

When the "losers won" – and the loser lost: the first post-baby-boomer election

Background notes for Victoria University post-election conference

Colin James, 6 December 2017

This was the election the "losers won", the National party and its devotees, apologists and puppets grumped when Winston Peters and his New Zealand First party decided to coalesce with Labour. National got 44.4% of the vote to Labour's 36.9%.

But did the "losers" win or did the "winners" win?

History offers a pointer. In 1928 the Reform party won 34.8% of the vote and the United party 29.8% but the United party took power with 33.8% of the seats, with the backing of the Labour party which won 26.2% of the vote and 23.8% of the seats. The "losers won", Reformers might have said.¹

In 1978 the Labour party won 40.4% of the vote to the National party's 39.8% and in 1981 Labour won 39.0% to National's 38.8%. But National won 55.4% of the seats in Parliament in 1978 and 51.1% in 1981. After both elections National was in power.

In all those cases the government was considered both legal and legitimate.

Count the 2017 votes. The combined vote of the four parties in the National-led 2008-17 government was 46.2%. The combined vote of the "losers" – Labour, New Zealand First (7.2%) and Greens (6.3%) – was 50.4%, a margin of 4.2%. All three "losers" promoted significant or substantial change from the National government's policy settings. So the vote for change was a majority of the party vote. Adding the Opportunities party, which promoted even more change, brings the total vote against the 2008-17 government to 52.8%. Moreover, the Maori party had indicated it could swing to Labour if necessary, which slices another 1.2% off National. (For the record, all the rest totalled 1.0% and at least half of those wanted big change from National.)

This majority for change applies even if it is accepted that some New Zealand First voters expected and/or wanted it to go with National. A 24 October-1 November Horizon poll found 57% were positive about their party's choice of Labour, 20% were negative and 24% neither negative nor positive. So, of those with an opinion 74% backed Labour and 26% National. Even discounting the new government's vote by that 26% (which is 1.9% out of New Zealand First's 7.2% vote) and assigning it to National puts the new government ahead of the National side by 48.5% to 48.1%. Making the same adjustment on the basis of a pre-election Colmar Brunton poll on 2-6 September, which divided 65%-25% Labour over National (72%-28% of those with a view) produces a 48.4%-48.2% lead. Those Horizon and Colmar numbers match New Zealand First's tone these days. If you talk to delegates to the party's annual convention and had to assign them either to National or Labour, you would assign most to Labour. And overall the policy platform was nearer Labour's than National's.

Next, ask the people after the government was formed. In the first polls large majorities said the country was going in the right direction, not down the wrong track: 65%-17% in UMR Research and 66.5%-20% in Morgan. In other words, New Zealand overwhelmingly thought the winners had won.

So the government is not only legal but legitimate. It won.

And the loser lost.

Could National nevertheless have leveraged its 44.4% into a governing coalition? For Winston Peters National was, or at least used to be, "family", as Michael Laws put it.² Peters first campaigned for National in 1975 in Northern Maori. Despite differences with the leadership and being sacked from the cabinet in 1991, he wanted to stay National. But he was expelled from the National caucus in September 1992 and banned as a candidate in March 1993.³ After the first MMP election in 1996 when both National and Labour were far short of a majority, Peters chose to reunite with his "family": New Zealand First, which he formed in 1993, coalesced with National.⁴

Moreover, National usually prizes power over principle so might logically this time have accommodated enough policy changes for Winston Peters and New Zealand First to be able to justify to voters choosing National. National could, and apparently did, offer one or two seats to New Zealand First on the same basis as it had with ACT and United Future from 2011 to 2017. And Peters and some of his MPs held the Greens in high suspicion and were unconvinced about Jacinda Ardern.

All those factors gave reason to think National could win the auction.

But, unlike in 1996, New Zealand First was no longer a "one-man party" so the choice was not Peters' alone and some in the party did not want to go with National. There had been significant cooperation between New Zealand First and Labour and between its leading spokespeople through the 2014-17 term. Peters and New Zealand First had worked well with Labour in 2005-08. And New Zealand First MPs had cause to worry about being dragged down by association with a fourth-term government, possibly out of Parliament as in 2008.

Moreover, National had treated Winston Peters and New Zealand First as opposition in Parliament and on the hustings. National campaigned through the term to wrest back the Northland electorate seat it lost to Peters in the by-election in March 2015. Then in July Newsroom and Newshub reported that officials had told the Minister of Social Development, Anne Tolley, and the Minister of State Services, Paula Bennett, of irregularities in payments of national superannuation to Peters. On 7 November, after the government was formed, it emerged that the day before election day Peters' lawyer, Brian Henry, signed documents to obtain court orders to identify the origin of the July news item for an action for breach of privacy. Peters suspected the origin was a minister's office. Papers were served on 7 November on Tolley and Bennett, on Bill English and his prime ministerial chief of staff, Wayne Eagleson, on Steven Joyce, who was National's campaign chair, and Clark Hennessy, National's campaign press secretary, on the chief executive of the Ministry of Social Development, Brendan Boyle, and on two journalists. While Peters could have withdrawn the legal action if in coalition with National, his pre-election action raised doubt as to how seriously he had negotiated with National and whether he had used those negotiations in effect to wring more concessions from Labour, as he had done in reverse in 1996.⁵

Whatever the reason, National did not win Peters or New Zealand First. However improbable Bill English thought a 37-year-old woman he sneeringly derided as "stardust" could build a working partnership with a conservative man of 72, she did.

The loser lost.

The reaction of many in National was nevertheless to claim a moral victory that had somehow been stolen from it.⁶ National turned out a bad loser. In opposition in the weeks leading up to this conference National was obstructive and negative. It reversed its pre-election initiative to reduce the numbers on select committees and, to get its

way, threatening to block the election of the Speaker. It blustered that the government was being secretive when actually in government it had set new standards of obstruction to Official Information Act requests. It not only backed an extension of parental leave which Bill English had blocked by applying a fiscal veto⁷ after a Labour bill had won a majority in the previous Parliament but also claimed Labour was unfair in not including an amateurish National amendment to allow parents to share the leave. Bill English's claim that National would be constructive in opposition was essentially defined to be what National considered constructive in defence of its 2008-17 policy positioning.

This followed two ploys in the campaign: that there was an \$11.7 billion hole in Labour's fiscal plan – which no economist could find – and that Labour would raise income tax when all it was planning was to undo a cut National planned for April 2018. The second one moved TV3 political editor Patrick Gower to an extraordinarily trenchant, graphic refutation on the 6pm news. When in the last leaders debate on the Wednesday before the election English continued to assert a Labour fiscal hole and tax rise he diminished himself, as had Steven Joyce as campaign chair.

The ruse did work – up to a point. Labour found that some voters considering voting for it reconsidered. Its opinion poll support dropped. Jacinda Ardern and Grant Robertson retreated on Labour's tax policy, promising to put to voters in the 2020 election any changes to come out of its proposed wide-ranging working group that would examine wealth, capital gain and other taxes. They assured voters the family home and land it was on would not be taxed. Ardern's "Let's do this" campaign slogan began to look like: "Let's do this but not yet and maybe not at all."

But the ruse did not knock Labour out, as the final voting figures and coalition negotiations showed.

The loser lost.

But what if National had won a fourth term, as it expected to up to 31 July when leading Labour 45%-24% on poll averages?

In late July I was planning a column on plans by some senior Labour MPs to put Jacinda Ardern into the leadership quickly after the election (and possibly for her to have a baby). That assumed Andrew Little would lead Labour to a 100-year low, akin to the German Social Democrats' 20.5% score in Germany's election the day after New Zealand's, and that National would get a fourth term in government – with a 24%-25% margin over Labour.

Ardern's promoters reckoned her innate qualities would then lift Labour back to poll competitiveness with National as millennials' and others' frustration with policy settings increased and as fourth-term wear-and-tear eroded its support. This assumed Bill English's "more with less" fiscal clamp would be even more evidently "less with less" than in the third term (illustrated by rising hospital deficits but spread across much of the public service). It assumed the economy would likely slow as net migration slid off its alpine peak, more so if there was a drought-driven recession or a global shock and that that would compound the homelessness and poverty that had gained media prominence from 2016 through a hysteresis effect.⁸ So, in this scenario tensions would have grown inside the cabinet and over the leadership, the more so since National would almost certainly would have needed New Zealand First for a majority, given the Maori party's and Peter Dunne's decaying grip on their seats (if, indeed, they had still been able to hold them, which was not assured), and New

Zealand First would probably have had 13-16 seats and so a bigger voice in the coalition National would almost certainly have had to form with it for its fourth term.

In this what-if scenario it was thought probable Jacinda Ardern as Labour leader would have won power in 2020 with the Greens and with a mandate built on thought-through forward-looking reforms – despite starting off a 24%-25% gap behind National. Given the actual election result, with Ardern already leader, if Labour were now in opposition and, with the Greens, starting only 1.2% behind National, defeat of a fourth-term National government in 2020 would have been even more likely.

In short, if Bill English had won the coalition auction, that would have delayed, not staunched the underlying change running through this election. The baby-boomers' time was up and English and his contemporaries were the last of the baby-boomers.

Jacinda Ardern, 37 years old, epitomised this shift. But she is not alone. The 2017-2020 Parliament is markedly younger. So, is the cabinet and the ministry, septuagenarian Winston Peters aside. A page has been turned. English is on the wrong side of history. Ardern is on the right side.

The loser lost. The winner won.

Jacinda Ardern is the personification, and magnifier, of that shift in history. She is an unusual compote of personal and political attributes, as became clear to those who got to know her before she got to the top when many who did not her scoffed: "What has she done?" Ardern is intelligent, a sponge of information, able process it intellectually, store it and talk it. She says what she means. She is firm, direct, warm, smart and funny and never superior or nasty, though you can be in no doubt of her moral foundations and positioning. She is human, talking candidly in mid-2017 of her struggle with anxiety to a magazine and being straight-up about her wish to have children. Her eyes come straight into yours, conveying something of those inner qualities, even if off a stage or through a screen. She is both the kid next door and the neighbourhood tone-setter. When her cat, Paddles (sadly, on November 8, a road-kill victim), took to Facebook, the tone was warmly funny. With a less authentic person it would have looked contrived and silly.

Jacinda Ardern did not show all that off while still a rank-and-file MP and even while deputy leader from March to July, though her speech to Labour's pre-election congress on 13 May⁹ gave those who took notice a glimpse of what was to come. So when on 1 August she burst out of her chrysalis as party leader and burst on to people's television, laptop, tablet and smartphone screens, there was a collective gasp.

She captured the media at her first press conference with her clarity, accomplished assurance and directness. Selfie-seekers, especially among the young, thronged her wherever she went after that. Volunteers and money showered Labour's campaign organisers. In mood and numbers, the campaign opening was like none I have seen in my 15 previous elections. It was as if a thick, dark curtain had been pulled back to let midday summer light in on Labour.

Jacinda Ardern was – is – a shaft of sunlight through the long shadow of the baby-boomers.

She is young enough to be "adjacent" to the 18-29-year-olds, only about half of whom vote, though in 2017 6.1 percentage points more of those who enrolled (who totalled 76% of those eligible) did vote and, given the clear lift in special votes for Labour (and to a lesser extent, the Greens), some of that is likely to have been a response to

her campaigning. She was a clear break with the past, like a Justin Trudeau (who took the faltering Canadian Liberals to government in 2016) or an Emmanuel Macron (who in 2017 went from near zero profile to President of France and then hauled a majority of his less-than-a-year-old En Marche party into the Assembly).

But also for the many over-40s and over-50s who have never been comfortable with hardline market-liberalism, or who have grown uncomfortable with it over time, Jacinda Ardern offered a whiff of a possible reconstitution and refashioning of social democracy and thus redefinition of the Labour party. In that, she projected something of the Bernie Sanders surge against Hillary Clinton for the Democratic nomination in 2016 and the Jeremy Corbyn capture of the British Labour party which went from the doldrums to a close second in the June 2017 election.

When in her campaign opening address, which she wrote herself, she talked of climate change as "my generation's nuclear moment" she compactly brought together those older and younger cohorts.

The international media swarmed, in person and in requests by phone and skyped interviews to learn about her.¹⁰ On the basis of her first week as Prime Minister – of a tinpot country of 4.8 million people – Forbes magazine rated her thirteenth most powerful woman in global politics.

Two Labour luminaries very close to her personally – one in the organisation and one in her cabinet – told me during the campaign they had been surprised by what they found in her in her new role, then told me after the coalition negotiations they were surprised again by her command of that process. So I, who had for some years argued she had it in her to go to the top when she decided she wanted it 24/7, stopped being surprised at being surprised.

So this was Jacinda Ardern's election. For a matcher you have to go back to Michael Joseph Savage and perhaps Richard John Seddon. She may even have it in her to be bigger than her mentor, Helen Clark, though it is far too early to say that: Norman Kirk's untimely demise is a caution that she might crash. She is a macropersonality, both in our politics and also in some sense floating above it. Sir John Key was like that but she is bigger and more substantial than Sir John.

But something bigger and longer-reaching than Jacinda Ardern marks this election: the youth-ing of Parliament.

I titled my contribution to the post-2008 election conference: "The last baby-boomer election".¹¹ The 2008 election saw off the quintessential baby-boom Helen Clark and Sir Michael Cullen and a raft of similarly aged figures. I noted that Sir John Key and Bill English were at the tail end of the baby-boomers, having been born in 1962, but I expected them to be transitional to the next generation. Instead they stuck to the market-liberal economic line the baby-boomer post-1984 fourth Labour government dropped on voters.¹² Moreover, it could be said that the baby-boomers cast a long shadow, reaching down over anyone in their early 50s today.

That shadow reached over Andrew Little so he could not lead Labour out of the shadow. Little deserves high praise for his conduct in the campaign and since. He did not retreat, hurt, to the sidelines. He was highly visible at Ardern events, vigorously applauding onstage. He joined the cabinet enthusiastically. That showed a rare courage and solidarity.

Still the tail end is not the whole. The end for the baby-boomers' control of politics

was looming into view in 2008. And now the next era is upon us.

At the end of the last Parliament, 13 MPs were under 40. At the beginning of this Parliament 25 are. That is 21%, one-fifth of Parliament. Add in the 19 40-45s (by my calculation): those under 46 total 44, 37% of the new Parliament. Since anyone 48 or under is out from baby-boom shadow, that suggests that by next Parliament the post-baby-boomers will be a majority.

Altogether, 10 Labour MPs are under 40 and 11 are 40-45. National has nine under 40 (one under 30) and will get one more if a list MP retires and four are 40-45. Of the Greens' eight MPs, four are under 40 (one under 30) and two 40-45. New Zealand First has one at 35 and one at 43. ACT's David Seymour is 34.

Most of the leading lights in the cabinet and ministry are definitely post-baby-boom. And the next real leaders of the National party will be, when the party settles.

So this election is: "The first post-baby-boom election."

Nowhere is this clearer than in the Green party.

The Green party started as the Values party in 1972 as a youthful challenge to established values. It got settled as an enduring party in Parliament under baby-boomers Jeanette Fitzsimons and Rod Donald after 1999. The election as co-leader of James Shaw, now 44, in 2015, coupled with the retirement of some of its older MPs in preceding elections, pointed towards change. In July Metiria Turei underlined a policy promise of an ambitious increase in social assistance by recounting her own ripoff of a welfare benefit when a young solo mother without having first owned up and settled it. She then was found to have committed electoral fraud in 1993¹³ and was shamed into resigning as co-leader and from the list. Shaw became sole leader. Notably, one of his two co-ministers outside cabinet is Julie-Anne Genter, who is 37 (and very smart). (Eugenie Sage, the other minister, is a baby-boomer.)

That controversy plus Labour's surge under Jacinda Ardern, halved the Greens' poll support. But it also transferred prominence to Shaw, who, having kept the Greens above 5% and secured the important climate change ministerial portfolio, can remake the Greens' image and rebuild its base. That is critical to the Greens' survival because 45 years on from 1972 Labour has taken over most of the Greens' environmental positioning and National has begun to shift, not least in its thriving Bluegreen ginger group and greater environmental awareness among its younger MPs.

But where does this generational change in the government and Parliament take us? Is this election a case of "all change, for the 2020s" a rerun of the baby-boomers' 1980s radical remake of the previous generation's policy settings?

No. Or at least not yet. The tone set by Jacinda Ardern and her Finance Minister, Grant Robertson, is reformist, not revolutionary.

Nowhere is that clearer than in Robertson's choice of Sir Michael Cullen to chair the tax working group charged with revamping the tax system. Sir Michael is a "third-way" veteran. The Labour-led governments of 1999-08 in which he was Deputy Prime Minister and Finance Minister, settled for accommodating to, and softening the edges of, the 1980s hardline market-liberalism. Sir Michael has a record to preserve and build on. He is not a 2020s prophet or pathway builder.

The first-100-days plan reads more like plugging the gaps in social policy as Labour and the Greens (and, to lesser extent, New Zealand First) see them than a genuine

reach for policies that can address the fragmentary work and income millennials and younger face in the 2020s. That is despite Robertson's creditable analysis of those issues in Labour's "future of work commission" he headed for two years from late 2014. The questions are on the table. The answers are mainly so far off the standard Labour shelf.

A complication is New Zealand First which is a force against boldness in tax policy and in much else. Winston Peters' focus is on specific grumps, not a brave new world, reactive and even in some respects reactionary. New MP Jenny Marcroft's maiden speech, which for the most part sounded like one a Labour MP could have given, emphasised that her positioning was practical, not ideological.

The New Zealand First constraint on more imaginative and innovative policy may be temporary. In 2020, it might well be eclipsed by the Greens, especially if Winston Peters is not leader in the 2020 election campaign. And New Zealand First is becoming more centrist and practical over time and so less populist and as a result less reactionary (though still reactive). It has a thriving youth branch.

A Labour-Green government, either by itself or with a diminished New Zealand First, would likely be bolder after 2020. It is not out of the question that it might turn out over time to reflect Bill English's "incremental radicalism"¹⁴ – small steps that each do not upset voters but head in a clear direction and over time amount to change that would have been radical if done, or even signalled, in the first six months. (English in fact offered for the 2017-20 term a policy approach that might more appropriately be called incremental continuity.)

An example of the forward path Jacinda Ardern and Grant Robertson are on is their enthusiasm for the work the Treasury has been doing to gear its living standards framework to wellbeing economics, which measures economic success by changes in natural, social and human capital in addition to the traditional financial/physical capital. This is very challenging because measuring those other three capitals is very difficult (some economists say impossible) but if successful over five to 10 years would lead to very different foundational thinking about most government policy.

But that is getting beyond this election and even this parliamentary term.

First, Jacinda Ardern has to navigate the next two and three-quarter years.

She has to manage a three-way government and her two partners are not far clear of the 5% party vote threshold and may get edgy at times if their polling drops below 5%: all small parties in governing arrangements since 1995 have lost votes at the next election and New Zealand First went out of Parliament in 2008. (That could be eased by lowering the threshold to 4% as the Royal Commission recommended in 1986 and the Electoral Commission recommended in 2013 but that might not be welcome to the Labour caucus and the two small partners might fear some voters would feel freer to vote otherwise.¹⁵)

Jacinda Ardern may get drenched by an economic downpour or blown off a cliff by a global hurricane. These are unsettled times.

Ministers will make mistakes and there will be aberrations. Veterans Affairs Minister Ron Mark on 1 November promised money to the Returned Services Association he had no authority for. Education Minister Chris Hipkins on 4 November upset the Iwi Leaders Forum by calling into question a charter school contract the forum backed. New Zealand First Regional Development Minister Shane Jones (in 2014 third-placed

contender for Labour's leadership) on 3 December highlighted a differences with Labour by insisting on "work for the dole" for regional unemployed, which required Jacinda Ardern to resort to tortuous phrasing.

Her Deputy Prime Minister, Winston Peters, will be 75 in 2020 and not the man of 45 when some thought he could be National's leader. While Peters was constructive in the 2005-08 government with Helen Clark, he is showing his age and may not be up to presenting the government, with all its complexities, in her absences. His speeches ramble. An appealing solution, sending him abroad as Sir Winston to Washington or London, might be resisted and New Zealand First would struggle for votes without him (though Fletcher Tabuteau could emerge as a creditable presenter).

So is there a spectre for Jacinda Ardern in the two one-term Labour governments of 1957-60 and 1972-75? First, Ardern is young and fresh and so are the great majority of her ministers whereas the 1957-60 Prime Minister was septuagenarian Sir Walter Nash and Nash's cabinet was a tired hangover from the 1935-49 one. Second, charismatic Ardern is unlikely to die as Norman Kirk did in 1974 and no likely 2020 National leader has Sir Robert Muldoon's television-star populist pull.

More likely, Jacinda Ardern will prove up to her management challenges, both in managing coalition tensions and in not getting offside with too many voters or segments of voters. She is tough underneath her pleasant exterior and firm in her dealings. Most New Zealand First MPs are likely to want to be constructive, if they can contain impulses to dispense unauthorised money and make policy on the hoof ((Ron Mark and Shane Jones above). The Greens under Shaw as principal co-leader, while wanting to make a mark in government, will want to be seen as constructive and so worthy of 5%-plus in 2020, not make the sort of mark that costs Labour votes.

These are not Jacinda Ardern's only challenges.

One is existential – to build a durable voting base that outlasts herself. Since the 1960s Labour has been on a long downslide, with temporary recoveries. Its membership and finances have lifted but remain far below National's. Unions still feed the party but are a shadow of their past selves when they were the party's organisational rock and recruitment agencies. Labour's MPs are predominantly drawn from the educated elite, not from the lower strata of society where many are detached from politics. The election told that story. The biggest two-party swings to Labour from National were in "university" electorates (and in Christchurch but that is better seen as a post-earthquake return to normal). In Labour's lower-class Auckland "strongholds" the picture was clouded: across the three south Auckland electorates the two-party Labour-National swing was marginally towards National and in west Auckland the swing to Labour was less than half the 10.5% national average. In those electorates turnout was well below the national average and it is fair to assume enrolments were, too: total votes were low. The Labour vote did actually rise in those areas and there are other factors, including the sprinkling of enclaves of better-off National-leaning people and/or growing numbers of ethnic Asians who increasingly lean National (which itself poses a question as the Asian population rises). But that still leaves Labour a challenge to cement its base if it is to build itself into a regularly 40%-plus party.

Labour also lacks direct representation outside the metropolitan areas. The two-party swing from National to Labour was slightly higher in provincial cities as a group and in the provinces outside those cities than the national average (and significantly higher

on a National-to-Labour+Green basis). But Labour has electorate MPs only in Napier, Palmerston North and West Coast-Tasman. It has 29 electorate MPs and 17 list MPs: that is, a third of its MPs are list MPs compared with only a quarter of National's. The good news for Labour is that there is an opportunity to build that provincial presence through able, assertive new MPs such as Jan Tinetti and Angie Warren-Clark in Tauranga and the Bay of Plenty, Willow-Jean Prime in Northland, Kiri Allan in East Coast and particularly Gisborne, Jo Luxton in Ashburton, Liz Craig in Invercargill, Jamie Strange in Hamilton and Kieran McAnulty in the Wairarapa. But for that to work the party and the MPs will have to build membership and connections, as Stuart Nash has done in Napier. And across swathes of the country Labour has no list MPs.

The "Labour stronghold" and provincial seats factors underline Grant Robertson's point on the Monday after the 2014 election: that Labour "needs to be part of the communities we live in". Robertson unquestionably is. Mostly, Labour is not.

A second challenge for Labour and Jacinda Ardern is to convince the rising generation that it is genuinely a party of the future, not just one which fixes up the present. As noted above, in its early weeks it has looked reformist rather than revolutionary, as the baby-boomers were in the 1980s. If Labour doesn't live up to the need for first-principles policy changes for the 2020s, that could open space for a competitor. That the Opportunities party, promising radical change, could get 2.4% in a tight election underlines that. Could an Opportunities-like party bite off a bigger slice of Labour's vote in the 2020s if it is not seen as up with the changing 2020s play?

A third challenge for Jacinda Ardern is to lock the Maori electorates and their voters' expectations into Labour in a way that doesn't leave space for another raid, as when New Zealand First scooped the lot in 1996 and the Maori party won four in 2005, then five in 2008. That means treating the electorates as Maori seats that happen to be Labour, not Labour seats that happen to be Maori. Jacinda Ardern is fully aware of that need. She appointed five Labour Maori ministers, with interlocking responsibilities for Maori development, issues and arts-culture-heritage: Kelvin Davis is Minister for Crown-Maori relations and Associate Minister of Education (Maori Education), Nanaia Mahuta is Minister of Maori Development and Associate Minister for the Environment (a kaitiakitanga dimension), Penni Henare is Minister for the Community and Voluntary Sector and Whanau Ora and Associate Minister for Social Development, Willie Jackson is Minister for Employment and Associate Minister for Maori Development and Meka Whaitiri is Associate Minister for Crown-Maori Relations. Their other portfolios also often bespeak a Maori dimension.

Will that work? The election mortally wounded an already moribund Maori party, illustrated in its unfortunate choice of Tukoroirangi Morgan as president and his persuasion of King Tuheitia to say he was voting for the Maori party and urge voters to do the same. That pitted the King and the Maori party against the powerful Mahuta family and others of influence. And it did not erase the widespread impression, fanned by Labour, that a vote for the Maori party was a vote for National because of its support of National governments. But if Labour miscues as it did in the 1990s and 2000s, another Maori party could readily arise.

United Future lost two-third of its derisory 2014 vote of 0.22% to end up with 0.07% and disbanded in November. ACT dropped to 0.5% this time and survived in Parliament only because Epsom's National voters yet again indulged ACT leader David Seymour, who might well decide this dead-man walking charade is not for him.

And even if he stands again, will National voters indulge him again? National has some rebuilding to do.

That is not because it scored badly in this election or because it is short of funds and members. Over the past decade or so, National has built a strong base and it got 44.4%. National is far nearer being a "national" party than Labour. Even if it drops below 40% in 2020, it is well-based to remain a strong, broad-based party.

But National now has to make the transition to a next-generation leadership and party. The next generation is in the caucus, as noted above. Early leadership contenders include Amy Adams, who is 46, and Simon Bridges, who is 41. Down the track, Chris Bishop, who is 34, will be a contender. And the new intake includes six under 40 and maybe one more to come if a list MP retires. By 2023 some of those will be leadership contenders. But – unless something happens that takes Jacinda Ardern out, in which case National could be in contention in 2020 – it may take more than one change to settle the leadership down. That will be part of adjusting to opposition, accepting that the loser lost, then, if Labour can win two or three terms, adjusting to a different policy status quo, as National had to do in the 1940s and 1980s. A promising sign for that adaptation is that sensible, post-baby-boom Todd Muller has been made shadow climate change minister, that younger MPs and, so it is said, most of the new intake, are more environmentally conscious and will back more climate action.

And there is good news from history for National even if Labour does get three terms. Each time in the past half-century after a star Labour leader has died (the 1975 election), stepped down (the 1990 election) or been beaten (the 2008 election) National has stormed into office and stayed there three terms.

That history is a reminder to Jacinda Ardern and Labour of a political reality. The winner won in 2017 but in politics a win is only ever for the moment and must be built on moment by moment.

[This is as prepared for the conference on 6 December 2017, with a few textual amendments.]

¹ Reform did later get back into power during the term that began in 1928, through a coalition with United.

² Michael Laws, *The Demon Profession* (HarperCollins, 1998), p373.

³ After being denied reselection for Tauranga, Winston Peters held his seat in a by-election National did not contest, formed New Zealand First in mid-1993. He and Tau Henare (Northern Maori) won seats in the 1993 election, the last held under the first-past-the-post electoral system.

⁴ In theory the 1996 coalition might have been turned into a durable arrangement similar to Australia's Liberal-National coalition but the coalition collapsed 20 months later when Jenny Shipley as Prime Minister sacked Winston Peters. In theory Bill English might have generated a lasting coalition and he is said to have offered Peters one or two electorate seats to ensure New Zealand First's survival if the fourth term did not go well and New Zealand First's vote slumped. National could have dog-whistled its supporters to vote New Zealand First as it did in the 2011, 2014 and 2017 elections for its foster-parties, ACT and United Future and, in effect, for the Maori party, though how well that would have worked for Peters and his party is unclear, given the antipathy towards Peters in the National party.

⁵ Laws, *ibid*, p377.

⁶ The combined Labour-Greens vote was just 2.2% behind National and Labour and the Greens had been operating as a quasi-coalition in opposition, leaving no real doubt they would team up in government if the numbers fell their way.

⁷ Under Parliament's standing orders, "the government may exercise a [financial] veto over any bill,

amendment, motion or change to a Vote [spending allocation] by issuing a veto certificate":
<https://www.dPMC.govt.nz/publications/co-07-2-financial-veto-and-24-hour-rule>.

⁸ "The phenomenon whereby changes in some property of a physical system lag behind changes in the phenomenon causing it"– *Shorter Oxford Dictionary*. So, while market income disparities had not grown significantly since the mid-1990s (after a big widening between the mid-1980s and mid-1990s as a result of radical economic deregulation), the wealth differential had by the mid-2010s become embedded into a third generation.

⁹ Jacinda Ardern, Labour Congress speech, 13 May 2017,
http://www.labour.org.nz/jacinda_ardern_labour_congress_speech_2017.

¹⁰ I did three BBC interviews, four ABC interviews and turned down some, turned down two United States radio requests (because of time zone issues), did two interviews with Nikkei, one with Time Asia and five written pieces for offshore outlets. At most in previous elections there have been two or three inquiries.

¹¹ Colin James, "The last baby-boomer election: Factors and issues in the 2008 election", comments to the Victoria University Post-election Conference, 12 December 2008,
<http://www.colinjames.co.nz/2008/12/12/the-last-baby-boomer-election-factors-and-issues-in-the-2008-election/>.

¹² At the time Jon Johansson, who was organising this conference until he went over to the dark side to be Winston Peters' chief of staff, challenged my "transition" interpretation, correctly as it turned out.

¹³ Nicholas Jones, "Metiria Turei enrolled at false address to vote for friend", *New Zealand Herald*, 3 August 2017.

¹⁴ Bill English, Annual John Howard Lecture to Menzies Research Centre, 26 June 2015,
<https://www.beehive.govt.nz/speech/annual-john-howard-lecture-menzies-research-centre>.

¹⁵ The Electoral Commission also recommended removing the "waiver" under which a party holding an electorate gets seats proportional to its party vote without clearing the threshold.