice for Maori people" (CWT, 1985a, p.22). Many of the cooperatives and trusts focused on the development potential of Maori land and a "revitalisation of the marae economy" (CWT, 1985b, p.28), an aspiration that reflected recognition of the destructive consequences of urbanisation for Maori and a desire to return to a traditional Maori way of life.

In 1984, the government convened the Hui Taumata, an economic summit for Maori leaders, to examine the socio-economic status of Maori. Debate over the direction of Maori economic development was a central theme at the Hui Taumata (Love, 1995). At this conference, welfare spending on Maori was represented as negative funding; "Positive spending rather than negative funding was the catch cry" (Durie, 1998, p.8).

The major recommendations were for a reallocation of resources away from negative funding towards Maori providers of social services and financial services for Maori enterprise (Durie, 1995). Another major issue raised at the economic summit was the restricted access of Maori to finance for economic development (Love, 1995, p.22). Recognition of this restriction on Maori enterprise led to the creation of the Maori Development Corporation in 1987, an initiative to provide finance for Maori businesses (Sullivan and Margaritis, 1998, p.270).

While the direction of Maori economic development was the subject of much debate, devolution was implicitly advocated in many of the submissions. For example,

> The character of the economy must be altered to allow community participation in economic activity and to allow communal ownership to develop. If these processes of change can occur, Maori people can have an important influence over the policies developed to improve the overall economic performance, as well as to enhance the position of Maori people in the economic and social life. (Hawea quoted at the Maori Economic Development Summit Conference, 1984, K-2)

In addressing the issue of Maori unemployment, the "Maori style of organisation" was identified as having much to commend it. It was argued that Maori economic development required changes to the social and economic relations of work. Maori workers need work that is "mentally stimulating, allowing choice of workmates, permitting an autonomous work life, giving some security and adequate reward" (Pirikahu, Maori Economic Development Summit Conference, 1984, I-2). Pirikahu's submission reflected a recognition that participation in the formal labour market had little to offer Maori workers and concentrated Maori in "menial and thought-stifling jobs" (Pirkahu, Maori Economic Development Summit Conference, 1984, I-2). The alternatives that were proposed were based on the development of rural marae-based initiatives that redirected funding towards cooperative Maori enterprise.

Participants at the Hui Taumata, however, debated the relevance and achievements of cooperative, marae-based initiatives. Co-operative enterprise was challenged as unable to drive Maori economic development. For example, Denese Henare suggested:

> Whilst we are prepared to support the collective and co-operative effort, we leave our entrepreneurs to sink or swim. So where do we stand on the promotion of competition as a positive value? If we are happy to take a back seat and let someone else drive the bus how can we complain when it goes in the wrong direction, if it goes too fast, or if we are being taken for a ride? I do not believe we can drive our bus or anyone else's by remaining outside the system, however much we feel this may conflict with our traditional values. We must re-examine the priorities of our economic philosophy if we are to firmly grasp the wheels of control. (Henare quoted at Maori Economic Development Summit Conference, 1984, C-5)

Others praised the cooperative approach as quintessentially Maori. For example, Syd Jackson and Bruce Stewart respectively argued:

> Our economic renaissance should not be at the price of our soul. We should not accept any proposition that is at odds with our express desire to be Maori. We need not follow the policies based on individualism and acquisitiveness. We have got to reject the concept of Maori capitalism, when Maori will exploit Maori. (Jackson, Maori Economic Development Summit Conference, 1984, D-3)

> We need to go back to the marae and build new ones. The marae is the spiritual base. The marae is the keeper of history. The marae is the school, our museum, our art gallery…. The marae is our economic base. (Stewart, Maori Economic Development Summit Conference, 1984, f-3)

By 1988, the Labour government was framing its approach to Maori development according to two policy principles: to increase the responsiveness of government agencies to Maori and the devolution of some government functions to tribes on the basis that they were in a better position to understand the needs and provide the services to their own people.

> The new agenda would be to facilitate greater Maori control over resources and increase independence from the state in an attempt to generate Maori solutions to Maori problems. (Larner, 2002, p.152)

The government's commitment to devolution was motivated by its project to neoliberalise the state and promote enterprise. The community sector and workers' cooperatives seized on the devolution project for different reasons and supported devolution as a means towards the achievement of a direct form of workers' democracy and local control over social policy.

Devolution represented a critique of the Keynesian welfare state's integrationist tendency and presented an opportunity, for Maori groups in particular, to realise their aspirations for autonomy via a neoliberal regulatory environment. As Cheyne, et al., (1997) comment:

> With the emphasis on separating funder, purchaser and provider and then contracting out or otherwise devolving provision of services, Maori groups (iwi or pan-tribal) have been able to take contracts for service delivery. (p.154)

Labour's agenda of increasing market regulation and encouraging enterprise was articulated with Maori demands for more tribal control of social services and economic resources (Sullivan and Margaritis, 1998).

The Labour Government's discourse centrally included entrepreneurialism as a privileged moment in a wider discursive chain. Their commitment to the creative

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potential of unfettered entrepreneurialism was articulated with the aspirations of Maori and community organisations for independence from direct state control. For instance, in 1985, the Mana Enterprises Scheme was introduced as part of the Government's New Deal and was designed to address Maori unemployment through the facilitation of Maori entrepreneurialism (Durie, 1998). While Maori placed emphasis on the benefits of group action instead of focusing on the role of individual entrepreneurs, a revitalising of a discourse exhuming the pre-colonial tradition of Maori entrepreneurialism was consciously pursued by both Maori and the neoliberalising state.

> Rather than pitching our resources at policy for job creation or relief for the unemployed, we focused on a cornerstone of the government's policy developing an enterprise culture. (Tahi, 1995, p.71)

An historical tradition of Maori enterprise was reasserted as a positive history for Maori and a basis upon which Maori could achieve autonomy from the state, (see for example Sullivan and Margaritis, 1998; Cooperative Workers' Trust, 1985c, p.30). This articulation between Maori self-determination and neoliberal calls for the development of an enterprise culture draws attention to the costs of particular discourse articulations in terms of the suppression of alternative pathways to Maori self-determination. For example, alternative visions of Maori self-determination expressed in the workers' cooperative movement emphasised the negative effects on Maori of urbanisation, wage dependence and Taylorist work organisation rather than negative welfare spending (Maori Economic Development Summit Conference, 1984). Further, aspirations to self-determination were articulated in terms of cooperative activity and regional economic development of traditional Maori communities rather than Maori entrepreneurialism.

The emergence of the workers' cooperative movement can be seen as part of the process to articulate Maori goals with the socialist project. During the 1970s and 1980s, urban Maori youth particularly experienced significant unemployment. Urban

Maori's social and economic marginalisation and growing political consciousness of ethnicity and indigenous rights "provided a powerful platform for the practice of work cooperatives" (Higgins, 1997, p.143). Within the cooperative movement, however, emphasis on the racial dimensions of disadvantage were linked to a socialist recognition of unemployed workers as a surplus class of workers, and criticisms of the capitalist economy. The workers' cooperative movement linked the exploitation of Maori unemployed with other subordinated identities, particularly women. In this way the practice of the democratic co-operative enterprise was the basis for an articulation of Maori self-determination, feminist understanding of women's subordination and calls for the democratisation of social relations.

The workers' cooperatives project to revive the traditional marae economy provided a political opportunity to challenge the neoliberal privileging of competitive organisational forms over traditional cooperative forms of productive and social organisation. However, Maori entrepreneurialism became a privileged moment in a neo-traditionalist discourse such that the meaning of Maori self-determination increasingly came to mean Maori autonomy through entrepreneurialism.

> Encouraging entrepreneurial activity and fostering a climate for positive Maori-initiated developments are much more likely to reduce Maori state dependency than the paternal State-led initiatives of past decades. (Sullivan and Margaritis, 1998, p.271)

Maori entrepreneurialism became a privileged point in the wider discourse of self-determination. The privileging of Maori entrepreneurialism structured Maori disadvantage in terms of exclusion from entrepreneurial opportunities constituted as the only basis of economic independence. In this way, the Labour government discursively organised the experience of Maori disadvantage through a liberal discourse of racism and exclusion in order to construct the solution to Maori disadvantage as devolution and Maori entrepreneurialism, facilitated by neoliberal reforms.

Maori submitters to the Employment Promotion Conference strategically deployed neoliberal discourses promoting self reliance and independence and problematisations of "dependency" and "negative funding" (New Zealand Government, 1985b, p.20), in order to align their interests in the development of Maori economic bases with the neoliberalising state. For example:

> Jobs and self-supporting employment through development of Maori enterprises is one step towards closing the gap in income attainment and underachievement. Only when this step is taken, will there be a start towards the transition for Maori people from dependency and underdevelopment to self-reliance, independence and development within the wider New Zealand community. (Maori Economic Development Commission, 1985, p.9)

"A call for a Maori dimension in employment assistance" was met in the New Deal by the creation of the Maori Enterprise and Pacific Island Employment Development Schemes. These schemes addressed the contradiction between the alternative, radically democratic discourses of the workers' cooperative movement operating subsidised employment programmes with neoliberal market discourse. Practically speaking, the government increased funding to a pilot scheme for enterprise and employment development assistance to Maori and Pacific Island communities at the same time as they phased out an array of programmes that had previously supported, however inadequately, Maori cooperatives and trusts. Discursively, the government supported calls for Maori autonomy and self-determination in its emphasis on the "decentralisation of control of decision making" and the promotion of specifically "Maori and Pacific Island economic bases" and articulated these aspirations with its own neoliberal agenda of promoting market simulation in the public sector.

The Labour Government successfully articulated its bicultural initiative with its neoliberal project to marketise the public sector which recast the citizen as a social consumer. A report produced in 1987 by the Administrative Review Committee on the performance of the Department of Social Welfare stated:

> We believe that the consumer oriented approach, led as it is in a major way by the bicultural initiative, is a philosophy which should permeate the Department and become part of its management perspective. (cited in Department of Social Welfare: Maori Unit, 1989, p.2)

Labour's discourse (re)articulated the citizen as a social consumer and linked the empowerment of citizen groups, and particularly Maori, with an idealised view of the consumer as able to exercise control over a service-oriented state.

Labour promoted devolution as a means to fulfil the need for greater democracy in social policy (New Zealand Public Service Association, 1990, p.2), but Labour's devolution discourse was part of a strategy to contain and articulate the multiple challenges to the Keynesian welfare state and frame them within a neoliberal prescription for change.

Labour articulated entrepreneurialism with Maori aspirations for autonomous economic development. This articulation re-shaped the strategies, discourses and goals of the Maori self-determination movement, marginalising workers' cooperative calls for the resocialisation of work. The Labour Government's New Deal deployed this discourse in its construction of Maori self-determination as facilitated by the neoliberal state whilst it simultaneously withdrew state support for Maori work cooperatives and trusts.

Translating oppositional discourses

Articulations between dominant/hegemonic discourse and oppositional or counter-hegemonic discourses can be described as translative insofar as these articulations

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translate counter-hegemonic discourses into forms compatible with the hegemonic discourse and project (Peet, 2002, p.60). Translation is achieved by displacing the contradictions between hegemonic and counter-hegemonic projects and constructing and emphasising their points of compatibility.

The government articulated its intention to target social assistance with Maori aspirations for self-determination. Targeting was to undo the damaging effects of centralised bureaucratic rule, in particular, the paternalistic and racist aspects of their treatment by the social services bureaucracy identified by Maori in *Puao-Te-Ata-Tu*, (Ministerial Advisory Committee on a Maori Perspective for the Department of Social Welfare, 1986). The government's intention to target assistance was articulated with claims for culturally specific service delivery in employment policy. The Fourth Labour Government's discourse of devolution provided a politically viable way to promote a neoliberalisation of the state sector while responding to the unique claims of Maori citizens.

> Ironically, it is the neoliberal approach, with its emphasis on choice and consumer responsiveness which has also had the capacity to afford some acknowledgement of the different needs of Maori. (Cheyne, et al., 1997, p.121)

The Labour Government's restructuring discourse purposively connected discourses of choice and consumer responsiveness with the acknowledgement of the different needs of oppressed groups particularly Maori and women. The reassertion of local democracy via the devolution of state services, and active citizenship via targeted assistance programmes created space for and redirected the radicalism expressed in the workers' cooperative movement while affirming the principles of the ascending neoliberal discourse and programme.

The unleashing of the potential of the Maori people through self-determination was articulated with the neoliberal commitment to the creative potential of unfettered entrepreneurialism. This articulation translated the discourse Maori self-

determination into terms compatible with the Governments neoliberal agenda. The commitments of the Labour government to Maori self-determination have been described by Kelsey (1991) as an attempt to pacify Maori demands (p.109). The way the Labour Government articulated the demands of Maori not only sought to pacify but also to redirect the trajectory of Maori claims-making. Maori aspirations for self-determination which focused in the 1980s on Maori control over resources and the advancement of Maori health and education services developed autonomously from the neoliberal state (Durie, 1998, p.4). However, the articulation of Maori self-determination with the goals of the neoliberalising state in the 1980s redirected the trajectory of Maori self-determination consistent with a neoliberal policy direction.

Maori calls for self-determination sought Maori control over economic resources. In employment policy, the state responded to Maori demands by devolving control over training and services for unemployed Maori to Maori providers, thereby creating opportunities for the advancement of Maori goals. Take-up of these opportunities, however, translated the discourses and practices of the Maori self-determination movement such that entrepreneurialism came to replace the democratic association of workers and *mahi* as a means to the achievement of Maori self-determination. In this way the Labour Government reinterpreted the grievances and prescriptions for change offered in the movement for Maori self-determination by constructing devolution of social services to Maori providers and support for Maori enterprise as the only policies that adequately address recognition of cultural difference and support for Maori self-determination.

The articulation of discourses does not simply involve their unification or alignment but a restructuring of their contents. The government translated Maori claims for self-determination into terms compatible with their neoliberal agenda by emphasising those aspects favourable to their neoliberal economic programme and jettisoning aspects of Maori discourse antithetical to it. For instance, Maori and feminist discourses were concerned to widen the definition of legitimate work beyond those recognised by the formal economy. These discourses emphasised meeting the needs

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of local communities through the provision of home services to elderly, the upgrading of Marae facilities and providing basic skills training for young people (CWT, 1985a), and recognising the contribution of women's unpaid labour in the home and community (Kelsey, 1997). These counter-hegemonic discourses, promoting a taxpayer-provisioned socially useful third sector outside the formal labour market, were given practical expression in the work cooperatives of the 1970s and 1980s. Their discourses were re-articulated within the government strategy to promote alternative "unsubsidised employment" and manage employee involvement in the interests of enterprise. For example:

> Maori culture has emphasised co-operative activity, and if this can be translated into the workplace it could be a significant means by which the Maori and Pakeha communities could increase their positive interaction. (New Zealand Government, 1985b, p.27)

Further, the Fourth Labour Government's New Deal effectively reconstituted the social critique offered by Maori and feminist work cooperatives and recast their claims within a theory of disadvantage requiring targeted assistance. The Labour Government articulated feminist discourses about women's inability to take up full time jobs and thereby compete on an equal footing with men in the labour market due to an entrenched sexual division of labour with the neoliberal goal to promote flexible work structures (New Zealand Department of Labour, 1988) and thus allow women to both enter the labour market and continue to take responsibility for the care of children and the elderly. This articulation justified the programme to deregulate the labour market on the grounds of meeting women's needs for flexibility to meet both home and paid work commitments whilst taking a gender-neutral position on the increasingly neoliberal structures which gave rise to women's greater need for flexible work forms. Excluded from the Labour Government's discourse was recognition of how the emerging neoliberal economic and social structures taken together disadvantage women in terms of lower wages and longer hours. The deregulation of the labour market was constructed as a means to construct a pure meritocracy that is gender and race blind.

The displacement of recognition of the ways in which social disadvantage is constituted as a relation of subordination in Labour's discourse and the differential incorporation of Maori entrepreneurs, professional women workers and democrat advocates of devolution shaped the direction of the government's neoliberal political rhetoric which individualised the causes of social disadvantage. The recognition of difference in the Labour Government's discourse strategies displaced the ways in which difference is an effect of social antagonism and is constructed as a relation of subordination. Instead, the Labour Government constructed an antagonism-free chain of subject positions inclusive of Maori entrepreneurs, mother workers and responsible communities. These identities were (re)shaped by the dominant identity of the social consumer and disarticulated from their previous linkages with the radical counter-hegemonic movements.

This re-articulation was achieved by selecting those strands of social movement discourse which criticised the welfare bureaucracy from the point of view of Maori and women and incorporating these criticisms as justifications for neoliberal restructuring. For example, the Labour Government made use of community workers' criticisms of subsidised work schemes, made as part of calls for redirection and reinvestment, to justify their disestablishment.

> Some 18 months ago New Zealanders decided that they had had enough of employment schemes such as PEP and the Work Skills Development Programme. They told the Government that these had to go. We agreed because by and large they had failed miserably in providing unemployed people with the skills that would get them real jobs. (New Zealand Department of Labour, 1986, p.1)

The New Deal in employment policy was an attempt to stem the tide of expectations from the community sector for increased state funding. This expectation was fuelled by rising unemployment and an assumption embedded in the disarticulating social democratic citizenship regime that the unemployed had a right to social support.

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Labour's New Deal indicated the withdrawal of the state from the promotion of the overall level of employment and began a phase-out of the subsidised make-work schemes of the 1970s and 1980s:

> Labour market assistance will move towards an approach which more actively emphasises the importance of work-oriented skill acquisition. While the state of the economy determines the overall level of employment. (New Zealand Department of Labour, 1985, p.5)

The New Deal rearticulated the social democratic assumption that the unemployed had a right to social support while indicating their support for a market-led rather than state-driven unemployment policy/strategy. The counter-hegemonic claims of feminist and Maori organisations were clearly part of the process of discursive dis-articulation of Keynesian welfare state discourse. While their goals expressed key Keynesian welfare state principles, they were re-articulated to Labour's neoliberal agenda. The calls of counter-hegemonic groups for the redirection of resources and responsibility from the state toward the community as part of a project to create a non-hierarchical and more directly democratic welfare state were translated into the government's policy of devolution. This policy discursively retained some radicalism, but, practically corresponded with the withdrawal of funding and/or continued funding under new workfare criteria oriented towards training for waged work in the formal labour market, and market driven regulation of employment. The potential of Maori and feminist discourses to challenge the neoliberal project by offering an alternative policy prescription and by emphasising the social costs disproportionately borne by women and Maori, and particularly Maori women, was undercut by the government's discourse strategy to connect a narrow set of feminist and Maori goals to its wider neoliberal restructuring project.

The introduction of the retraining Access scheme coincided with the phase-out of direct intervention in job creation schemes. The dismantling of the employment programmes administered by the workers' cooperative movement removed their

means of policy advocacy. The original goals and aspirations of the workers' cooperative movement were administratively redirected towards the severely disadvantaged and the development of self-sustaining enterprise.

A small number of work cooperatives were retained and two new programmes were initiated in the New Deal to provision and administer the severely disadvantaged, defined as physically or psychologically disabled, alienated from society, hostile to authority and therefore likely to benefit from group activity.

Maori enthusiasm for work cooperatives was (re)articulated in the government's New Deal as appropriate to the "severely disadvantaged" as a means to "develop their skills before becoming self supporting" (New Zealand Department of Labour, 1985, p.14). The development of self-sustaining enterprise was the second arm of the New Deal's approach to the unemployed and was articulated with Maori aspirations for self-determination through the development of Maori economic bases. For example, the Mana Enterprise Scheme was established in 1985.

> The scheme recognised that, in the past, employment schemes had not been as effective as they might have been in meeting Maori employment needs…. The new approach would place the responsibility for the use and allocation of funds in the hands of the Maori community. (New Zealand Audit Office, 1988, p.7)

The new funding criteria stressed the role of groups as training providers in order to create a fit between the employment programmes and the priorities of the neoliberalising state. The political implication of the New Deal was that advocacy groups should be self-supporting and the status of self-support provided the criteria of legitimacy. The disestablishment of the workers' cooperatives operating employment programmes, and retaining only those catering to the severely disadvantaged, formed part of the government's strategy to reposition the unemployed as exceptional and deviant. According to Castles (1985), unemployment in New Zealand has historically been embedded in a discourse of exceptionalism due to the long period of

full employment that coincided with the Keynesian era. High levels of unemployment experienced in New Zealand during the 1980s and 1990s challenged the idea built into the social democratic citizenship regime that unemployment was an exceptional circumstance. The presence of large numbers of unemployed during the 1980s repositioned them as typical and their continued and expnding presence suggested a general critique of the restructured political economy. The presence of large numbers of unemployed had to be domesticated and disarticulated from the crisis discourses of the 1970s fuelling counter-hegemonic projects. This was achieved by disaggregating the unemployed into a series of disadvantaged groups requiring targeted social assistance designed to address their individual incapacities to compete in the market. This disagreggation of the unemployed into a series of differentiated others in need of targeted assistance, discursively reinstated pre-crisis exceptionalism to social welfare benefiting.

This discursive sleight-of-hand functioned to assert the atypical character/circumstances of the unemployed beneficiary and suppress the idea that citizens, generally, should receive state support. Once unemployed beneficiaries were constituted as atypical categories of person, i.e. not like us, the electorate was primed for further welfare restructuring.

Conclusion

This chapter has explored how the workers' cooperative movement made claims based on social rights and the right to participate and yet challenged the ways these rights had been framed within a productivist discourse of citizenship. The workers' cooperative movement sought to validate the needs of the unemployed in terms of the social citizenship discourse of belonging and participation and connect the fulfilment of the those needs to the development of a socially useful third sector. The Fourth Labour Government, however, enclaved the needs of the unemployed within their

New Deal in Training and Employment Policy and reconstituted the problem of unemployment in terms of the lack of employability of the unemployed. This chapter has demonstrated how Labour neutralised the radicalism of the workers' cooperative movement by incorporating a selection of their discourses and (re)articulating them into a form compatible with its neoliberal project. It translated the demands of the workers' cooperative movement and associated social movement groups for the democratisation of work and welfare into a new concern for accountability and user involvement in the design of services. The workers' cooperative movement's demand for democratisation was incorporated into the Government's discourse about the rights of the social consumer to quality and choice. The introduction of quasi-markets in the provision of social services and the shift from job creation to individualised training was emphasised in the discourse as validating the rights of consumers (of training) to choice and value for money. This new emphasis established the exercise of consumer sovereignty as the new form that democratic participation should take.

The Fourth Labour Government's discursive strategy to create an alliance between the people and their neoliberal regulatory agenda sought to neutralise their opposition by constructing an antagonism-free system of differences that incorporated as many counter-hegemonic discourses and goals as possible, including those connected to Maori self-determination, radical democratic and feminist counter-hegemonic projects.

> A transformist project consists of efforts to expand the systems of
> difference defining a dominant bloc. If such a project is successful,
> it will result in a lessening of the antagonistic potential of the
> remaining excluded elements and a broadening of the hegemonic
> bloc. (Norval, 2000a, p.220)

This chapter examined the Employment Promotion Conference as a site for the reconstruction of New Zealand's citizenship regime. Consultations with citizen-based social movement groups over key aspects of policy change were used to

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manage the direction of these discursive events in order to popularise the neoliberal programme. The Employment Promotion Conference (1985) generated a number of unexpected articulations between neoliberal discourse and counter-hegemonic social movement discourses.

This chapter explored how discursive struggles between counter-hegemonic social movements and the neoliberalising Fourth Labour Government shaped the construction of a neoliberal mode of political identification. The neoliberal citizenship regime was built on a series of hegemonic articulatory practices which gradually domesticated a selection of Maori self-determination, liberal feminist and radical democratic discourses. This strategy both expanded the neoliberal discourse and dissipated the antagonistic potential of the counter-hegemonic discourses of the workers' cooperative movement whose agenda directly confronted the competitive ethos of neoliberal regulation with an alternative paradigm based on a democratic cooperative association of citizens. Pertinent to this process was the political construction of categories of unemployed others and the articulation of a citizenship discourse which defined the in group in terms of an antagonism-free system of differences, consisting of social consumers, Maori entrepreneurs, professional mother workers and responsible self-steering communities.

The analysis developed herein raises a number of issues for political analysis of neoliberal welfare restructuring, processes of political identification and social policy development. Firstly, this discussion demonstrates how the claims of counter-hegemonic groups were translated into the hegemonic project and how counter-hegemonic projects were reshaped in the process.

Zizek (1997) argued that an ideology becomes the ruling ideology by incorporating the motifs and aspirations of the oppressed and rearticulating them such that they become compatible with the existing relations of domination. He states, "Etienne Balibar was fully justified in reversing Marx's classic formula: the ruling ideas are precisely *not* directly the ideas of those who rule" (p.30). Discursive struggle

between counter-hegemonic groups and the neoliberalising Fourth Labour Government in New Zealand resulted in the formation of a consensual logic based in the mutual appropriation of key terms and phrases which discursively neutralised the antagonisms between aspects of the neoliberal agenda and the positions and motives of counter-hegemonic groups. The Labour Government translated counter-hegemonic discourses and marginalised those discourses that could not be articulated to the neoliberal restructuring. The Fourth Labour Government differentially incorporated the discourses of Maori entrepreneurialism, devolution and liberal feminism. Their inclusionary strategy concealed the exclusion of the radical anti-racist, anti-sexist and anti-capitalist social forces represented in the workers' cooperative movement and their distinctive problematisation of unemployment and prescriptions for change.

This chapter focused on the way gender and racial difference was constituted differently in two successive citizenship regimes and examined the political struggle accompanying the shift from one to another. The Keynesian welfare state citizenship regime was premised on a gendered and racialised division of labour in which women, Maori and ethnic minorities were constituted as second-class citizens and deployed as a reserve army of labour. The emergent neoliberal citizenship regime emphasised how aspects of the aspirations of social movements could be articulated to the neoliberal project and recognised gender and racial differences through the differentiated delivery of social services while at the same time excluding the structural dimensions of their disadvantage from consideration.

This chapter analysed the Fourth Labour Government's articulatory strategies in the restructuring of unemployment and examined the discursive struggle between the Fourth Labour Government and counter-hegemonic groups. The following chapter focuses on the restructuring of taxation in the 1990s.

The Fourth Labour Government's (1984-1990) citizenship discourse was distinctive from what was to follow under National, particularly insofar as Labour retained

elements of the social democratic citizenship regime, including a continuing commitment to social inclusion evident in their use of the strategy of differential incorporation. During the 1990s, the National-led governments purposively constructed a taxpayer citizenship regime by re-structuring and re-emphasising social antagonisms constituting the taxpayer and the beneficiary as a positive/negative pairing.

Contestation and struggle between the Government and counter-hegemonic groups was much less relevant in the restructuring of taxation for two reasons. Firstly, by the 1990s the Fourth Labour Government had already subsumed a number of counter-hegemonic discourses and articulated them to the neoliberal reforms and secondly, what was not already appropriated was delegitimated by the National-led Governments who defined citizens as taxpayers in opposition to counter hegemonic groups and minorities who they defined as making unreasonable demands on taxpayers for bottomless support. For these reasons the following chapter focuses on the much more relevant struggle between the National-led Governments and the Labour party in opposition.

CHAPTER SIX

Transforming New Zealand's political problematic and citizenship regime 1980-2000: Shifting moral discourses and the taxpayer

Introduction

Discursive struggle in (and outside of) the political field focuses on contest around existing ideological signifiers. The expansion of neoliberal discourse and the embedding of a neoliberal centring political problematic and citizenship regime in New Zealand strategically involved the dis-embedding of the social democratic traditions of social justice and fairness and their re-articulation within a neoliberal interpretive framework. These re-articulated discourses were premised on the political identity of the taxpayer constructed as the model citizen and source of political legitimacy. Corresponding changes in the social construction of the targets of social policy reinforced these rearticulated discourses and lent support to the ongoing neoliberal direction of policy reform.

Central to the political conditions of a mode of regulation is the embedding of a citizenship regime and the fixing of a new centring political problematic. A political problematic is a centring discourse that defines the scope of legitimate political action and orients policy development (see Chapter Two). A citizenship regime regulates the conduct of citizens by establishing a mode of political identification that corresponds with the prevailing political problematic. The embedding of a neoliberal political problematic and citizenship regime in the 1990s included the rearticulation

of taxation policy discourses and discourses of fairness, social justice and equality of opportunity. The re-articulation of these key political values evident in shifts in the discourses of politicians lent moral authority to a neoliberal political problematic because they justified and normalised market distribution and inequality. The following discussion analyses the link between a shifting politics of taxation policy and changes to how politicians represented citizens to themselves. It examines shifts in the focus, emphases, logic and articulations of and between discourses of taxation, fairness and social justice, unemployment and equality of opportunity. The argument is that while the Centre-Left and the Centre-Right offer distinctive dialects of citizenship, these dialects are underscored by a neoliberal political problematic that is tacitly accepted by both the Centre-Left and the Centre-Right.

The chapter, therefore, examines how the dominant political parties operating in New Zealand's political field rearticulated taxation and unemployment policy discourses, highlighting the rights of the taxpayer and obligations of the unemployed. Jenson and Phillips (1996, p.115) argue that states engage in the politics of recognition by defining rights and obligations and granting access. Politicians represent citizens to themselves by addressing citizens in specified ways and through policymaking that privileges certain identities and not others. This chapter explores how in the 1990s the dominant political parties championed the identity and political rights of the New Zealand taxpayer and how the re-articulation of taxation and unemployment discourses re-specified the moral traditions of fairness, social justice and equality of opportunity in ways that reinforced a workfare approach to social policy and a neoliberal citizenship regime.

The chapter is divided into three main sections that correspond with three distinct but overlapping phases of New Zealand's process of neoliberalisation. The first section follows the previous chapter in a discussion of the hegemonic articulatory strategies of the Fourth Labour Government 1984-1990 which sought to neoliberalise social democracy (Larner, 1997a). This section, however, focuses on taxation policy and argues that, as with unemployment policy, the Labour government's restructuring of

taxation policy discourses deployed social democratic values to justify neoliberal reforms.

The second section examines the period of the National and National-New Zealand First coalition governments 1990-1999. The National-led government's restructuring of taxation and unemployment policy discourses deployed the political logic of equivalence, constituting the taxpayer in antagonistic relation to the unemployed beneficiary who was constructed as blocking the realisation of the neoliberal social order.

The third section focuses on how discursive struggle over taxation and unemployment policy between the Centre-Left Labour Party and the Centre-Right National Party during the 1990s reflected and constituted a tacit neoliberal consensus over the goals and instruments of policy within Left and Right dialects. Attention to the absences in their respective discourse strategies to distinguish themselves by claiming difference from each other reveals the nature of the neoliberal political problematic which currently centres the political field in New Zealand. This tacit consensus about the direction of policy development includes, among other things, the redirection of public expenditure away from universal schemes of social protection towards selective forms of targeted social investment, tax reform away from progressive taxation towards flatter competitiveness-enhancing systems, flexible labour markets and workfare.

This case study of the discourses of politicians focuses (although not exclusively) on the discourses of the Centre-Left Labour Party and the Centre-Right National Party in New Zealand which occupy this centre space and from whom the hegemonic political problematic is most clearly articulated. The centre of the political field represents the most fiercely contested political space because it represents the position of moderation, pragmatism and majority opinion. It represents a point of tension because while the centre divides the Left from the Right and this process involves their mutual constitution through defining their differences from each other, the

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discourses of the centre also represent what Bobbio (1996) terms the inclusive middle. By this he means the set of agreed upon assumptions made by both the Left and the Right. This set of agreed upon assumptions is what is both Left and Right, and constitutes the centring political problematic which articulates the state within a wider social and economic mode of development. Although Bobbio defines these two forms of centrist politics separately, this analysis of discursive struggle shows how the inclusive middle emerges as a result of struggle between the Centre-Left to define itself in difference from the Centre-Right and vice versa.

The neoliberal political problematic represents the consensus between the Centre-Left and Centre-Right or the inclusive middle. I argue that its emergence and consolidation occurred as the result of a process of discursive struggle between Labour and National over moral traditions. Labour and National engaged in discourse strategies designed to differentiate their parties from each other. The consensus between the Centre-Left and Centre-Right can be discerned by paying attention to the unspoken set of agreed-upon assumptions, which are the silences in the discourses of politicians whose motivation is to claim difference from their political opponents. The third section analyses the key moral debates motivating struggle in the political field in the late 1990s in terms of what they reveal both about what distinguishes Left and Right and the nature of the unspoken consensus that is both Left and Right.

The Keynesian welfare state and taxation

This section examines the hegemonic discourse of the Keynesian welfare state citizenship regime which focused on progressive taxation and redistribution via the welfare state.

> …throughout most of its seventy-five year modern history, the progressive personal income tax has been accepted by the general public in most jurisdictions as the one tax in the system which is truly fair. (Head & Kreaver, 1990, p.v)

Taxation policy not only specifies a method of financing public services, but also, fundamentally, it is an instrument for the delivery of social conceptions of fairness and justice. Social justice was a legitimate and privileged goal of government during the social democratic era and was realised through "social citizenship" (Marshall, 1950). Social citizenship was central to the moral economy underpinning the legitimacy of the Keynesian welfare state. Material inequality was recognised as the fundamental source of social injustice. This recognition was expressed in a social consensus for progressive taxation and welfare in order to generate a high social minimum and accompanying ceiling. Progressive taxation based on the principle of the ability to pay or taxation capacity expressed the egalitarianism of the Keynesian welfare state. Social citizenship guaranteed access to resources as a right of citizenship rather than according to contribution. Sutch, a prominent New Zealand intellectual and civil servant, strongly advocated for the principles of social citizenship and inclusion. In his book *The responsible society in New Zealand* (1971), he recognised that the market and the family do not and cannot provide all the means for the development of human potential. This view positioned the state as the guarantor of a wide range of public services and legitimised government expenditure and involvement across a wide range of fields. Thus, as Sutch (1971) stated:

> All New Zealanders should share, as of right, in the total production of the community because they are New Zealanders; that is they share not because of their poverty or even necessarily because of having paid taxes or made contributions.… The level of sharing should not be at a poverty level or modest-but-adequate level but at the level of the typical New Zealand living standard.… Social security, which includes the social services broadly conceived, should be regarded as one of the highest priorities of the country, a

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priority to which economic activity should be directed, for the objectives are the realisation of the potentialities of human beings within the levels of knowledge and production. For this reason the positive improvement of the person's educational, social and physical environment and his growth as a person should be the major objective of social security in the wide sense. (pp.126-127)

Castles (1985) argues that New Zealand's post-war citizenship regime conceived the role of the state to provide security via the welfare state as a basic right of universal citizenship. This positive conception of the role of the welfare state was held by the majority of New Zealanders, irrespective of party affiliation.

Even if the substance of such provision was precarious and subject to attrition under National governments, the existence of a favourable image of the welfare state, with New Zealand—rightly or wrongly—conceived as a welfare exemplar, provided a pressure point for continuing political awareness of welfare issues. The notion that the state has an important responsibility for the social welfare of its citizens was and is far more strongly developed in New Zealand than in the Australian popular consciousness. (Castles, 1985, p.53)

Working families defined the productive core of the Keynesian welfare state. The family taxpayer was the privileged identity in social and tax policy. For instance, while the report of the Taxation Review Committee 1967 advocated the reduction of income taxes, the authors retained a commitment to progressive taxation and paid particular attention to the position of the "family taxpayer". As the Taxation Review Committee noted, "It is generally accepted that the impact of taxes on income should vary according to income levels and family responsibilities" (Taxation Review Committee, 1967, p.103). The report, in its recommendations for a number of deductions and benefits for "family taxpayers" such as wife, child and dependent family member exemptions, recognised a society of male breadwinners and their dependents.

The need to support dependent populations was recognised as part of the legitimate distribution of the community's income rather than as the subject of charity (Sutch, 1971, p.23). The dependency of certain categories of persons was recognised as a necessary feature of social and economic relations in a capitalist economy:

> Society recognises dependents and certain social organisations as needing the support of the state against market forces and utilitarian philosophy, and that this support is not regarded as charity, but as a distribution of the community's income. (Sutch, 1971, p.23)

> Social services should be provided for all in such a way that those who use them should have no sense of inferiority or loss of self respect or dignity or being a 'burden on the community'. What is provided should be a normal social right for all without a person having to be a suppliant or prove eligibility by a means test.… Social security expenditure is not to be regarded as a burden, but at the very minimum, as an investment and a distribution of the total income of society. (Sutch, 1971, p.123)

Social rights and progressive taxation were integral to the provision of social justice. The Keynesian welfare state discourse interpreted the market allocation of resources as inadequate insofar as it failed to distribute resources to all members of a more broadly conceived productive community, by decoupling the link between work and income. "Generally speaking there is no essential functional link between work (contribution to output) and income (share of output)" (New Zealand Royal Commission, 1972, p.69). The market allocation of resources was understood to be inadequate because it did not recognise all forms of contribution. This view served as the fundamental impetus behind redistribution and progressive taxation.

> (Social Security) must work through a money-based economy to alleviate the imperfect distribution of the proceeds of the production from which every person's living standards are derived … these

proceeds are distributed primarily by a market system. (New Zealand Royal Commission, 1972, p.53)

While the report on taxation, produced by the Ross Committee in 1967 argued for the desirability of neutrality in the taxation system because the tax system should not interfere with the choices or courses of action pursued by members of society, the authors recognised that "complete neutrality in the system is neither attainable nor justifiable" (Taxation Review Committee, 1967, p.15). Debates over taxation were not primarily about increases in the rate of growth; rather, the authors argued that the tax system must serve broad social objectives:

> In New Zealand, the social objectives most strongly sought are a more equitable distribution of income than occurs naturally, and the avoidance of excessively large concentrations of power in private hands. They are, of course, attained in part by measures outside the tax system, but traditionally progressive rates of income tax and death duties have been the main instruments used to achieve the redistribution of wealth and income. The tax system should therefore achieve a politically acceptable balance between the search for efficiency and the desire for equality. (Taxation Review Committee, 1967, p.13)

The above passage argues for progressive taxation in order to, among other things, avoid concentrations of private wealth and power and achieve greater equity. Concern over the development of state monopolies was absent and instead it was private monopolies that were represented as an impediment to democracy. The state was viewed as both reflecting and serving citizens. In this discourse the state is the embodiment of the general interest that transcends the particular interests that inhere in a competitive market economy. The authors criticised calls for tax cuts and reductions in state spending as not constructive, given continuing support for public sector activities:

> Criticism of the high level of Government expenditure, while voluble, is seldom constructive and unfortunately, often not well informed. There is little serious effort to put forward reasoned arguments to demonstrate what particular functions of government should be abandoned, curtailed, or transferred to the private sector. (Taxation Review Committee, 1967, p.19)

The dominant view of the time was that the state should represent and provide security for the citizen and that this necessitated an extensive role for the state in a broad range of areas and the tax base necessary to achieve this purpose.

Discourses that challenge or refuse the terms of the hegemonic political problematic are excluded from the political field. During the hegemony of the Keynesian welfare state, neoliberal discourse was excluded from the political field because it refused the terms of the hegemonic political problematic consisting of the pursuit of social security and social justice via the welfare state. However, once New Zealand's political field entered an out-of-regulation period, the social democratic political problematic became the subject of intense political debate and critique. Many of its core principles fell into disrepute, particularly, labourism and redistribution. In the context of this regulatory and normative crisis, neoliberals narrated the crisis in neoliberal terms and articulated a new centring political problematic based in monetarism and supply-side economics which currently dictates the ongoing neoliberal direction of public policy as a condition of sustained economic growth and competitiveness.

Neoliberalising social democracy 1984-1990

During the late 1970s a number of disruptive events and discourses of crisis interrupted the stability and hegemony of New Zealand's political problematic and

citizenship regime. These included the concurrence of inflation and unemployment that challenged the Keynesian orthodoxy that stagflation could not occur. The failure of the Keynesian mode of regulation to sustain stable economic growth undermined the credibility and legitimacy of its citizenship regime.

Politicians and state managers mobilised a discourse of fiscal crisis in which the burgeoning burden of public debt was attributed to political and bureaucratic irresponsibility and state overload (Boston, 1993, p.98). Anti-statist discourses that attributed the crisis to the economic interventions of inefficient state managers were also mobilised against the Keynesian welfare state. In the social field, social antagonisms began to perforate the "political quietitude" and interrupt the social consensus of the Keynesian welfare state citizenship regime. The Springbok tour of 1981 was the stage for a clash between the will to equality and the will to individual freedom because the tour brought into direct conflict protestors' accounts of the racism of the tour and rugby fans' claims to a right to enjoy their national sport. Maori land occupations, in particular Bastion Point, showed the strength of support within the Maori movement for the return to Maori of their lands and challenged the legitimacy of the state. Feminists struggled for equal rights in the labour market and challenged the primacy of the male worker as the universal and primary source of identification, as did rising levels of unemployment (Neilson, 1996).

These disruptive events and discourses brought into question the social democratic political problematic and citizenship regime and opened the space for new hegemonic projects seeking to give new direction and consistency to society. The centring political problematic and citizenship regime of the social democratic era, its principles, values and assumptions became key points of debate. New versions of what should constitute the legitimate goals and methods of government began to compete for hegemony.

The Fourth Labour Government and taxation

While taxation was the focus of a government Review Committee in 1967 and again in 1982, in the Report of the McCaw Task Force on Tax Reform, the problems addressed in these reports were recognised by a small circle of policymakers and did not enter public debate to any great extent (Kato, 2003, p.137). By the 1980s, however, tax reform was rapidly politicised and a number of books and reports focusing on the fairness of the taxation system were published by the New Zealand Planning Council, trade unions, the New Zealand Business Roundtable and individuals outside of government (Caragata, 1998; Nelson, 1989; Jeffries, Snively and Thompson, 1981). The debate culminated in the introduction of a goods and services tax (GST) in 1986[37] and a proposed but unsuccessful, flat tax which ultimately contributed to a ruptural moment on the issue of tax, fairness and social justice in which all that had been taken for granted became open to challenge.

Prior to 1984, New Zealand had five nominal rates of tax in its personal income tax schedule with a top marginal tax rate of 66 percent. By 1988, New Zealand had a two tier schedule with a top rate of just 33 percent (Stephens, 1990, pp.103-6). These changes were seen as part of an integrated package that included the changes to income tax rates, GST and the Guaranteed Minimum Family Income for those in full-time paid employment (Stephens, 1990, pp.108-9).

These reports and the debate they inspired challenged the heavy reliance of New Zealand's tax base on income tax (Stephens, 1993; New Zealand GST Coordinating Office, 1985) and raised perceptions of high levels of tax evasion. Taken together, the above-mentioned reports provided a propitious discursive environment for the Fourth Labour Government's public relations campaign to popularise its flattened tax

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[37] GST had been a feature of discourse about tax reform in New Zealand for some time and reflected a commitment to shifting tax from production to consumption.

schedule and GST. One of the key discourses used to justify the shift to GST focused on the unfairness of the previous system to ordinary working people.

> It's the wage and salary earners, particularly the middle and lower income groups, who pay the most tax! They can't avoid it. Others employ tax specialists to help them take advantage of tax loopholes. (New Zealand GST Coordinating Office, 1985, p.10)

This argument mobilised a social democratic emphasis on class inequality and redistribution to justify a neoliberal policy reform. The Labour Government also claimed that an over-emphasis on income tax was discouraging productivity. "People who want to work harder and work overtime or get promotion have been discouraged from doing this by higher taxes" (New Zealand GST Coordinating Office, 1985, p.10). In this way the tax system was characterised as unduly restrictive of individual choice. Opponents of the new tax stressed its regressiveness (Kato, 2003, p.140) but this was to be compensated for by a new Guaranteed Minimum Family Income which maintained the social citizenship right to a basic income while severing its link with a broader concept of redistribution.

The Labour Government promoted GST as benefiting those on low incomes and stimulating productive investment and employment. In the Labour Government's Budget Statement (1984), the Minister of Finance, Roger Douglas stated:

> The major benefits of this reform will lie in the scope for delivering greater assistance to low-income families. Reform of the income tax and of indirect tax will reinforce incentives for productive investment and expanded production and employment. (Douglas, 1984, p.56)

The Keynesian welfare state discourse with its emphasis on the need for different groups in society to act in concert in order to achieve economic development goals was displaced in the 1980s by a discourse of a polity comprising equivalent

individuals who are active, self sufficient and connected to the collective of New Zealand only as social consumers and taxpayers. These neoliberal discourses of subjectivity denied the social collective and forcefully asserted an individualist rationality. The following extract from the Treasury's *Government management* privileges the enterprising self-interested individual, while reducing collectivity to being a myth of the welfare state:

> It is sometimes suggested that there is some wider society which is greater than the sum of the people in it and social benefits are felt by this society even though none of the people may comprehend the gain.… We would have some difficulty in deriving policy from an imaginary construct of that type. (New Zealand Treasury, 1987, p.448)

The citizen is addressed in the political rhetoric of the 1980s and 1990s as both an individual consumer of social services and as a productive, contributing taxpayer. These different emphases correspond with these two distinct phases of the neoliberal restructuring. During the 1980s, a discourse addressing the taxpayer as a social consumer was emphasised as part of the Fourth Labour Government's corporatisation and privatisation programme (Larner, 1997b). The taxpayer was constructed as a consumer of political product and his/her rights to "value for money" and "a return on his/her investment" were emphasised. While the Fourth Labour Government decoupled the established link between social citizenship and progressive taxation in debates over tax reform during the 1980s, they continued to reinforce the link between social consumption and citizenship by constructing New Zealanders as the consumers of social services and made links between the corporatisation and privatisation of state services and the interests of a universalised social consumer.

In the following discussion I show that while recognition of the taxpayer as a consumer remained, during the 1990s under the National government, the taxpayer was increasingly addressed as a producer rather than a consumer. The productive taxpayer also expressed a new "modality of the social bond" (Donzelot cited in

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Larner, 1997b, p.384). In this discourse the taxpayer is socially connected as a producer of wealth and as a stakeholder in New Zealand constructed as a firm. The taxpayer who works and contributes through taxpaying has a stake in New Zealand Incorporated. The competitiveness of the New Zealand economy depends on this collection of individual efforts. Pursuing one's individual economic interests is accorded legitimacy in this discourse as a patriotic contribution to the nation's competitiveness. The taxpayer was constructed as a self-seeking individual but also as a member of an imagined community of self-seeking individuals connected to each other via the goal of international competitiveness constituted as a type of economic nationalism. For example, the National Party's pre-election publication, entitled *National Party policies for the 1990s: Creating a decent society* (1990) deployed the image of New Zealand's success in America's Cup yacht racing under the heading "Enterprise: The path to prosperity" in order to construct the nation's economic competitiveness as a national rallying project (New Zealand National Party, 1990a).

Shifting the locus of wealth creation

During the late 1980s, marked shifts in discourses about how wealth is generated underpinned changes in how the state addressed the citizenry. The worker as labour was displaced as the locus of wealth creation by an idealised conception of the entrepreneur. Standing argues that the increased recognition of the entrepreneur reflects the increased mobility of all aspects of production and distribution in a global economy which strengthens the role of the organisers of production over labour and the state (Standing, 2002, p.24). The displacement of the worker by the entrepreneur can be described as a conversion from a productive culture to an entrepreneurial culture.

Absent from the social democratic moral consensus was validation of the role of entrepreneurial capital. The labourist and social democratic basis of New Zealand's

Keynesian welfare state had recognised the contribution of workers to the generation of wealth, but, during the 1980s, Labour politicians raised the status of the entrepreneur in economic development and as a source of national distinctiveness. For example, Roger Douglas, the then Minister of Finance commented in the House during the presentation of the Government's Financial Statement:

> Young people entering the workforce in the 1990s will find a climate of fair opportunity for all. It will be an economy where the state imposes no constraints on the ability of individuals to achieve their potential. They will succeed, not on the basis of state favours or entrenched privilege, but through equality of access to opportunity. Growth will be based on this country's human and natural resources, and the skills and entrepreneurial flair for which New Zealanders have made their name. (Douglas, 28 Jul 1988)

While labour, the collective, was credited with guaranteeing wealth creation and accorded a prominent role in a corporatist framework of decision-making in the social democratic era, this began to change in the 1980s, and by the 1990s, the perception was that in a competitive world order the entrepreneur by following his self-interest generates wealth, and public benefit accrues as a kind of by-product. This downgraded role for labour in discourses about wealth creation was also evident politically in a reduced role of labour unions in consultations over government policy post-1984 (Boston & Holland, 1987, p.12).

The National and National/New Zealand First Coalition Governments and the privileging of the taxpayer

During the 1990s, under National, the emphasis in taxation policy shifted to tax relief rather than reforms. The subject of unfairness also shifted from low and middle income earners towards high income earners now constructed as paying too large a proportion of tax (Caragata, 1998). Central to this shift in discourses about taxation

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was changing perceptions of the legitimate functions of the state and the corollary, a changing perception about the fairness and growth potential of the market system.

The failure of the Keynesian welfare state was interpreted by National as a function of the growth of the state sector at the expense of the private sector. The state sector, it was argued, had "crowded out" the competitive private sector. The then Minister of Finance, Ruth Richardson made this argument in her Economic Statement to Parliament:

> At the heart of these problems is the crushing burden of Government spending. The continuing increase in the size of the State has resulted in growing debt, punitive tax levels, and intolerable pressure on interest rates. These burdens have sapped the energy and initiative of New Zealand's wealth creators. We cannot prosper as a nation if we put spending ahead of earning. The Prime Minister has announced this Government's determination to attack the burden of Government spending and its commitment to translate into action the mandate it has obtained to redesign the welfare state. (Richardson, 19 Dec 1990)

This view of the state as crowding out private enterprise, combined with discourses about the inefficiency of state provision, lent credibility to ideas about punitive tax levels and economic discourses about the requirement to cut taxes in order to stimulate the enterprise economy. A tax cuts agenda emerged in the 1990s and was articulated as a means to stimulate economic growth and in opposition to the welfare state. National Minister, Marie Hasler, stated in support of the National Government's planned tax cuts:

> The cuts to personal income tax to take effect from 1 July reflect the Government's encouragement to personal effort and a recognition of the negative effect that taxes can have on economic growth. (Hasler, 18 Mar 1998)

During the 1990s, a conscious effort was made by government to promote the status of entrepreneurial business. The Porter Report explicitly bemoaned the discourse which saw profits interpreted as being "made from other people", i.e. labour, as the reason for the low status of business and a source of New Zealand's declining competitive advantage (Crocombe et al., 1991, p.124). In the following example, taken from the debate over the introduction of the Taxation (income rates) Bill 1997, Hasler (the then Minister of Culture and Heritage) constructed the role of entrepreneurs as essential to economic growth and employment.

> I believe that there will be tax cuts next year. To create wealth and to use capital innovatively and imaginatively, we cannot deprive the entrepreneurs of this country, the people who make the country work, of the very instruments necessary for that success. (Hasler, 4 Mar 1997)

Wyatt Creech, (former Deputy Prime Minister and Minister of Health) in opposition to the Fifth Labour Government's budget statement which indicated some increases to the upper tax rates had this to say:

> Dr Cullen and Helen Clark have yet to learn that they cannot attack the people whose entrepreneurship, talent, risk taking, and skills cause economic development to occur…. Long term economic growth depends on giving flight to the collective initiative of us all, through the free enterprise system. (Creech, 15 Jun 2000)

By the 1990s, and particularly after the Employment Contracts Act 1991, discourses about the role of labour in production underwent a radical shift away from the view that labour by working with nature and technology produces goods and services that generate profits which by virtue of property rights and the nature of the labour contract are appropriated by capital, towards the view that wealth is created by entrepreneurs who innovatively manage the various factors of production of which

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labour is but one input. As National Party MP, Patsy Wong, said [of Labour's tax policy]

> They proposed increased taxes. After they protect property rights, where people may earn rewards from their hard work and new ideas, they propose to punish them. We believe that these individuals, who are collectively or single-handedly creating wealth should be rewarded. (Wong, 5 Oct 1999)

The political and economic power of the controllers of production is strengthened in relation to workers and governments in a globalised economic system. Increasing exposure to the global economy in the 1980s and 1990s required the policy framework to promote international competitiveness, and restructuring was increasingly constructed and justified in terms of this new constraint/opportunity. Connected to this view is the idea that the only way to stimulate economic growth and employment is through reductions in taxation. As Bill Birch, the then Minister of Finance for the National Government stated:

> Reducing taxes will improve economic growth, create more jobs and make it more attractive for people to move from welfare to work. Reducing taxes leaves money for New Zealanders to invest or spend rather than leaving it to the politicians to spend for them. (Birch, 1 Jun 1995)

Similarly, National Party MP, John Luxton (previously Minister of Maori Affairs and Commerce) said of the Labour Government's tax policy:

> This Government thought that it was helping to reduce unemployment when it put up taxes paid by employers, who provide jobs. Well, what do employers do if they actually end up with some money in their pockets? They repay their mortgages, they expand their businesses, and they provide jobs. If we take money from them

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to spend on benefits that will not result in jobs being provided; it will create welfare dependency. (Luxton, 20 Jun 2000)

Within this neoliberal interpretive framework the argument maintained that it was better for employers/entrepreneurs to invest in enterprise than for the state to invest in welfare dependency. The debate over tax cuts intensified during the 1990s. During the course of this debate the socially progressive status of redistributive taxation was recast as not recognising the central role of entrepreneurial business in creating wealth and directly undermining growth and employment by redistributing it to parasitic and unproductive social groups. This perspective stands in stark contrast to the social democratic era in which economic growth and employment was attributed to a more complex array of factors including a central role for public sector investment in both economic activity and social wellbeing (Castles, 1985), and where the payment of tax was interpreted as a contribution to the general interest and an expression of collective responsibility (Sutch, 1971).

The previous section pointed to a number of displacements in the politics of taxation that indicate the construction of a new modality of the social bond. These were, first, a privileging of the contributing, productive taxpayer connected to a discourse which re-specified the entrepreneur as the locus of wealth creation. Second, this privileging of the productive taxpayer and the entrepreneur was articulated to the view that tax reductions on personal and corporate income were necessary, in the face of globalisation and ensuing pressures for economic competitiveness, to generate economic growth. The following section shows how the National-led Government's promoted the taxpayer as the source of political legitimacy and the model citizen in opposition to the targets of social policy constructed as deficient and morally bankrupt second-class citizens. The analysis of debates between National and Labour over the Social Security Amendmant and the Tax Reduction and Social Policy Bills demonstrates the importance of the rearticulation of moral discourses of social justice, fairness and equality of opportunity in this process of reconstructing citizen subject positions.

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National's decent society: Moralising the market

The 1990s was marked by a shift in emphasis from the taxpayer as a social consumer to the taxpayer as a producer. This shift corresponded with a shift from an economic to a moral rationality in restructuring discourses. The National Party's 1990 campaign slogan "the decent society" indicated this shift from an economic to a moral justificatory framework and corresponded with a shift from economic policy to social policy as the main object of neoliberal restructuring.

National's election campaign connected "the decent society" with a working society. For example:

> National's vision for New Zealand is clear. We are going to build the Decent Society where people enjoy the opportunity of worthwhile work … the chance to enjoy the rewards of hard work and initiative. (New Zealand National Party, 1990a, p.3)

As part of this process, the *Code of Social and Family Responsibility* (CSFR) (1998) built on Labour's Children Young Persons and their Families Act (1989) in asserting familial responsibility over state responsibility for welfare (Labrum, 2004) and was the culmination of the National/New Zealand First Coalition government's discourse strategy to add moral weight to the fiscal crisis arguments for restructuring the welfare state. The CSFR attempted to further reinforce this dictum by redefining the expectations and obligations of citizenship. It did so ostensibly by establishing a political frontier between taxpaying contributors and an underclass of unemployed welfare beneficiaries. The construction of the unemployed beneficiary as a threatening other served to create an imagined community of taxpayers and define their unity in terms of their difference and antagonistic relation to unemployed beneficiaries. The formation of a taxpayer citizen subject position in the 1990s occurred via the construction of a set of articulated discourses that established this

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political frontier and connected moral righteousness with the project of an economically competitive nation. The following section explores the construction of this political frontier in the political field through a discourse analysis of the shifting politics of taxation and the social construction of the targets of 'welfare' evident in the parliamentary debates. In particular, debates over the amendments to the Social Security Act and the Tax Reduction and Social Policy Bill.

Taxpayers and beneficiaries: A relation of reciprocity, the benefit principle and taxation

The National-led government's restructuring of taxation policy recast 'fairness' in taxation as requiring taxpayers to contribute in proportion to the benefit they derive from government and constructed a central social antagonism between taxpayers and unemployed beneficiaries. This contrasted with the 'ability to pay' and 'according to need' principles that underpinned progressive taxation and social citizenship in the social democratic period (Taxation Review Committee, 1967, p.15). In the National-led government's discourse, the unemployed beneficiary does not pay taxes and therefore his/her benefiting from taxes transgresses the 'benefit principle'. The invoking of the benefit principle established a clear demarcation between those who contribute and those who benefit. "The community was perceived as divided between givers and takers" (McClure, 2004, p.152). The argument follows that under the welfare state those contributing the most are benefiting the least.

While New Zealand's benefit system had been selectivist since its inception, insofar as applicants were required to meet minimal conditions to establish eligibility, its discourses and goals have always been universalist. During the 1990s the targeting of social services was intensified under *Welfare that works* (1991). The intensification of targeting in social policy emphasised the sense that those who pay for social security benefits do not benefit from them and vice versa. The taxpayer is unfairly

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burdened while the beneficiary collects a benefit without making an effort. In National's discourse, social benefits leave some worthy citizens with fewer after tax resources so that other less worthy citizens can benefit. Policies of the welfare state are cast as unfair because they provide rights without establishing obligations and distribute benefits and burdens unfairly. Comments by former leader of the National Party, Jim Bolger, and former National Party MP, Christine Fletcher, represent this view:

> There are unemployed people demonstrating in the streets, who want us to spend more money. There are angry senior citizens passing angry resolutions in hall meetings, who want us to spend more money.… I understand the concerns of people who want Government to spend more but what they are really demanding is the right to spend someone else's money. (Bolger, 1991, p.8)

> I do not think that one has the right to spend money that one has not earned. (Fletcher, 17 Mar 1994)

These examples show how National's discourse challenged the justice of redistributive taxation by constructing the contributors as not benefiting and the beneficiaries as not contributing. The invocation of the benefit principle in debates over taxation policy had a number of effects on common sense understandings of tax paying which assume a negative construction of those on benefits and a positive construction of those in work.

The National/New Zealand First Coalition government's proposed Code of Social and Family Responsibility (1998) reinforced the antagonism between taxpayers and unemployed beneficiaries and clearly identified the centrality of this social antagonism to the need to reform the welfare system. The National-led government constructed the welfare system as blocking New Zealand's economic performance and constructed beneficiaries as a dependent underclass who lacked the capacity to foot it with the rest either through lack of skills and/or lack of moral character and

motivation. In her opening statement to the House, Prime Minister Jenny Shipley represented the problem:

> The big outstanding challenge New Zealand faces is to reverse the trends that show too many New Zealanders not realising their full potential, not receiving income from paid work, and not coping with the demands of modern society…. The Government, on behalf of the taxpayer, cannot continue to increase funding of programmes that seek to solve problems when the answer lies elsewhere in the complex areas of personal and family relationships, responsibilities and self discipline. (Shipley, 17 Feb 1998)

The National-led governments of the 1990s constructed the beneficiary as both a burden on the taxpayer and beholden to the taxpayer. As the following excerpts from speeches by National MPs[38] reveal, the spending of tax dollars was conceived as an investment requiring a palpable return for taxpayers such as reduced beneficiary numbers, increased employability and community work:

> If people are going to be given a payment by the taxpayer to keep them in an income bracket where their standard of living at least provides food on the table and shelter for their families, then the very least that they can be expected to do is return something back to the taxpayer. (Williamson, 16 Nov 2000)

> If they have money in the bank and they are not making a call on anybody, we have no involvement in that. The State has no role to play in that. But when people are making a claim on the community, then the State does have an interest. We, on our side, believe that

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[38] These excerpts were taken from the debates over the Social Security Amendment Bill 2000. This Bill removed some of the compulsory and punitive aspects of the previous administration's treatment of beneficiaries. It repealed the mandatory work-for-the-dole community wage scheme, repealed the work testing schedule and recognised community activity which had previously been viewed as hindering the beneficiaries availability for work. Debates over the Social Security Amendment Bill 1998 provided a new work-test framework and a sanctions regime for all work tested beneficiaries.

when people make those claims on other taxpayers, they do have some obligations that they have to meet. (Simcock, 12 Sept 2000)

At present, we pay out $1.4 billion annually in unemployment benefits. That is a significant portion of the New Zealand economy. What could we get in return? There has been talk that we are coercing people into slave labour. Not everybody in this world, and probably not everybody in this room, goes to work voluntarily. People go to work to fulfil commitments to themselves, their families, or whomever. They do not necessarily do it voluntarily; they do it because they have an obligation. The underlying principle of this Bill is reciprocal obligation. The State uses taxpayers' money that it has collected to pay out money to people in the unfortunate position of not having paid employment, and in return those people contribute to some community activity. (McLauchlan, 13 Aug 1998)

The principle of reciprocal obligation mobilised deep seated intuitions about fairness as a strategy to prepare the electorate for a workfare direction in social policy. During the Keynesian era, beneficiaries were constructed as contributing in various ways to the social and economic wellbeing of the community by caring for children, through voluntary community work or were employed in the public sector. In the early 1980s when unemployment grew dramatically, their right and capacity to continue to contribute to the community was the justification for a complex array of employment programmes (see Chapter Five). Production for social use was a central social movement discourse articulated to the demand of the unemployed to continue to contribute and participate. In the 1990s this radical discourse was re-articulated to the coalition government's community wage proposal in which the rights of the unemployed to continue to contribute was transformed from a demand made by the unemployed on the broader community to a demand made by taxpayers on the unemployed. This discourse was deployed to popularise the community wage proposal by inciting social antagonism. The radical discourse expressed by the workers' cooperative movement in the 1980s for the development of a socially useful

third sector was re-articulated in the coalition government's discourse with the assertion of taxpayers' right to reciprocity from unemployed beneficiaries. Taxpayers' were constructed as entitled to reciprocity from unemployed beneficiaries, constructed as parasitic on the contributions of ordinary taxpayers. In this strategy, social solidarity between taxpayers was premised on the positive identity of the productive contributing taxpayer who was constructed in reference to the pure negativity of the non-contributing unemployed beneficiary.

The neoliberal discourse of moral hazard iterated in the CSFR claimed that people must face the consequences of their actions to be socially responsible. The welfare state was seen to protect people from the consequences of their own actions and in so doing generate socially irresponsible behaviour.

> A consequence of these disturbances [to church, family and other institutions] is that the welfare state itself through its mechanisms, produces young illiterates, juvenile delinquents, alcoholics, substance abusers, drug addicts and rejected people at an accelerating rate. (Shipley quoted in Larner, 1998b, p.7)

The abjectification of beneficiaries, at its most virulent during the 1990s, and the National-led Governments' articulation of tax policy, moral hazard, social responsibility and the benefit principle have had a lasting effect on the hegemonic common sense. Ordinary taxpayers were incited to see themselves not as the beneficiaries of state services, but rather, as unwillingly funding a socially irresponsible and morally questionable underclass of unemployed beneficiaries. During the 1990s, politicians of the Left and Right established a clear division between those paying tax and those benefiting from taxpayer-funded welfare services. The idea that taxpayers and beneficiaries were often the same people broached the safe distance between the ordinary New Zealand taxpayer and an abjectified class of deviants.

While Labour Party discourse generally retained a commitment to the legitimate beneficiaries of state support, Labour MP Leanne Dalziel's statement in debate over the annual Appropriation Bill[39] below implicitly buys into this neoliberal ordering of social antagonism constructive of a mutually constituting difference between unemployed beneficiaries and ordinary contributing taxpayers.

> I say that superannuation is a right, something that people have earned over their lifetime of contribution to this nation… To say that people on superannuation are on benefits, as the ACT party does constantly, is to demean their contribution to this country. (Dalziel, 30 Mar 1999)

This construction of a deviant underclass of unemployed beneficiaries distinguishable from those who have earned their right to a benefit has been important ideologically in the construction of a neoliberal citizenship regime in which the good citizen is a self-sufficient productive taxpayer. The discourse of self-sufficiency bestows on "taxpayers", "ordinary New Zealanders" and more recently "mainstream New Zealanders"[40] a sense of stewardship over their own destiny. Right-wing parties consistently emphasised the transference of responsibility from the state to individuals who prefer to take responsibility for themselves in order to be independent from state interference. During the 1996 election campaign, the National Party made a special point of attributing the growth and the strength of the economy to the "efforts of individual New Zealanders"; it "was not generated by the government" (quoted in Roper, 2000, p.17). In National's discourse, the government's role is to set the conditions for competitive market regulation. This market-oriented policy framework will provide the opportunities that enable individuals to be responsible for themselves:

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[39] An Appropriation Bill sets out the details of each annual and multi-year appropriation in accordance with the Public Finance Act.
[40] "Mainstream New Zealanders" was the political identity construction and target of the National Party's 2005 election campaign (Watkin, 2005, p.14).

The National Government's economic policies will provide an environment where New Zealand families are able to support themselves and take control of their own lives, freed from the dependence on State welfare. (New Zealand National Party, 1990b, p.2)

In this discourse, the welfare state is not enabling but induces dependency. The market on the other hand, empowers individuals to be self-responsible and thereby take control of their own lives.

This section has demonstrated some key shifts in discourses of taxation and unemployment policy in the 1990s and the reordering of social antagonism around the mutually constitutive identities of the taxpayer and the beneficiary. The following section connects debates on unemployment and taxation policy with the moral economy of neoliberalism and specifies how moral traditions of fairness, social justice and equality of opportunity were reconfigured in new relations in the 1990s. It maps the debate between the Centre-Left Labour party and Centre-Right National party over taxation and unemployment policy and foregrounds the discursive struggle between them to define their moral positions in opposition to each other. The nature of the discursive struggle reveals an underpinning consensus constitutive of a neoliberal centring political problematic that is both Left and Right. This section asks what the competing discursive strategies to articulate with fairness, social justice and equality of opportunity in the late 1990s can tell us about the restructured Left/Right dynamic in New Zealand's political field. The findings attest to the significance of paying attention to what the struggle between Left and Right reveals about what *divides* Left and Right, as well as what *is* both Left and Right, and demonstrates how the political problematic emerges through a process of contestation rather than consensus.

Fairness and social justice: The sliding of signifiers, re-articulating moral discourses

Political concepts such as social justice, fairness and equality of opportunity express goals and serve as standards for evaluating policy. They are not original positions and do not have stable definitions, rather they are permanently renegotiated in time and place. Their meaning depends on connections being established between them and other discourses. For example, in the social democratic era, justice was equated with social equality and inclusive citizenship. These moral discourses provide a hegemonising discourse with linkages to normalised institutionalised traditions. Maclintock (1995, as cited in Smith, 1998, p.168) argues that the deployment of what she terms "archaic signifiers" (such as fairness or social justice) play a key role in the embedding of a hegemonic formation because they symbolise the new, while simultaneously creating connections with a return to an imaginary golden age. The re-articulation of social justice and fairness in the 1990s connected the emerging taxpayer citizen subject position with established moral traditions and I argue that this process was central to the embedding of a neoliberal citizenship regime and centring political problematic.

The late 1990s were marked by discursive struggle for moral authority between a neoliberalised social democratic Labour Party in opposition and a conservative neoliberal National government. Labour and National articulated discourses of fairness and social justice with their position on taxation and unemployment. The outcome of this struggle to define their respective positions in opposition to each other was the refinement of a tacit consensus or inclusive middle ground establishing a neoliberal political problematic and citizenship regime with Left and Right dialects. The National-led Governments and the Labour Opposition offered different dialects of social justice and fairness, each claiming difference from the other. Through a

process of contest between these different dialects these archaic signifiers were rearticulated in new relations that altered their meaning.

The process of embedding a neoliberal problematic and citizenship regime included establishing connections between discourses of fairness, social justice, equality of opportunity and neoliberal reform. In the 1990s the Labour Party continued to articulate the neoliberal programmatic agenda with social democratic values of social equality and inclusive citizenship. The following remarks by Labour MP Michael Cullen in the debate over the Tax Reduction and Social Policy Bill 1996 and Labour MP David Cunliffe over the Social Security Amendment Bill 2000 reflect this articulation:

> The moral line that we take is that the state is there to counteract the inevitable unfairness that results from the operation of the free economy. (Cullen, 26 April, 1996)

> There is, however, a grain of truth in what the previous speaker has just said---that is, that the case for incentives, rather than punitive measures, remains strong. We agree. That is why the Government is lifting benefit abatement levels, so that people can go back to work without having their wages taken from them. That is also why the Government has raised the minimum wage and brought in the Employment Relations Act. We see those things as a package. But people cannot have opportunity without security. People cannot have a leg up, without a base to step up from. That is why this Government is passionately committed to social assistance reform. (Cunliffe, 16 Nov 2000)

The National Party, on the other hand, articulated conservative values with their neoliberal agenda and consistently emphasised an antagonistic relationship between the beneficiary and the taxpayer by constructing the beneficiary as a burden on the taxpayer and casting the payment of benefits as an investment that should generate returns to taxpayers:

But I do think that people need to have some pressure put on them. It is the taxpayer who pays the money into the kitty for benefits; the Government does not make any money for that. Beneficiaries need to be told that if they are to continue to receive largesse from the taxpayer and the Government for more than a specific period of time---and I do not even mind a 6-month period, or whatever, first--- then from that point on, if they still have not been placed in work and training has not worked for them, they will be asked to do something for the community in return. For the life of me I cannot understand why anyone would oppose that; it would certainly make sure that people were really keen to return to the workforce…. the generally fair-minded community of this country expects that, if people are to get welfare from the State, then they should have to do something in return. (Williamson, 16 Nov 2000)

Williamson in the debate over the Social Security Amendment Bill 2000 clearly articulates National's position that taxpayer investment in benefits should generate returns to taxpayers such as shorter welfare roles, the upskilling of unemployed workers and/or community work

During the social democratic era, the inequalities generated by capitalist social and economic structures were constituted in terms of social injustice. Policies designed to promote equality of opportunity were designed to address the unfairness generated by the operation of the market. Fairness constituted a fair share of the fruits of capitalist growth. "A fair go" corresponded with citizens receiving the resources (housing, education, healthcare, employment) required to achieve not only a reasonable standard of living but a comparable one. Social justice corresponded with the realisation of egalitarian principles and social citizenship and was institutionalised in the redistribution of the market allocation of rewards through progressive taxation and welfare.

During the 1990s neoliberal discourse dis-articulated social justice from this previous social democratic tradition and re-articulated it as the correlation between effort and reward in the market, in opposition to the welfare state. Fairness and social justice were reconfigured in relation to the contributing taxpayer and sought through policies that treat taxpayers equitably rather than policies that promote equality between a citizenry broadly defined. In this rearticulated discourse, fairness corresponds with the proper (market) correlation between effort and reward. It is unfair when this relation is interceded by the welfare state:

> Our redesign of the welfare state is aimed at providing services we can afford, and services that meet the needs of New Zealanders…. Benefit rates have been adjusted to create a fairer margin between those on welfare and those in the workforce. (Richardson, 2 Jul 1992)

National's neoliberal discourse strategically deployed a discursive sleight-of-hand representing all New Zealanders as comprising all productive taxpayers thereby excluding those outside of the workforce that are not paying tax. In their discourse it is fair when social services are distributed equitably such that the benefits of policy can be spread to all taxpayers. In the 1990s, both Labour and National parliamentarians consistently emphasised the requirement for policy to benefit "all New Zealanders". Underpinning this emphasis on *all* New Zealanders is the idea that progressive taxation corresponds with taxing some for the benefit of others. In this discourse, policy should benefit ordinary taxpaying New Zealanders rather than be directed at special pleaders. The following statements by National Party MPs emphasise this distinction:

> There is nothing here in this budget to make ordinary New Zealanders' lives better. Under this government unless one pleads a special case, one is ignored. (Creech, 15 Jun 2000)

Those special-interest groups that Labour members traditionally like
to play to---young people, Maori and women----are benefiting from
the growth in employment. (Smith, 7 Jun 1995)

This discourse of special interest groups displaced the previous Keynesian welfare state discourse of universalism which articulated special needs with inclusive social citizenship and replaced it with a universal taxpayer identity in opposition to special needs. This construction of citizens as taxpayers corresponded with an emphasis on the equity of policy. The taxpayer represents the category across which equity can be applied such that all taxpayers get the same deal. Labour and National parliamentarians consistently and repeatedly evaluate policy in terms of whether it "makes *everyone's* lives better" or in terms of the promotion of "social justice for *all* New Zealanders" and distinguish these policies from a previous policy approach that granted special favours to particular social groups. While National continues to portray Labour as the party of special interests, discourses of both political parties offer the view that taxation and social policy should deliver to *all* New Zealanders rather than *special interests*. By the late 1990s Labour abandoned its coalition of minorities citizenship discourse and joined National in privileging the taxpayer in opposition to the beneficiary.

One consequence of this is support on both the Left and the Right for the argument that when the benefits of policy cannot be spread to all New Zealand taxpayers they should be tightly targeted. Targeting, became, therefore, an important component of fairness in both Labour and National's discourse for two reasons. Firstly, targeted social policy intervenes only in the worst cases of social and economic deprivation and for this reason achieves the most for the smallest investment of taxpayer funds. Labour MP Steve Maharey promoted targeting because it achieves "the prudent management of taxpayers' money" (1 Aug 2000). Secondly targeting, as opposed to universalism, does not undercut market incentives to self-help which would produce unfairness as some would receive rewards without making an effort. Labour tended to emphasise the former rationale while National focused on the latter. A targeted

benefit system with stricter entitlement criteria is able to identify those who abuse the system and ensures that everyone is treated according to the same principle; that reward should follow effort. The following statement in support of increased targeting and tighter eligibility criteria by former National MP John Robertson follows this logic:

> The welfare service that I am promoting is about empowerment and case management. From the taxpayer's point of view, a system with an empowerment focus and case management makes sense. Many people who draw a benefit do so for longer than is necessary simply because they are trapped in a poorly managed system. There are some who remain on welfare because they choose such a lifestyle. A case management approach would allow the progress of people who abuse the system to be monitored better. It would also allow proper disciplines to be applied to those who abuse the system. (Robertson, 14 Jun 1995)

Targeting is cast as fair to taxpayers because it restricts those eligible for taxpayer-funded benefits and is differentiated from the squeaky wheel syndrome of the past when taxpayers were overloaded by the demands of special pleaders for welfare. National MP David Carter represents this view:

> The budget was balanced in three critical aspects: first, continued rapid debt-repayment…. Second, increased social spending, which has been carefully targeted---it is not the squeaky wheel syndrome we used to see in the past; and third, tax cuts, … there will be tax cuts in 1997 so that *all New Zealanders* have a chance to share further in our economic recovery". (6 Jun 1995)

Debates over targeting reveal a reconfigured role for social policy in providing social justice to reflect the concerns of the taxpayer over the rising cost of welfare.

> If we do not get social policy right, our society is in danger of collapsing slowly under the weight of the enormous cost of supporting those who are not contributing. (Fletcher, 17 Mar 1994)

The moral framework underpinning citizenship changed from a focus on the impoverished and excluded to the taxpayer entitled to value for money and tangible returns on his/her investment. Social justice was reconfigured from reflecting the rights of the poor to assistance from the better off to the assertion of the rights of the taxpayer not to be exploited by an undeserving poor seen as demanding continuing, unconditional support.

In the social democratic era, conceptions of fairness and social justice were manifest in policies designed to promote equality of opportunity. The Keynesian welfare state aimed to equalise citizens in terms of influence over the wage system and in terms of income through redistributive taxation, reflecting a commitment to an egalitarian society. In this conception, the unequal power between employees and employers and the unequal distribution of income and wealth arising from the operation of the market was challenged as a social injustice. These inequalities were unjust because the citizen's right to equal participation in the national community should not be proportionate to his or her market value (Marshall, 1950).

In the 1990s, equality of opportunity was presented as the key component of social justice, however, the application of equality of opportunity was scaled back to include the necessary prerequisites to becoming a contributing taxpayer, defined primarily in terms of access to health and education. In both Centre-Left and Centre-Right inflections, equality of opportunity was grounded in a guarantee of a "safety net" of minimal material conditions, health care and education for all New Zealanders. The actual distribution of resources or relative equality of outcomes was seen by the Right to depend on the use people made of this guaranteed minimum and by the Left to depend on opportunity structures that advantage some and disadvantage others.

For example, the Labour Opposition critiqued the tax cuts proposed by the minority National Government in the late 1990s[41] on the basis that they maintained the structure of inequality:

> Does the Treasurer accept that 78 percent of taxpayers get less than $5 a week under that proposal; if so, why has the Government in two effected and one proposed tax round never altered the bottom 15 percent rate, nor lifted the bottom $9,500 threshold, either of which would lead to more equitable results? (Cullen, 13 Jul 1999)

Labour attempted to connect tax cuts with the withdrawal of social services, while the National minority government consistently maintained that it would increase investment in social services at the same time as deliver tax cuts to "hard working middle-income New Zealanders" and, in so doing, denied the trade-off between tax cuts and social service provision. The following excerpt from a parliamentary debate illustrates this point:

> Grant Gillon (responding speaker): in view of Mrs Fletcher's comments that: "I am sure if you were to offer a $10 tax cut a week or better access to education and policing, the majority would ask for access to services", does the Prime Minister view demands for access to services as unacceptable?
>
> Rt Hon Wyatt Creech: No, of course not. The Government's commitment in this area has been clear. We have always said that we will match our tax cuts with commitments to further social spending so that people can enjoy access to services. It was never going to be done at the cost of reducing access to services. (2 Sep 1999, Questions to Ministers, Title: Taxation)

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[41] The National Government's Tax Reduction and Social Policy Programme 1996 proposed successive tax cuts on middle incomes and a tax credit (Guaranteed Minimum Family Income) designed to increase the gap between the incomes of low income working families and unemployed beneficiaries and thereby reinforce incentives to work. "The Government has decided to reduce that [tax] burden to improve the reward that those families get from paid employment and to encourage effort, skill, education, and training. With less tax, more people will want to work. Those in work will get more for their effort" (Birch, 1996, 11-12).

National's denial of the trade-off between tax cuts and the provision of social services reflects their argument that lowering taxes will produce economic growth which will in turn maintain government revenue. For example, Prime Minister Jenny Shipley stated:

> This Government believes that by bringing down taxes we will get significant economic growth, and we will reward hard-working middle income New Zealanders who have contributed so much to the growth of this country in recent years. (13 Jul, 1999)

Increases to the upper tax rate effected by the Labour Government in 2000 were described by the National Opposition as a "talent tax" "applied to those New Zealanders who grow the economy" (Vernon, 5 Oct 2000), and is indicative of the view that upper income earners are the drivers of the economy.

Debate between National and Labour in 2000 over the Social Security Amendment Bill focused on the role of work-testing and is indicative of both the moral divisions and the emergent underlying consensus between them over the role of social assistance:

> There is an old line: "The devil makes work for idle hands". A Government that condones idleness, and in fact funds idleness, is out of step, I suggest, with the majority of New Zealanders.... We have in our community a hybrid ensemble of players. There are *those who work hard and are committed to the cause of advancing the interests of this country*. There are those … who, through misfortune or lack of skills, are not in employment but seek to be, and they need our support. And *there are those who*---to follow this theme of idleness---*choose a life of idleness.* They are, in effect, *unemployment lifestylers*. This Government by its position on this bill seeks to reinforce this last group by removing the community wage and replacing it with two separate benefits…. I was intrigued and

concerned to hear the Prime Minister in a television interview with Linda Clark the other day say that it was Government policy to redistribute the wealth of this society. That is truly disappointing, because *the challenge, which this Government seems very reluctant to seize, is to grow the wealth pool for all New Zealanders---not be about the redistribution of wealth.* (Worth, 16 Nov 2000) [emphasis mine]

This statement of opposition from National MP Richard Worth, to the Labour Government's Social Security Amendment Bill 2000, which repealed the previous government's stringent and punitive three tier work test, reveals the nature of the citizenship regime pursued by the National Party which explicitly constructs a hierarchical catalogue of citizens. A model taxpayer citizen is constituted in contrast to a second class "unskilled" welfare recipient "seeking employment" and in opposition to an abject underclass of non-citizens made up of "unemployment lifestylers". This citizenship regime is implicitly articulated to the view that there is a trade-off between growing the economy and redistribution. The following statement from Labour MP Steve Maharey is distinctive from Worth's insofar as it constructs a legitimate relation of support between taxpayers and the unemployed. However, even here, the role of the unemployment benefit is to support the unemployed whilst they undertake steps to improve their capacity for work:

> This bill is the first step in a new system of *social assistance aimed at building people's abilities* and supporting them to get real jobs with real wages wherever possible. The kind of punitive approach taken by the previous Government, which mirrored policy experiments all over the world during the 1990s, did not get people real jobs, did not reduce the number of people on a benefit, *did not increase their capacity to take part in a knowledge-based society*…. This bill will allow the Department of Work and Income and beneficiaries to work together in a cooperative way to help beneficiaries get sustainable work. It is about *building people's capability and their capacity for work*…. Also, from 1 July

beneficiaries will have an individual job-seeker agreement. These agreements will set out the specific actions that beneficiaries will undertake to improve their job prospects. They will include job-seeker development activities such as programmes to enhance skill or motivation, work experience, work exploration, and employment-related training. All *these activities are designed to improve a beneficiary's capacity and prospects of paid work.* (Maharey, 16 Nov 2000) [emphasis mine]

Agreement between National and Labour rests on the obligations of the unemployed to improve their employability and be work ready. Both parties have pursued policies that are principally concerned with promoting work for those of working age. The focus on the characteristics and behaviour of unemployed beneficiaries is an important component of the neoliberal consensus underpinning both parties' citizenship discourses. An emphasis on increasing the employability of the unemployed and addressing the skills and motivations of the long-term unemployed in particular, is oriented towards increasing the supply and quality of labour to the economy. This is beneficial to a neoliberal growth strategy because increasing the size of the reserve army increases the potential for controlling the cost of entry level wages through competition; reduces the costs of welfare and thereby increases government revenue and provides labour market competitiveness which is partly a function of the cost of employing at the entry-level end of the labour market.

Different dialects of the neoliberal political problematic

Distinctions between the Centre-Left and Centre-Right in New Zealand's political field in the late 1990s express themselves in conflicts over a number of moral positions but also reveal a set of issues that have become decontested through the 1990s. The focus of contestation between Labour and National shifted during the

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1990s and a number of neoliberal discourses and policies became part of the unquestioned background assumptions of parties of the Centre-Left and Centre-Right. This inclusive middle ground, what is both Left and Right, is the space of decontestation and includes consensus over a broad neoliberal direction defined by the redirection of fiscal and social policy in the service of national competitiveness which achieved supreme status in the 1990s as the ultimate goal underpinning economic and social policy. Because fiscal policy and the idea that capital must be taxed less otherwise it will disinvest has become part of the neoliberal consensus, both Labour and National politicians place limits on the extent of social protection possible in an era of globalization, and both to varying degrees have adopted a minimal safety net approach to social policy. Labour securities and social equality, prime objectives of the social democratic era, were re-articulated in the 1980s and 1990s as obstacles to national competitiveness. The shift to increased targeting made by both Labour and National included a shift from income support attached to citizenship rights, with moderate conditions, to increasing "the intensity of benefit administration" (OECD cited in Department of Social Welfare, 1996, p.24) which translates to the application of more stringent criteria and conditions to receiving social support.

The debates over targeting social assistance reveal the differences between Labour's social democratic dialect and National's conservative dialect of neoliberalism. While National and Labour see targeting as a way to unburden the taxpayer, National adopted an approach to targeting that abjectified those receiving a benefit and cast them as the antithesis of the model taxpayer citizen. Labour, on the other hand, adopted an approach to targeting that sought to implement selectivity in a positive and enabling direction. This reflects a point of difference between them. While Labour argued that the marginalised should have more rights to welfare that the non-marginalised in order that they might become contributing taxpayers, National took a formal justice position that all taxpayers should have equal rights *vis-a-vis* the welfare state and constructed the welfare state as servicing a differentiated other whose social

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irresponsibility entitles them to benefit while the socially responsible behaviour of taxpayers is taxed.

This and other distinctions between Labour and National correspond with conceptions of the market and the fairness that inheres in it. While the Centre-Right accords the market a moral value as a mechanism for making economic actors responsible for their individual allocation of effort and resources, the Centre-Left pragmatically accepts the market as the source of economic and technological progress.

National's neoliberal discourse of fairness was distinct from Labour's to the extent that it required not only that effort be rewarded but also that non-effort should not only go un-rewarded but should be punished. National Party MP Roger Maxwell (Minister of immigration, business development and employment) stated:

> We also know that a lot of people, probably a minority, are very comfortable on a benefit regime. There are people in a sub-group of that group who do not want to work if someone else is prepared to pay them not to work. I suspect that in this new environment and system those people will be targeted much more readily. To put it bluntly, they will have the acid put on them. I know that taxpayers the length and breadth of New Zealand accept that and support it. (18 Aug 1998)

> For those who are a little reluctant or recalcitrant in terms of helping themselves, a penalty regime is available in this legislation. I think that taxpayers deserve some accountability from people whom they are supporting. (Maxwell, 6 Aug 1998)

The significance of punishing the non-effort of unemployed beneficiaries supported the Centre-Right's discursive strategy which constructed a mutually defining antagonistic relation between taxpayers and unemployed beneficiaries. The

distinction between those receiving social support and ordinary taxpaying New Zealanders was an essential component of the neoliberal citizenship regime and featured in both the Centre-Left and Centre-Right dialects of citizenship in the late 1990s. For example, Labour MP, Phil Goff stated:

> This tax package does not produce *social justice*; this tax package does not produce a world in which *all New Zealand children* can grow up to achieve their full potential; this tax package does not produce an education system that enables all the children of today to become the skilled workforce of the 21st century. Where is the investment we need in education *for all New Zealanders*? This tax package accepts that a very large percentage of our children who go to schools in low-income communities will not achieve their potential. They will not become *contributers to society*, but will become the beneficiaries of tomorrow. (Goff, 29 Feb 1996) [emphasis mine]

Goff's statement articulates social justice with inclusiveness, arguing that National's *Tax Reduction and Social Policy Package* contravenes social justice principles. However, his statement also reinforces the distinction between taxpaying contributers and beneficiaries.

During the 1990s Labour re-articulated their social democratic commitment to equality of opportunity to a state active neoliberal social policy approach in order to remain relevant to the hegemonic currency of the neoliberal political problematic and distance themselves from outmoded socialist policies designed to achieve equality of outcome and which were widely blamed for economic decline. The discursive convergence between Centre-Left and Centre-Right discourses of equality of opportunity represents a pragmatic concession by the Left to the idea that inequality in income distribution precipitates economic growth. However, there are a number of significant differences between Centre-Left and Centre-Right discourses in debates over equality of opportunity. In particular, unlike the Right, the Left has more

difficulty conceding to the idea that the market expresses the moral value of the correct correspondence between effort and reward.

The Left-wing dialect of equality of opportunity assumes that the market distribution of resources generates unfairnesses and that the provision of equality of opportunity requires the state to redress disadvantage. "New Zealanders should have equality of opportunity to train and develop their potential in order to become fully contributing taxpayers, citizens and parents" (Tizard, 26 May 1999). The Centre-Left recognises that common market rules cannot guarantee equality of opportunity. However, their discourse of the structural determinants of inequality has been scaled back in order to remain relevant in a strategic context in which a neoliberal problematic centres the political field. Claims for gender and racial equality that recognised the structural dimensions of disadvantage were legitimate discourses in the social democratic era. During the 1990s, Labour's neoliberalised social democratic discourse increasingly restricted the legitimate targets of social policies promoting equality of opportunity to the welfare needs of children (c.f. Jenson, 2000).

The emphasis on children as the targets of equality of opportunity policy is reflective of agreement at the centre on the illegitimacy of working age beneficiaries. Working age parents caring for children, the sick and the disabled are now subject to more stringent work testing. The remaining legitimate objects of state support are the young and the old. The discourse of the right to employment, that was central to the social democratic citizenship regime, lost its political currency in the 1990s as the unemployed were increasingly portrayed as responsible for their own predicament, by Labour in terms of their capacities, and by National in terms of their moral bankruptcy. Access to employment became a less important component of equality of opportunity discourse and policy, because following the neoliberal restructuring of the labour market in 1991, the unemployed were constructed by both Centre-Left and Centre-Right as those workers who had wilfully priced themselves out of the market:

> For most people on the unemployment benefit it is not true, in a strictly literal sense, that they cannot find a job. If their lives depended on it, most unemployed people would find jobs in short order. In most cases, people remain unemployed because they are searching for a type of work, or for a level of remuneration, that they have not yet found. (Richardson, 1995, p.210)

This conception of how the market operates underscored the view that the unemployed were those people who do not make an effort to be employable rather than people whose efforts go unrewarded. While the Centre-Left constructed the unemployed as deficient in skills, the Centre-Right emphasised lack of motivation and a dependent lifestyle choice. Both the Centre-Left and the Centre-Right adopted a workfare approach and constructed social transfers as socially destructive insofar as they constitute disincentives to paid work. In social policy terms this translated into a convergence between National's and Labour's social policy recommendations. Both parties became wedded to a workfare policy paradigm in the 1990s. 'Self sufficiency' in National's discourse and 'building people's capacities' in Labour's discourse hinged on a person's capacity to access the labour market. In this way both Labour and National promoted versions of workfare. Working age beneficiaries were not legitimate beneficiaries of social support in either party's discourse and contribution for *all New Zealanders* was restricted to participation in the labour market.

Both National's and Labour's social policy discourses were underpinned by a shared view of the value of engaging in paid work that can be distinguished from the discourse of the Keynesian welfare state policy paradigm which articulated contribution as encompassing both paid work and a range of activities outside of the formal labour market. The following statements made by National MP Richard Worth and Labour MP Steve Maharey in the debate over Labours Social Security Amendment Bill 2000 demonstrate the consensus that is both Left and Right:

It should not be the policy of any Government to encourage freeloading. The *lifestyler choice of dependency* on the State should not be an option. The reality is there is a group in the community that will respond--and possibly respond only--to incentives and sanctions. I suggest that those sanctions and incentives should not simply be taken away, as this bill proposes. (Worth, 16 Nov 2000) [emphasis mine]

This bill will allow the Department of Work and Income and beneficiaries to work together in a cooperative way to help beneficiaries get sustainable work. It is about *building people's capability and their capacity for work*. The emphasis here is on *choice and cooperation, not compulsion*. The activities provided will be more responsive to the job seeker's individual needs and what opportunities are locally available. Beneficiaries will also be able to choose to include community activity and voluntary work in their job seeker agreements. This will enable some beneficiaries not only to improve their employment skills, but at the same time contribute to their community. (Maharey, 16 Nov 2000) [emphasis mine]

While these statements diverge in their treatment of beneficiaries and the technologies of governance they imply, they correspond in their assumption that self-sufficiency through paid work as opposed to state support is the ideal. Both parties link this value with an individual's ability *and* willingness to access the labour market. Both the Centre-Left and the Centre-Right speak the hegemonic language even if in their own 'dialect' (Jenson, 1993, p.201).

The degree of permissible inequalities acceptable to the Centre-Left increased due to the hegemony of the neoliberal political problematic embraced by the Right and pragmatically accepted by the Left that ongoing neoliberal reform is a requirement for international, competitiveness-driven, economic growth and electoral viability. The corollary of this discourse is that acceptance of some level of socio-economic

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inequality will precipitate economic gains. The acceptance of increased inequality by the Left in the 1990s signals acquiesence to the argument that inequalities create incentives to greater productivity and foster an enterprising culture supportive of national competitiveness.

Detaching social justice from its established chain of meaning

Discourses of social justice specify the way tax and welfare policy should relate to inequalities of wealth, income and consumption. An examination of parliamentary debates during the 1990s reveals shifts in the meaning of social justice. Left and Right discourses were clearly differentiated on the issue of social justice; however, both parties constructed social membership as participation in the labour market, constituting citizens as contributing taxpayers. This criteria of social membership was decontested and was an unquestioned background assumption made by both Labour and National in debates over social justice.

Left-wing discourses argued social justice requires social disadvantage to be redressed such that every New Zealander has equality of opportunity to participate fully in the labour market. Right-wing discourses, on the other hand, critique this Left-wing conception of social justice as a device for advancing the claims of special interests for a larger than deserved share of the community's resources, as in this example from National MP Warren Cooper:

> New Zealand will be doomed unless we turn it away from 'welfarism' to production…. Social justice means that people who because of human frailty, cannot work and cannot provide for themselves, get something from taxpayers…. What about the people living along the road---single income people who are working hard

and doing the right thing; virtuous people who are paying their tribute to society. (27 Feb 1990)

Instead, Right-wing discourses construct social justice as equality of opportunity best provided for by the marketisation of social services. They argue that competition-driven efficiencies will result from market provision such that greater access to better quality services will result. Centre-Right discourse strategies explicitly attempt to disarticulate social justice from the egalitarian Left by highlighting the deficiencies of the public health service, for example, and attributing these failures to the public nature of the health service (Roper, 1996). The consolidating neoliberal citizenship regime articulates social justice and the extension and improvement of services with a market system of provision. In this discourse, the market regulation of health and education services will provide for competition-driven efficiencies which will translate into social justice defined in terms of better equality of access to services. National MP Lockwood Smith makes this argument with regard to access to education:

The Targeted Individual Entitlement scheme[42] was innovative in education. The Labour Alliance government stamped all over it and is saying to poor people in this country: "We will tell you where you can send your children to school, because you're not rich. Only rich people can choose where their children can go to school". (15 Mar 2000)

Parliamentarians on the Right consistently argue that social justice requires only tightly targeted assistance to those in high risk categories. Social policy that expands beyond a tightly targeted minimum safety net approach transgresses the sanctity of the market. For the Right, providing for economic growth will precipitate social justice.

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[42] The Targeted Individual Entitlement Scheme was a limited voucher scheme piloted in 1996 and given permanent funding in 1998 that provided a voucher for a small number of low-income children to attend private schools.

> The only way this country will deliver social justice is by having an economy that delivers growth, jobs, consistent government, lower debt, and targeted spending. (Bradford, 20 Jun 1996)

National MP Maurice Williamson argued that only rich OECD countries can afford to provide social justice. In this argument, the level of social justice is directly proportionate to the competitiveness of the national economy.

> The real problem in New Zealand is that that is what we as a country have to do until our earning capacity is back up there with the Smiths and Joneses—the Switzerlands, the Germanys, the Japans, and so on. Until we as a nation can get our spending under control so that we earn more than we spend … we will have exactly the same problem that the low-income family has. We have to try to strike a balance the whole time—just as the low income family does—between social justice and equity…. While New Zealand is down with the poor families—while it is down with Spain, Greece, Portugal, and Turkey—it will have to continue to walk that tightrope of trying to find a balance between social justice and equity and what this country's actual earning capacity means that it can buy. (Williamson, 6 Aug 1992)

This quotation is an example of how Right-wing parliamentarians decouple social justice and equity, and consistently reinforce differences amongst New Zealanders. For example:

> A free society stands for justice; for the idea that private preferences should not result in harm to others. But if it stands for more than justice, it will jeopardise the freedom of individuals to choose their needs as they see fit. This is the core of the liberal creed in politics that draws a line between the needs which can be made a matter of public entitlement, and those which must be left to the private self to

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> satisfy. I think that all members of this house have a responsibility
> to ensure that basic, human, material needs are set fairly to a
> standard that is reasonable. But we cannot, and should never,
> attempt to try to meet all the wants and needs of all people in
> communities. I think that this has been at the heart of the very
> disempowerment of our communities. (Fletcher, 17 March 1994)

The extract above reveals how the Right opposes the egalitarianism of the Left by constructing equality as uniformity and the suppression of difference and presenting a trade-off between social justice and the freedom of individuals to set their own preferences. This quotation also clearly draws out the cross-cutting logics of equivalence and difference in National's citizenship discourse. In this discourse, the taxpayer is evoked as the universal category but it is a strategic universalisation because it points to its own limits (Laclau, 1995, p.150), namely, the need to recognise privately different taxpayers. These limits are recognised in Fletcher's treatise in order to relegate the expression and recognition of differences to the private sphere of choice in the market.

The consolidation of the taxpayer as the central source of political legitimacy has involved a number of displacements of meaning that shift conceptions of social justice. Both Centre-Left and Centre-Right parties consistently reiterate that their policies provide "social justice for all New Zealanders" and in doing so seek to differentiate their social justice policies from policies that benefit minorities or "special pleaders".

Social justice has historically been articulated with Left wing projects and equated with state provision. During the 1980s, social movement groups demanded social justice in opposition to neoliberal reform. During the 1990s, however, Right-wing parties strategically attempted to articulate the achievement of socially just outcomes with the market. This shift in ways of discoursing about social justice implicitly opposed Left-wing conceptions of social justice which sought to promote the advancement of social groups seen as structurally disadvantaged, particularly women

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and Maori. Policies designed to promote social justice must now cut across these categories and apply to all New Zealand taxpayers. This shift was evident in debates in the house over the newly elected Labour government's *Closing the Gaps* policy[43]. This debate centred on the illegitimacy of targeting resources to Maori and Pacific Islanders. The following examples demonstrate the National Party's refusal to differentiate between democratic and racist recognition of racial difference.

> I believe that the use of the word Maori by Labour party politicians, in particular, with regard to our nation's social health, is becoming synonymous with depressed and illiterate underclasses that need constant funding in one form or another.… in reality thousands of people of Maori extraction are doing very, very well and are even eclipsing the best efforts of other New Zealanders…. ordinary Maori people who go about their daily work, having the same needs and commitments as everyone else and working just as hard…. Maori leaders should be standing up and saying that Maori is the most successfully integrated, indigenous culture in the Western world…. How can we go forward as a nation if our most interesting culture is not united and does not reflect the true status of the majority of its people.… There is no need for more money for Maori…. We should not be misled: resolving Treaty issues is one matter, and there is no doubt about that, but preferential social spending based on race is quite another. (Heatley, 23 Nov 2000)

> The National Party supports policies that effectively move in the direction of eliminating the gaps between Maori and Pacific Island people and others in the community. But fairness dictates that all New Zealanders should be treated equally, regardless of their ethnic group. Low-income Pakeha New Zealanders should benefit from those policies, too. (Creech, 15 Jun 2000)

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[43] A package of social service and employment initiatives targeted at Maori and Pacific communities introduced by the incoming Fifth Labour Government.

Taxpaying New Zealanders representing the majority and the mainstream are the new category evoked by demands for social justice, fairness and equality of opportunity. Claims for the redress of structural disadvantage once central to the development of social policy are now constituted as unjust and socially divisive. The Keynesian welfare state, by protecting the atypical unemployed from poverty and exclusion is constructed as having failed to protect the interests of the unmarked typical New Zealand taxpayer. The Labour Government which introduced the Closing the Gaps Programme in 1999 subsequently redirected the programme to "focus on all disadvantaged New Zealanders".

> I reminded officials in my department…that the government's goals are inclusive of all New Zealanders, and that departments needed to be clear that what had become known as the Closing the Gaps Programme was about ensuring that Government policies and programmes could be adapted to the needs of different communities. (Clark, 28 Nov 2000)

The removal of discourses that recognise the structural disadvantages faced by women, Maori, youth and immigrant groups in employment have implications for the development of social policy insofar as systemic solutions to inequality have become politically unthinkable, associated with outmoded socialism and a coalition of special interests that dominated social policy at the expense of the "true majority" of New Zealand taxpayers.

The embedding of a neoliberal centring problematic and citizenship regime is evident in the shift away from the articulation between fairness, social justice and egalitarian income redistribution, towards a tacit consensus between Centre-Left and Centre-Right that self-sufficiency through paid work expressed through taxpaying is the measure of contribution and criteria of social membership. Both National and Labour are committed to a workfare approach to employment assistance that restricts contribution to participation in the labour market and makes employability the goal of social assistance and the obligation of the unemployed. What continues to

differentiate the Centre-Left and Centre-Right are the levels of permissible inequality seen by the Right as just and by the Left as tolerable and/or necessary for economic reasons.

Conclusion

The Keynesian welfare state citizenship regime institutionalised a persuasive definition of what it is to be a member of the community and recognised the equality of citizens through discourses of social citizenship. During the 1990s, the discourse that there can be a moral right to welfare inherent in the requirements of social justice was the target of a highly effective neoliberal challenge. This change occurred not as a result of institutional reform, but rather, as a result of discursive changes to understandings of citizenship especially in terms of the social construction of the targets of unemployment policy and an articulation of social contribution, responsibility and solidarity with the taxpayer citizen subject.

Examining what happened to a number of moral discourses once they became strategies in the discursive struggle that shaped the battle for political and moral authority in the 1990s shows how, out of the bid for moral authority, the dynamics of Left and Right were reconfigured. Analysis of debates between Centre-Left and Centre-Right in the late 1990s over moral discourse reveals the emergence of a tacit neoliberal consensus that now functions as the unquestioned background assumptions of policymaking that is both Left and Right.

The analysis above mapped the evolution from a contested neoliberal centring political problematic towards its concrete specification through a process of contestation between the Centre-Left and the Centre-Right. This movement from a neoliberal hegemonic formulaic centring discourse to a specified, expanded and

emptied neoliberal discourse emerged out of a process that included a respecification of the targets of social policy and contestation over moral discourses of fairness, social justice and equality of opportunity. This research reveals the importance of the interface between moral debates and representational practices and meanings for mobilising people to identify with political constructions of citizenship.

The analysis demonstrates that the restructuring of unemployment and taxation policy discourses reflects more than a shift from expansive to restrictive safety net interpretations of needs in social policy. It also reflects a wholesale shift in the discursive framework underpinning ideas about the legitimate aims of the state, the meaning of citizenship, social responsibility and taxpaying. Neoliberal discourse supports a shift away from the pursuit of social equality as a general principle of social policy development towards a workfare policy paradigm that retains only a minimum level of equality of opportunity.

This case evidence demonstrates how a neoliberal citizenship regime consolidated points of social antagonism that divided the internal borders of the social into good taxpaying citizens in paid employment, a second class of skill-deficient unemployed in need of active assistance, and an underclass of parasitic, socially-irresponsible beneficiaries. A political frontier was established between working taxpayers and unemployed beneficiaries by specifically contrasting taxpaying with receiving social support. Taxpaying was linked with a new social solidarity that embraced the goal of international competitiveness and reduced social progress to economic progress. At the level of the individual, taxpaying was constructed as contribution and membership excluding a range of non-market contributions once considered valuable to the economy/society mix.

In the 1990s, the neoliberal regulatory project was able to achieve a moral authority through a re-articulation of discourses of fairness, social justice and equality of opportunity. While debates between the Centre-Left and the Centre-Right establish clear Left and Right dialects, an outcome of the struggle to differentiate from each

other on issues of social justice, fairness and equality of opportunity was the emergence of a neoliberalised inclusive middle. This neoliberalised inclusive middle constitutes a neoliberal centring political problematic and citizenship regime which constructs the market as delivering social justice and directs the development of social policy in the interests of working taxpayers.

An analysis of speeches in the house that deploy equality of opportunity, social justice or fairness as justificatory or explanatory rationales reveals a shift from a moral consensus based on the goal of social equality towards a moral consensus based on a liberal conception of equality before the law articulated to a discourse of citizenship that constructed productive taxpayers as model citizens and effectively disenfranchised non-taxpaying beneficiaries. This shifting moral consensus resulted from the reconfiguration of the legitimate relations between citizens. These debates reveal both distinct Left and Right dialects of citizenship and an emergent tacit consensus underlying their justificatory frameworks. This convergence reflects the consolidation in the late 1990s of a neoliberal centring political problematic that rearticulated social justice, fairness and equality of opportunity with market regulation and a workfare social policy agenda.

Citizenship regimes institutionalise patterns of social subjectivity and are consolidated through the repetition of political discourses that recognise people as particular types of persons. These discourses of personhood structure social expectations and political mobilisation. The neoliberal ordering of social antagonism based on the privileged identity of the taxpayer and his/her antithesis, the unemployed beneficiary, was central to embedding the neoliberal citizenship regime because it provided the consolidating neoliberal mode of development with a supportive moral discourse, established a popular consensus about legitimate and illegitimate practices and the proper relations between citizen categories (Jenson, 2004, p.156).

This chapter has examined the emergence and consolidation of a neoliberal political problematic as the outcome of discursive struggle between Centre-Left and Centre-Right to establish difference from each other. This analysis of parliamentary debates focused on discursive acts of social categorisation and has specified how the privileging of taxpayers in the discourses of politicians has altered the meaning of the moral discourses of fairness, social justice and equality of opportunity. This hegemonising articulatory process occurred in the 1990s, as part of a broadening of a neoliberal mode of regulation that during the 1980s was promoted and justified mainly in terms of efficiency (Larner, 1997a) into a wider social authority such that its corresponding mode of signification became the "system of narration" for a wide range societal demands (c.f. Smith, 1998, p.174).

During the late 1990s and subsequently, the political identity of the taxpayer has been routinely hailed in the discourses of parliamentarians and the media. The discussion above brings us part way towards unearthing the discursive emergence of the taxpayer by examining the ideological struggle that produced him/her and cast him/her at the centre of things. The political origins of the privileged taxpayer have been effaced, evident at the 2005 election in which the taxpayer was the unquestioned object of political engineering and rhetoric. In analysing the conditions of the emergence of the taxpayer we are reminded that this privileged political identity is predicated on both transformations in moral discourses of fairness, equality of opportunity and social justice, and the abjectification of a welfare dependent underclass.

CHAPTER SEVEN

Conclusions

This thesis has applied a post-Marxist theoretical framework to the examination of the neoliberalisation of New Zealand's citizenship regime. The case evidence demonstrates how in the 1980s and 1990s citizenship discourses were reconfigured in new relations constitutive of a neoliberal citizenship regime and centring political problematic. The thesis contributes to understanding the specific effects of articulatory discourse strategies and discursive struggle in directing these changes. Rather than describing the neoliberal project or explaining its forms, this thesis has explored its strategic dimensions. In other words, this thesis provides a guide as to how the hegemonic viewpoint—both as citizenship discourses and as a centring political problematic—has been practically transformed through discursive strategies. In this particular way this thesis should be viewed, ultimately, as following the tradition of the study of statecraft as presented by Machiavelli's *The Prince* (1961), Gramsci's *The Modern Prince* (1957), and Foucault, especially his lecture entitled 'Governmentality' (1979). This approach has made it possible to understand *how* the neoliberalisation of New Zealand's political problematic and citizenship regime proceeded.

Overview of the findings

New Zealand politics in the period 1980-2000 was characterised by ongoing struggle over the meanings and practices of citizenship. In exploring the hegemonic discourse strategies of neoliberalising governments during the 1980s and 1990s, this thesis has traced the process of reconfiguring citizen subject positions, initially as social consumers linked in an antagonism-free coalition of minorities, and subsequently as

universal taxpayers connected to a competitive advantage seeking economic nationalism. These changes in discourses of citizenship were explored via analysis of shifts in unemployment and taxation policy discourses.

The neoliberalisation of New Zealand's citizenship regime and political problematic was realised in three relatively distinct but overlapping phases. The first phase was driven by the Fourth Labour Government 1984-1990, and principally involved the articulation of social democratic values and neoliberal reforms. In New Zealand, in the late 1970s and early 1980s, the institutions of the Keynesian welfare state were unable to meet the demands of increasingly vocal social movement groups resulting in an accumulation of unfulfilled democratic demands from the unemployed, Maori, women, workers' cooperatives and radical democrats. As argued in Chapter Five, during the early 1980s, the workers' cooperative movement articulated the distinctive and excluded goals of feminists, Maori, radical democrats and Christian communalists around the practice of the worker cooperative. That all of these distinctive demands went unrecognised and largely unfulfilled by the Keynesian welfare state established an increasing relation of equivalence between them. This unity was based on the exclusion of their demands within the context of a citizenship regime which not only privileged the identity of the Pakeha male waged worker, but sought to integrate other identities by subsuming them within a patriarchal, white, workerist universalising citizenship discourse.

The Fourth Labour Government, elected in 1984 at the height of this period of social dislocation, sought to construct a citizenship discourse that selected elements of these counter-hegemonic social movement discourses and projects (while jettisoning others) and articulated them in a transformative way to their neoliberal programme. Labour disarticulated the Keynesian welfare state citizenship regime's universal citizen, the Pakeha male waged worker, and offered a new citizenship discourse that sought to express recognition of difference through a new social consumer identity that articulated the need to recognise social diversity with social forms of consumption. Labour's citizenship discourse was politically vulnerable not only

because it papered over clear social antagonisms but, more importantly, because National was able to construct an image of Labour as a party of special interest minorities and construct itself in difference from Labour as the party representing the new universal subject, the New Zealand taxpayer.

The second phase of New Zealand's process of neoliberalisation (1990-1998) was led by the National and the National/New Zealand First Coalition Governments and established points of social antagonism constitutive of a taxpayer mode of political identification (see Chapter Six). The analysis offered by this thesis demonstrates that the privileging of a taxpayer citizen subject position in the National-led Governments' citizenship discourse renegotiated the heterogeneity of the population asserted by counter-hegemonic groups as distinct expressions of an underlying homogeneity and unity.

During the 1990s, the National and National/New Zealand First Governments established the particular demands of the New Zealand taxpayer as representative of all of the demands of community. This taxpayer identity re-shaped a number of other identities in a chain of legitimate identities constitutive of a neoliberal citizenship regime. These identities included productive workers (particularly those in the competitive sector), parents, businesspeople and entrepreneurs. The signifier 'New Zealand taxpayer' established the links between these legitimate citizen categories by both representing their articulation in a chain of equivalence and representing this chain of linked identities in opposition to illegitimate categories, principally gendered, raced and classed unemployed beneficiaries of welfare.

A focus on discourses of the other, establishing the internal borders of citizenship over this period of change, found that whereas a raced and sexed subject was sublimated in the Pakeha worker universal citizen of the Keynesian citizenship regime, the neoliberal citizenship regime allows space for ethnic and gendered subjectivities so long as their expression remains sequestered within the unsubsidised private sphere of enterprise (see Chapters Five and Six). This privatisation of gender

and ethnic difference conceals the structural determinants of disadvantage that compound the disadvantages that minorities face in the labour market and outside it. The displacement of structural considerations in the development of social policy, particularly active assistance policy, serves in the ideological construction of the market as the neutral arbiter of fairness and social justice.

In the 1990s, the National-led Governments' articulatory discourse strategies operated to forge a correspondence between moral discourses and the competition imperatives and regulatory principles of the neoliberal mode of regulation (see Chapter Six). These articulations between market regulation, competition and moral discourses of fairness, social justice and equality of opportunity formalised and reinforced neoliberal claims and pointed to neoliberal reforms.

By the late 1990s, Labour had learned that "winning majorities is not the same as adding up minorities" (Hobsbawm, 1996, p.44) and began to parrot National in privileging the taxpayer as the source of political legitimacy. During this third phase of the neoliberalisation of New Zealand's citizenship regime, political contestation between parties of the Centre-Right and Centre-Left occurred on a neoliberalised terrain. Both the Labour Opposition and the minority National Government adopted a citizenship discourse that privileged a taxpayer citizen subject, and the focus of discursive struggle between them shifted from the economic framework underpinning New Zealand's growth strategy to the moral discourses of fairness, social justice and equality of opportunity (see Chapter Six). This shift in the focus of contestation between them reflected the decontestation of a neoliberal policy paradigm. The tacit acceptance of a neoliberal policy direction by the Centre-Left and Centre-Right was revealed in an analysis of discursive struggle between Labour and National to define themselves in opposition to each other. The thesis showed how, via processes of articulation, neoliberal discourse expanded and was transformed from a political position in contest with other political positions to a new centring political problematic. This problematic currently structures all the positions in New Zealand's

political field and functions as the hegemonic space of representation for citizen demands.

Out of a process of ideological struggle between political parties and between governments and social movement groups, neoliberal discourses and policy priorities evolved into the decontested background assumptions that underpin the ongoing neoliberal direction of policy development and constitute the centring political discourse. The subsequent neoliberal policy paradigm included a number of articulated discourses: the idea that unemployment is a function of the economy rather than politics; that a flattening of tax rates will both facilitate economic growth and be fairer to taxpayers; and the recasting of welfare and labour securities, central to the Keynesian welfare state citizenship regime, as obstacles to economic growth and competitiveness and creative of dependency and social disintegration. In addition, such discourses involved the social construction of taxpayers as the new universal citizens, which led to taxpaying subsuming a number of other discourses that it had not previously signified. Taxpaying was constructed as representing contribution, belonging, family and social responsibility, as well as identifying a rights-bearing citizen with rights to accountability, value for money, and a return on their investment. Taxpayers here were articulated as representing the community of New Zealanders in opposition to unemployed beneficiaries, the latter collectively represented as the anti-community (see Chapters Four and Five).

Success and failure of articulatory discourse strategies

The Fourth Labour Government's citizenship discourse sought to suppress antagonisms and constitute the social as a coalition of positive differences. This discourse constructed a relative universalisation around the discourse of the social consumer but ultimately failed to hegemonise the social. Labour's failure raises questions about the political efficacy of citizenship discourses that both seek to

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express difference and commit to inclusiveness. In contrast, National's citizenship discourse ordered the social around two antagonistic poles. National's discursive strategy succeeded in privileging a taxpayer identity which assumed a hegemonic role in representing a chain of equivalence and included good citizens in antagonistic relation to an abject underclass of excluded unemployed beneficiaries (see Chapters Five and Six).

This example may reflect an underlying difficulty for a post-neoliberal radical democratic politics which must grapple with how to construct citizen subject positions in ways that support multiple identities and the right to self-determination and yet articulate differences within a universalist discourse of social citizenship and democracy. According to Laclau (1995), the process of winning hegemony involves universalisation. One identity has to stand in for the universal, to contingently assume the representative function of the community as a whole. This thesis has shown how citizenship discourses involve the universalisation of a particular identity and for this reason have a homogenising tendency. This tendency needs to be problematised. As Smith argues:

> Genuine 'multiculturalism' must mean not only the addition of minority democratic values, but also the opening up of the values held by the majority to the minorities' democratic critique, and the construction of a new set of shared community values through negotiation. (1998, p.33)

Labour attempted to construct the appearance of democratic consultation and change driven by recognition and negotiation but in practice engaged a strategy of recognising only those causes it could articulate with its neoliberal restructuring agenda.

Labour's appellation of the social consumer served an inclusionary function by linking the projects of Maori self-determination, liberal feminist calls for equal pay and anti-discrimination legislation, and radical democrats' aspirations for the

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devolution of decision-making. However, Labour's discourse recognised diversity in order to depoliticise it. By recognising only those parts of these counter-hegemonic discourses that could be incorporated into their neoliberal programme, Labour foreclosed on a number of other alternative discourses such as the workers' cooperative movement's agenda to modify economic relations by restructuring work in the direction of a socially useful, cooperative, non-hierarchical third sector. Because the workers' cooperative movement more fundamentally challenged Labour's programme, it was marginalised.

Labour's coalition of minorities was shaped by the identity of the social consumer which privileged a consumer identity articulated with the need to recognise social diversity. This discourse emphasised social consumption and, in this respect, was continuous with the previous social democratic imaginary which had emphasised the demand side, but was discontinuous with it insofar as it marginalised the worker identity which had been central to the previously hegemonic citizenship regime. Labour lacked a perspective on the supply side and thus failed to govern for the subjective requirements needed to bolster its neoliberal mode of economic regulation, for example, the need to construct an enterprise culture based on the promotion of greater self responsibility. While Labour articulated the centrality of the entrepreneur to the economy and significantly displaced the traditional Labour party preoccupation in social policy with distributional equality, it endeavoured to maintain a commitment to social democratic values even as it simultaneously addressed the need for a new mode of regulation through neoliberal reform.

Labour's social consumer discourse was transitional because it dealt with the crisis of the previous regime by both radicalising it and maintaining continuity with it. While Labour's social consumer discourse succeeded in disarticulating the growing alliance between counter-hegemonic groups, it was ultimately unable to connect New Zealanders beyond political differences, raising the question as to why National's taxpayer identity was better able to fulfil this representational role.

National's hegemonising strategy sought to represent itself as exhausting the field of possible options by constructing the pursuit of international competitiveness as imperative and as equivalent with neoliberal reform. National offered an account of the drivers of economic growth and reinscribed production within its taxpayer discourse. National's discourse was therefore able to offer a more comprehensive representation of experience in its incorporation of both consumption and production relations. The National-led Government's taxpayer discourse rearticulated existing subject positions. Employed workers (particularly private sector workers), business people and entrepreneurs were represented as model citizens contributing to the public interest, as socially responsible and as connected to each other via a nationalist discourse of economic competitiveness and a social ethic of individual responsibility.

National's taxpayer discourse incorporated the social consumer in its discourse of the rights of the taxpayer to value for money and choice, but displaced the social consumer constructed in terms of a social citizenship claim to social services, and rearticulated the claim to social services as a mark of inferiority, thereby negating full citizenship. The National-led Governments of the 1990s constructed both unemployed beneficiaries, and, post-2000, an urban Maori underclass, as residing within an amoral universe, rather than as groups representing alternative discourses and projects. They did so by rearticulating the myths of social justice and equality of opportunity in neoliberal terms, aligning these values and goals with the taxpaying community.

Restructuring the Left and Right dynamic

Another significant dimension of the neoliberalisation of New Zealand's citizenship regime and political problematic highlighted in this thesis was the shift in New Zealand's relative form of the Left/Right dynamic. Bobbio's (1996) insights into the trans-historical and historically and nationally contingent dynamics of Left and Right

informed this analysis of the dynamics of ideological change in New Zealand's political field in the 1980s and 1990s. Although the political field in New Zealand remains structured by the poles of Left and Right, the relative form of the Left /Right dynamic characteristic of the previously hegemonic social democratic mode of regulation has been transformed. This thesis sought to shed light on how the neoliberal policy paradigm was transformed from an experiment with mixed reviews to the unquestioned centre of political space. It revealed how the decontestation of the on-going neoliberal direction of policy proceeded through a process of contestation between National and Labour to define themselves in difference from each other in moral terms. This struggle to define themselves in difference from each other, resulted in the construction of a moral opposition between equal treatment before the law and different treatment according to needs, in the citizenship discourses of National and Labour respectively. These discourses represent Centre-Right and Centre-Left dialects of the neoliberal political problematic and underpin a number of key differences between Labour's and National's approach to unemployment and taxation policy. The restructuring of the Left-Right dynamic reset the boundaries of contestability of policy discourse and draws attention to the need to analyse the different dialects of neoliberalism.

This analysis of New Zealand's process of neoliberalisation occurring through three relatively distinct phases shows how, through processes of articulation and discursive struggle, a hegemonising discourse evolves from a political discourse in competition with other discourses to become a taken-for-granted worldview informing the assumptions that shape institutional practice, policy development, the relative form of the Left/Right dynamic and ultimately popular 'common sense'.

The consolidation of a taxpayer mode of political identification in the 1990s resulted from its capacity to coherently represent a broad range of subjective experiences. The identity of the taxpayer was able to link a set of identities and articulated a broader set of social relations to it than Labour's social consumer discourse. In the late-1990s, both National and Labour revived the universalism of the previous era and

a tacit consensus emerged based on the ongoing neoliberal direction of policy reform and the corresponding constitution of the taxpayer as the source of political legitimacy.

Counter-hegemonic strategy

The neoliberalisation of New Zealand's citizenship regime and political problematic has fundamentally reconfigured the political opportunity structures for counter-hegemonic groups. The discourse strategies of counter-hegemonic groups are shaped to a large degree by both the centring political problematic which sets the parameters of acceptable political discourse and action and the citizenship regime which provides a discourse of citizen subjectivity in antagonistic relation to included and excluded others. Counter-hegemonic social movement groups who assert their right to participate in ways other than as taxpayers are marginalised. The Keynesian welfare state citizenship regime legitimated social group identities and granted citizens a corporate presence with rights to participation and influence (c.f. Jenson, 1999; Brodie, 1996; 2002). The taxpayer discourse privileges individual taxpayers and forecloses on these previously legitimate channels of democratic participation and citizen claims-making. In this neoliberalised discursive environment, politically organised social groups are constructed as selfishly and illegitimately seeking to privilege their special interests over the interests of ordinary taxpayers.

The neoliberalised political problematic and citizenship regime set new limits on citizens' claims-making. However, the thesis shows how the discourses of governments of the 1980s and 1990s were shaped by struggles with counter-hegemonic social forces and the party in opposition. For instance, Chapter Five showed that the myth of the democratic association of workers deployed by the workers' cooperative movement was successful in articulating the demands of different social movement groups around the practice of work cooperatives.

However, the movement was unable to transform this myth into a hegemonic discourse capable of structuring the post-Keynesian welfare state mode of regulation. The set of social movement groups explored in this thesis developed out of opposition to some of the negative implications of the Keynesian welfare state mode of regulation. Counter-hegemonic groups opened up the "universe of political discourse" (Jenson, 1991, p.53) to a greater multiplicity of themes, previously excluded during the hegemony of the Keynesian welfare state mode of regulation. However, the discourse strategies of the counter-hegemonic groups explored here both critiqued their exclusion from recognition within the Keynesian citizenship regime and articulated their discourses with the Keynesian welfare state citizenship regime. In this respect, they articulated their discourses within the terms of a faltering discourse, which goes some way towards explaining their marginalisation. Only those counter-hegemonic projects that were able to articulate their goals to the neoliberal agenda succeeded in achieving a limited set of goals. The discursive struggle between the Labour Government and the workers' cooperative movement resulted in the incorporation of a selection of counter-hegemonic demands into their neoliberal restructuring programme involving significant gains for the Maori self-determination movement, equal pay and anti-discrimination legislation and the devolution of decision-making in school administration and local government. Other demands, such as those for cooperative, socially useful democratic forms of enterprise were rendered invisible.

The consolidation of a neoliberal citizenship regime in the 1990s has restructured the environment in which counter-hegemonic groups must operate. In the 1990s the government emphasised how a marketised environment could meet the demands of liberal feminists and articulated neoliberalism with Maori self-determination and devolution. The articulation of these projects to the neoliberal project has reset their course, foreclosing on a number of discourses and projects that were relevant in the 1980s. Counter-hegemonic groups operating in a neoliberalised environment must therefore seek to rearticulate their discourses and goals in ways that engage with and yet rearticulate the neoliberal political problematic and citizenship regime.

Significance of the research

This thesis has applied discourse analysis to examine a concrete historical shift in ideology. It has documented shifts in the form of policy and citizenship discourse that occurred in the 1980s and 1990s, for the most part after the neoliberal restructuring of the New Zealand economy was in place. I have argued that these shifts in policy and citizenship discourses were responses to the need to articulate accumulation, representation and legitimation, which had become increasingly mismatched as a result of the Fourth Labour Government's attempt to pursue social democracy via neoliberal reform (Larner, 1997a).

Reflecting on method

The analysis offered by this thesis rests on a post-Marxist conceptual framework that is not widely used in the political science discipline. Analysis of policy change in the political science discipline tends to focus on the principal actors and political institutions. This thesis demonstrates the limits of a focus on the agents-of-change. The discourse analysis offered here emphasises the significance of ideological discourse strategies in struggle as a driver of policy development. This application of the expanded post-Marxist conception of discourse and discursive struggle has highlighted a number of features of New Zealand's neoliberal restructuring that have not been explored until now, particularly, how the process of winning hegemony involves the expansion of the hegemonic discourse through struggle and articulation within the political field. In the process of articulatory expansion, counter-hegemonic projects and moral frames were reconfigured. A perspective on New Zealand's neoliberal restructuring is offered here that foregrounds the role of political identity

formation and contributes to novel understanding of the strategic, ideological context of policymaking.

According to Tickell and Peck (2003), neoliberalisation describes a concerted political programme to promote and defend the spaces of market and market-like rule (p.167). This definition underscores the need to explain the political dimensions of processes of neoliberalisation. The shift from a social democratic to a neoliberal hegemony in New Zealand was rapid and abrupt creating representation and legitimation deficits for neoliberalising governments. While structural factors are of crucial importance for understanding the impetus to redesign New Zealand's wage earners' welfare state, ideological discursive shifts also require explanation (bearing in mind the inextricability of structure and ideology). A Post-Marxist theoretical framework makes possible an analysis of the dislocatory events and the discursive conditions under which new myths and social imaginaries can emerge. It sheds light on the how discursive articulation proceeds via the logics of equivalence and difference and highlights the role of social antagonism in constituting political identity, thus, offering a way of examining how a new pattern of social regulation and citizen representation was consolidated in New Zealand during the 1990s.

This approach proved useful because it provided a way of understanding ideological transformation as proceeding from (1) strategies that articulate different discourses in transformative ways, and (2) the ordering of social antagonism as constitutive of political identity. Post-Marxist discourse theory was applied here to analyse discontinuity in policy and citizenship discourses and has definitively shown how articulatory discourse strategies connected the neoliberal policy paradigm with discourses of citizen subjectivity. This analysis has revealed the significance of the discursive ordering of social antagonisms to processes of representation and political identity formation and has drawn attention to how these processes have contributed to hegemonising the ongoing direction of neoliberal reform in the New Zealand context.

This account of how the neoliberalisation of New Zealand's citizenship regime proceeded indicates broader and cross-nationally generalisable features of ideological discursive struggle directing processes of neoliberalisation. They include the expansion of neoliberal discourse through processes of articulation, the political exploitation of social antagonism in the restructuring of citizen subjectivity, and the way the decontestation of the ongoing neoliberal direction of regulatory policy proceeded out of discursive struggle between contesting strategies over moral positions. It seems plausible that these political ideological processes might find other empirical referents in other countries which have experienced neoliberal reforms.

The thesis has shown how neoliberal discourses articulated with other discourses, particularly social democracy and discourses promoting its radicalisation, and demonstrated how these articulations consolidated the hegemony of neoliberal discourse through its expansion from a discourse about economic regulation to a legitimising moral framework, thus, enabling it to function as a space of representation for all societal demands. The findings indicate future research directions, in particular the distinctive features and outcomes of hegemonising articulatory discourse strategies, the role of the political ordering of social antagonism and struggle over moral values in other national experiences of neoliberalisation.

By reflecting on the discursive limits and the political ideological dimensions of New Zealand's process of neoliberalisation, this thesis endeavours to intervene in the neoliberal direction of New Zealand's policy development. The significance of cross-national studies into the political ideological dimensions of neoliberalisation also relates to the need to map the strategic terrain for counter-hegemony. Recognition of *how* neoliberalisation proceeded ideologically allows consideration of strategic opportunities for alternative projects more consistent with social citizenship and democratisation.

Articulating the relationship between the state and the citizen

This account of the articulations and displacements of meaning that established the taxpayer as the universal privileged identity in political discourse has demonstrated how hegemonising projects seek to dominate discourse by offering a chain of related subject positions such as parent, worker, entrepreneur etc. overdetermined by, in this case, a taxpayer identity. This selection of articulated subject positions represents people's experience. As a mode of political identification it gives the 'universe of political discourse' an appealing intelligibility and predictability that generates feelings of security, belonging and purpose in those who identify with it and thereby provides interpretive and emotional inducements for people to actively identify with it.

The discourse of the taxpayer empowers those who identify with it because it offers them a set of democratic demands that logically follow from this identification. The identity of the taxpayer shapes the demands of the other subject positions. For instance, parents' demands for better education become taxpayers' demands for choice and quality in a competitive education market. Demands made in the name of democracy become demands for accountability to the taxpayer. Demands for fairness become demands for tax cuts. The taxpayer became the space of representation through which an increasing number of societal demands were expressed. Furthermore, the taxpayer mode of political identification structured social antagonism, providing fictive others who represented the antithesis of this taxpaying community. In this way, the taxpayer identity provides those who identify with it a sense of moral superiority and projects their fears and frustrations onto the domesticatable problem of the welfare-dependent unemployed. This process of othering displaces the unpalatable recognition of the costs to our existence of a neoliberalised environment.

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Limitations of this research and paths to future research

The politics of New Zealand's neoliberal transformation were explored in this thesis primarily through an analysis of the discourses of politicians, particularly the debates between the dominant Centre-Left and Centre-Right parties. Parliamentary debates, in particular, have a complex distribution with an audience of mostly political supporters, allies and opponents, mass media and an international audience. While the polyvalence of the discourses of parliamentarians was useful to an analysis that focused on ideological discourses as strategies, because the statements of politicians in the House are quintessentially strategic, parliamentary debates can be incoherent and politicians' statements can lack ideological integrity. A focus on the discourses of the two dominant parties reduced this drawback as the minor parties exhibit the most ideological inconsistencies. While this served as a rationale for ignoring the discourses of minor parties in this study, a more comprehensive study could examine the role of minor party discourse strategies in structuring the political field. Such an expanded study could specify the effects of minor party discourse on the development of the dominant parties' discourses. An investigation into the minor parties which position themselves at the centre could contribute to a fuller understanding of discourse strategies that seek to profit politically from stitching together multiple and contradictory ideologies. An analysis of the discourse strategies of those parties positioned on the poles of Left and Right, on the other hand, could provide insights into their role in defining the historically relative limits of political contestation. These proposed investigations could further our understanding of the nature and strategic opportunities of New Zealand's relative form of the Left/Right dynamic especially within a proportional representation electoral system based in inter-party coalitions and alliances between major and minor parties.

Analysis of the citizenship discourses of Labour and National politicians during the late 1990s when the neoliberal legislative reforms were in place, revealed the moral and emotional dimensions of ideological discourse. Future research should therefore

focus not just on the interpretive aspects of discursive strategies but take account of the emotional needs that are met by a particular mode of identification. Future research might also inquire more directly into the transformation of popular consciousness by investigating the multiple and perhaps unforeseen ways neoliberal subject positions have been actively taken up.

The empirical focus on the discourses of politicians runs the risk of affirming the idea that citizenship regimes and the modes of identification they establish become embedded through their mobilisation in the rhetoric of politicians. While this is not the case, politicians play a strategic role in integrating the plurality of included identities with their parties' political programme. For this reason the discourses of politicians are highly pertinent to a study of changing citizenship regimes. While this study of citizenship discourses has privileged the ideological discourse strategies of politicians, Chapter Five was an attempt to recognise the multiple and contested nature of citizenship discourse by drawing attention to the struggles between the Fourth Labour Government and social movement groups. The significant role of counter-hegemonic discourse in the restructuring of unemployment in the 1980s contrasts with the restructuring of taxation in the 1990s in which counter hegemonic discourse barely featured at all. The dwindling role of counter-hegemonic discourse in the 1990s can be explained by the distinctive roll-out phase in the cycle of hegemonic consolidation that the 1990s represents and yet future research could usefully investigate further how and in what circumstances counter-hegemonic discourse can assert itself and become politically relevant. In this regard, in Chapter Five, a number of articulatory strategies were flagged but were not fully explored. In particular, a more comprehensive study would analyse a larger set of counter-hegemonic discourses and could therefore offer a deeper analysis of the articulations between the Government's neoliberalising project and both liberal feminist agendas and radical democratic supporters of devolution. A more comprehensive study could also offer a more nuanced understanding of how and why counter-hegemonic discourse does or does not become politically relevant. Further a more comprehensive study could explore the implications of changing discourses of

citizenship for counter-hegemonic strategy. Research of this nature could investigate the extent to which counter-hegemonic organisations have been forced to adopt the discourse of taxpaying consumers in their lobbying of government and analyse the consequences of this engagement for counter-hegemonic projects. Such research could usefully assist counter-hegemonic groups in negotiating hegemonic discourse in ways that transform the terms of hegemonic discourse and counter the tendency for counter-hegemonic discourse to be re-articulated in ways that serve the neoliberal hegemony.

Additionally, we could expect that similar discursive practices would find empirical referents in other policy contexts. Therefore, future research could usefully pursue the application of the post-Marxist theoretical approach to other policy fields such as the social construction of the targets of immigration, education, health, etc. both in New Zealand and cross-nationally.

This research has critiqued the currently hegemonic conception of citizenship that is grounded in the rights of taxpayers, which articulates freedom with consumer choice and a capitalist ethic of enterprise and competition as the basis of our collective identity. New discourses of the citizen must be mobilised that rearticulate democracy with cooperative forms of work and social organisation and counter racist, sexist and narrowly or ultra nationalist discourses. These new citizenship discourses need to build alliances between socially diverse groups and challenge the institutionalisation of forms of exclusion, be they imposed by the state or the market.

This analysis of the way social antagonisms are constituted in citizenship discourse draws attention to the limits of the taxpayer citizen identity. The construction of a feminised, racialised, unemployed other as the internal limit of the ordinary New Zealand taxpayer citizen points to what needs to be repressed if the neoliberal mode of regulation is to be consolidated. The disavowal of the work ethic, the refusal to compete in the labour market and the desire for leisure time is what subverts the universal taxpayer identity and must be projected onto the other. This polarisation of

the social is not only illegitimate but points to the costs of becoming socially respectable taxpayers in a neoliberalised environment. The moral dictum to work harder and longer fetishises work, constructing an artificial division between work in and for the market and socially useful work outside it, which is responsible for decimating family and community life leading to social disintegration. A counter-hegemonic rearticulation of citizenship must disrupt this link between paid work and citizenship and assert the need to foster a socially useful third sector that recognises the value of unpaid work to the enrichment of family and community life.

Postscript

The centre cannot hold: New developments since 2000

During the 1990s, New Zealand's long-standing wage earner welfare state was transformed in line with a neoliberal mode of regulation. Post-2000 there has been both continuity and change. The present Labour Government has put in place a wider range of incentives to paid work such as childcare and tax credits whilst maintaining the majority of the social policy reforms put in place by the National-led Governments of the 1990s. Labour has continued to regulate the unemployed in the interests of competitiveness by maintaining an active assistance approach and continues to draw in Domestic Purposes Beneficiaries, and sickness beneficiaries in order to expand the size of those actively seeking work. It has also attempted to draw in non-beneficiary groups, particularly stay-at-home mothers, by offering increased childcare subsidies in the *Working for families* package of policies being rolled out between 2005 and 2007 (New Zealand Government, 2005).

The current Labour government has maintained continuity with the 1990s in privileging a universalised taxpayer identity but has de-emphasised business and entrepreneurial taxpayers in favour of the family taxpayer. Labour's *Working for families* package of policies privileges the responsible taxpaying parent who cares emotionally and materially for his/her children, who supports their education and keeps them healthy and safe while ignoring non-taxpaying beneficiaries. A key subtext to this discourse is the continuation of a social antagonism between members of a taxpaying majority who accept their responsibility in this regard and the abject underclass of unemployed beneficiaries constructed as absconding from their responsibilities towards their children. This citizenship discourse represents continuity, in its emphasis on taxpaying parents in opposition to unemployed beneficiaries, especially those on the Domestic Purposes Benefit. On the other hand, this discourse represents change, in terms of the privileging of the family taxpayer that seeks to build a community of taxpaying parents based on responsibilities toward

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children and articulates with a broader policy direction emphasising sustainability and economic stability. Labour's emphasis on children allows them to both continue to commit to a social democratic articulation of equality of opportunity and social justice that asserts the need to treat people according to their needs while at the same time pursuing a workfare approach that abandons the social democratic commitment to distributional equality and the democratisation of work. In Labour's social democratic dialect of neoliberalism, work is to be organised according to market principles, and equality of opportunity and social justice are to be pursued via the treatment of children, particularly in the areas of health and education.

Labour has departed from the approach of the National-led governments of the 1990s insofar as it has de-emphasised the personal characteristics of the unemployed, but it continues to construct taxpayers in opposition to beneficiaries. The *Working for families* package also contributes to reducing the costs of employing the peripheral workforce. This approach has contributed to maintaining the downward pressure on wages by subsidising employment at the lower end of the labour market. The reserve is therefore larger, more actively connected to the labour market and subsidised. Labour's push to reintegrate stay-at-home mothers also aims to generate further demand at the lower end of the labour market as working parents require childcare and home help services. Thus mothers' return to the labour market generates service sector employment. This strategy aims ultimately to reintegrate beneficiaries into the paid workforce.

National in Opposition continues to represent taxpayers in opposition to special pleaders. National's targeting of unemployed beneficiaries as representing the internal border of citizenship has shifted, in a time of low unemployment, to a greater emphasis on unemployed Maori beneficiaries. In what has become known as the Orewa Speech of 27 January 2004, then National leader Don Brash critiqued the "treaty grievance industry" and portrayed Maori claims against the state as a perpetual dispute that requires resolution once and for all (Brash, 2004). This discourse assumes that the assertion of a separate Maori identity will become

unnecessary once a finite number of disputes are resolved. National's racist nationalist discourse also constructs an urban Maori underclass as the bearer of social disintegration. Examples of Maori beneficiaries perpetuating child abuse and benefit fraud are politically exploited to confirm this perception which recasts the antagonism between Pakeha and Maori values as a division between the Pakeha moral community and the Maori anti-community. National's ordering of social antagonism continues to generate an opposition between responsible taxpaying citizens and the welfare state, constructed as designed to address the differentiated needs of raced, sexed, classed, non-taxpaying and increasingly amoral citizens.

The 2005 general election was notable in its targeting of taxpayers constituted as burdened by the need to finance the welfare state. Tax cuts dominated the election contest with both major parties deploying pocket book strategies designed to appeal to taxpayers. National's and Labour's internet sites offered prospective voters a calculator for calculating the effects on their personal incomes of each Party's proposed policies. In this way, both Centre-Right and Centre-Left parties reinforced a discourse of citizenship that privileged the individual taxpayer.

The 2005 election contest articulated National with individual, self-responsibility and Labour with continued defence of the welfare state against further neoliberalisation. The centrality of tax cuts for the contest between Labour and National represents further neoliberalisation because support for tax cuts in opposition to the welfare state articulates the idea that once the welfare state is completely dismantled, individuals will become self responsible architects of their own destiny. The surge in support for National during this campaign indicates that the centre continues to move in a neoliberal direction.

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