

# LIBERTARIANISM, KIWI STYLE:

## WHAT CAN BRITAIN LEARN FROM NEW ZEALAND?



TIM STURM

New Zealand's economy is often viewed by libertarians elsewhere as having been the free market envy of the world, at least until recently, thanks to the reform process of the 1980's and 90's. This is an unfortunate view, firstly, because it is wrong, and secondly, because it distracts attention from recent events going on in New Zealand that libertarians should know about. The New Zealand example is fairly unique in a variety of ways that, while not necessarily making libertarian success much more likely, at least make it an interesting case study. The ultimate goal of New Zealand libertarianism is to establish New Zealand, a full libertarian society built on the consent axiom with individual rights protected in a constitution. The strategy for getting there has been an attack on all fronts, from the intellectual and philosophical fundamentals through to direct political agitation. Its biggest success so far has been firstly in establishing itself as what seems to be a permanent fixture, and secondly in raising the general level of awareness and understanding of libertarian thought.

### 1. ROGERNOMICS IS NOT LIBERTARIANISM!

Let me start by exploding a myth about New Zealand's economy: it is not, nor has it ever been, anything remotely approaching a free market. Rogernomics, the name given for the economic policies of Roger Douglas, Minister of Finance in the 1984-1990 Labour Government, is not libertarianism. Douglas was at best a lukewarm free-marketeer and most certainly not a defender of individual liberty. The best analysis I

have seen on the economic reforms is the article "Antipodean Altruism" by Lindsay Perigo, which is also due to be published in the Libertarian Alliance pamphlet series.

The reform process failed because it lacked any underlying philosophy of individual rights. The reformers upheld the same altruistic premises as their socialist counterparts and simply saw free markets as a better means for delivering their altruistic ends. This was famously underscored by a well-known businessman, Sir Robert Jones, who once said to Roger Douglas and a prominent group of reformers something like, "You would all advocate slavery if you thought it would have a good economic outcome." The response summed up the reform movement: Jones was sent a book from one of the reformers explaining how slavery did not in fact lead to good economic outcomes.

As politicians, the reformers remained in thrall to so-called 'political realities', meaning they would renege on any point of principle and simply force through by stealth those reforms they could get away with. Lacking both a coherent individualist philosophy and the backbone to defend any principles they did happen to hold, the reformers found themselves supporting an even bigger state sector and greater intrusions on people's lives than before the supposed free market reforms began. The reforms themselves can be characterised as a reduction in the big, obvious, direct mechanisms of the state, but a massive increase in less obvious bureaucratic regulation.

And through it all the populace remained as socialist as it ever was. New Zealand is populated by 3 million people and 60 million sheep, but many just say 63 million sheeple. When the socialist majority found itself unable to vote out the reform process, since both major parties promoted essentially the same policies, it simply reorganised to have the electoral system changed to the German 'mixed member proportional' style of proportional representation, under which any party gaining more than 5% of the vote obtains a proportional number of seats in Parliament. Inevitably, in the 1999 elections a resurgent left-wing Labour Party was instated in coalition with an even more left-wing party called the Alliance. The reform process is now in rapid retreat, and the sheeple celebrate while the economy collapses (figures out today show quarterly GDP growth as negative for the first time in several years).

Thus when I refer to the New Zealand 'libertarian movement' I do not refer to the earlier reformers or to their newer political guise — a party formed by Roger Douglas in the mid-1990's called ACT, which has managed to gain about 7% of the vote. ACT stands for the Association of Consumers and Taxpayers, however we in the libertarian movement refer to it as the Association of Compulsion Touters. ACT makes the same errors as the earlier reformers — lukewarm support for free-markets, and a philosophy of altruism and sacrifice of the individual instead of one based on individual rights. That the libertarian movement shares some of ACT's economic policies is almost incidental, in much the same way as the fact that we agree with the Greens on drug decriminalisation, which of course ACT opposes.

### 2. IT'S A MORAL ISSUE, DUMMY

Fortunately for those of us with a passion for life and liberty that goes beyond mere lower taxation there is an alternative to ACT's terminally dull full-employment economics. The story of my own discovery of libertarianism is demonstrative of the movement's strategy and style.

I started out from university very much as an economic pragmatist, having by that time been inculcated into the Chicago school of free-market economics. I certainly had never come

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This article began life as a talk given at Brian Micklethwait's home on Friday September 29th 2000. It has also been published in *The Free Radical*, Issue Number 44, November 2000/January 2001.

For further information about the libertarian movement in New Zealand, see the *TFR* and Libertarianz websites:  
www.freeradical.co.nz www.libertarianz.co.nz

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across any libertarian alternatives. In all those years of economic reform I don't believe I ever came across a single moral argument for individual rights. In fact, so far as I know, libertarian thought barely existed in the country prior to the mid-1990's, or if it did it certainly wasn't making itself known.

Then one day I came across a bizarre poster for a new political party, Libertarianz. At first I thought it was a joke. These were some of its policies:

- Treaty of Waitangi to be declared a nullity; Waitangi Tribunal and all Treaty claims to be abolished.

(The Treaty of Waitangi is the 1840 document under which Maori tribes signed over sovereignty to the British Crown. Note that these policies were unique in their opposition to the historical revisionism and political correctness plaguing the rest of the country, under which Maori spirituality and claims for redress for alleged past wrong-doings were held as sacrosanct.)

- Ministry of Education and the Qualifications Authority (NZQA) to be sacked, new curricula and qualifications framework to be shredded.

- All laws pertaining to drug offences except supply to minors to be repealed; all people jailed for such victimless crimes to be released.

- Elimination of bureaucratic scams: Ministry of Women's Affairs, Ministry of Youth Affairs, Human Rights Commission, Creative New Zealand (sic), New Zealand On Air, etc, ad infinitum, to be abolished.

But what really caught my eye was this:

- All taxation is theft. All taxation to be reduced to zero within the shortest possible time.

"All taxation is theft." Those four words hit me like a thunderbolt. This was the moral argument that had been absent from my entire range of experience so far. I thought about it for a few days and argued some of my concerns over with a libertarian colleague. Economics be damned! Within one month I was a fully paid up member of the Libertarianz.

### 3. ONE MAN'S WAR AGAINST THE GUARDIANS

When I signed up for the Libertarianz I sent a letter explaining why I had done so to Lindsay Perigo, at that time leader of the party, which Perigo read out on his talkback show, the Politically Incorrect Show, on nation-wide radio. In Perigo, New Zealand's libertarian movement is gifted with a most natural and charismatic front-man. In fact, the whole country owes him a huge debt of gratitude — the very existence of something that might be termed a libertarian movement is due entirely to the efforts of Perigo and a small group of his friends.

Perigo was already famous in New Zealand, having been the country's premier television interviewer for many years up until 1991. For illustrative purposes you could approximate him as the New Zealand equivalent of Jeremy Paxman, only far better. In 1991 he quit television altogether, famously declaring it "brain-dead", and went into radio. It seems almost impossible to reconcile Perigo, as irrepressible as he is now, with his former inscrutable television persona. His passion in defence of freedom and blistering attacks on its adversaries are legendary. I quote from one of his daily editorials for the Politically Incorrect Show, this one addressed to the populace at large on the day before the last election:

So, sheeple, you're about to elect an even bossier shepherd, with even more ferocious dogs. Well, sheeple, you are pathetic, dumb, gormless non-entities, mindlessly baaaaaa-ing and braying and begging for the shepherd's

commands and the dogs' snarling and biting, surrendering any last vestige of individuality you might still have been capable of ... Nanny State will govern absolutely every aspect of your stunted, blighted lives, because you, you pitiful, simpering blobs of blandness, want her to. Never will the need for a radio programme like the Politically Incorrect Show be greater; never, for that very reason, will it be under greater threat, especially from power-tripping politicians intent on stamping out any criticism and dissent.

Perigo's dulcet barbs have entered into libertarian and often nation-wide folklore. The leader of the left-wing Alliance Party, Jim Anderton, is now widely known as Jim Neanderton, and his supporters as Alliance Retards. Former Prime Minister Jenny Shipley became Headmistress Shipley. The current Prime Minister Helen Clark became Hillary Clark after her namesake in the US, and the capital city Wellington has been renamed Helengrad, 'the home of apartheid'. Perigo made famous in New Zealand the term Nanny State, and even claims to have had visions of Nanny's true identity [holds up picture of Nanny State, complete with crop and whip, from Libertarianz advertisement (*TFR* 21, among others)].

From time to time Perigo receives criticism about his style from other libertarians. I should emphasise that Perigo can be enormously patient when the situation calls for it, such as when dealing with people struggling over some point of confusion about libertarianism, and is superb in rational debate and as an orator in general. However, he makes no apologies for his style. This was his response to criticism of his reference to a government minister as 'Tobacco Oberführer', and 'a Nazi bitch':

I want to say here and now that I am utterly unrepentant about my anger. What is wrong in this country apart from what the politicians are doing is that not enough people DO get angry. It is not a case of anger versus intelligent analysis — it is a case of intelligent analysis giving rise to the anger. Analysis for its own sake is worthless unless followed up with actions prompted BY the analysis and the emotions it has quite properly fuelled.

Moreover, Perigo is above all else a lover of life. His most lyrical moments are often reserved for those who perform feats of inspiration or take positive steps to advance freedom. On the highest of such achievements he often pronounces his own personal and highly coveted "Free Radical Award". I quote from a recent editorial during the Olympics:

I want to ... salute those who, in the face of formidable hurdles placed in their path by the politicians and bureaucrats, choose to enter business and run the race nonetheless. They are pilloried in stocks rather than honoured on daises — but their sales are their applause, their profits their medals, and their advertisements their showcase. In truth, like those gallant men and women on the fields and waters of the Olympiad, they are heroes.

### 4. THERE IS NO REASON/PASSION DICHOTOMY IN NEW FREELAND!

The Free Radical Award comes from what Perigo identifies as his proudest achievement, his magazine, *The Free Radical*. If Perigo's radio show is the mouthpiece of libertarianism in New Zealand, *The Free Radical* is its intellectual banner.

Perigo opened issue 1 of *The Free Radical* with these words:

"The trouble with you, Lindsay," a prominent businessman informed me recently, "is that you reduce everything to an issue of freedom."

Perigo's response?

Yes, we shall — proudly — be reducing everything to an issue of freedom. And we shall frequently be reducing freedom itself to issue of ethics, epistemology, and metaphysics ... the fundamental branches of philosophy. Philosophy, as you encounter it in these pages ... will be a living, breathing, vital discipline in the tradition of its finest practitioners. Philosophy in the service of freedom.

The driving philosophy you will find running through *TFR* and indeed much of the libertarian movement is Ayn Rand's Objectivism, or at least, it is Ayn Rand's philosophy of Objectivism with slight adjustments and question marks where appropriate. For there are big differences between New Zealand's Objectivism and Objectivism as it is espoused by the main institutions in the US.

Firstly, unlike the Ayn Rand Institute, there is an explicit tolerance for the shared goals of libertarianism and Objectivism. I quote to you from none other than Leon Louw, who spoke at the last Libertarian Alliance meeting three weeks ago:

Not all libertarians are Objectivists ... Libertarians might believe in god/s, ESP and UFO's; they might have a predilection for subjectivity, and they might be liars, altruists, hedonists, homophobes, faith healers, racists, misogynists, astrologers, or spaced-out junkies. If so, they can be solid libertarians, but they are not Objectivists. One of the most encouraging things for me about the NZ libertarian-Objectivist scene, and in particular, Lindsay Perigo's role, is that, as far as I can tell, it is informed more by what the two philosophies [Objectivism and libertarianism] have in common ... than what they do not share.

A classic example cropped up recently when one subscriber to the 'Libertyloop', an email discussion group for New Zealand libertarians, revealed himself as a creationist and proceeded to vigorously argue the case for god with the entire loop. This individual apparently puts in a lot of effort for the Libertarianz, and while his views were certainly considered quite mad by most if not all, he was not excommunicated nor discouraged in any way from continuing his efforts for the Libertarianz.

At the same time, New Zealand's Objectivists have also opposed what they call the passionless Objectivism espoused by the likes of The Objectivist Centre (TOC), formerly the Institute of Objectivist Studies. In fact, I daresay that US Objectivists must be wondering quite what has hit them from down under, and not just from Perigo himself. An extraordinary young Objectivist named Robert White wrote a scathing review of the book *Feminist Interpretations of Ayn Rand* by Chris Matthew Sciabarra of New York University, which sparked a debate in *TFR* that raked in Objectivists from all over the world and lasted a full year until Perigo finally put a stop to it. I quote:

The academicisation — or destruction — of Ayn Rand is taking place again. [The book] is — to paraphrase John Ridpath (reviewing Sciabarra's *Ayn Rand: The Russian Radical*) — preposterous in its theses, destructive in its purpose, and tortuously numbing in its content. Modern academics will love it! I hate this book, but then I despise modern academia and those so-called Objectivists, the traitors among us, who seek to appease them.

Sciabarra responded,

One must be willing to provide alternative texts for colleges that engage both academics and students within the given context, while subtly shifting the terms of debate as a means of altering that context fundamentally.

White's counter response is typical of the New Zealand style:

I don't want to subtly alter the given context, I want to take a sledgehammer to it.

In 1999 Perigo accepted a job offer with TOC from his long-term friend David Kelley, but changed his mind at the last minute, citing ideological and strategic differences as a major reason. Kelley objected, among other things, to the vehemence of Perigo's attacks — the name calling I described earlier and so on. Perigo summed up his views in the latest issue of *TFR*, while also issuing a call for a new alternative:

Welcome to the web-site for SOLO — Sense of Life Objectivists. This has been set up, to quote David Kelley when he launched the Institute for Objectivist Studies, for "homeless Objectivists" — those who are turned off by both the mouth-foaming intolerance of the ARI and the pallid Pollyannaism of the IOS/TOC. But! — we welcome the participation of members of both. We are seeking to galvanise ALL Objectivists, whether affiliated or not, who recognise that Objectivism is primarily a WAY OF LIVING, who repudiate any reason/passion dichotomy — and who have come to realise that, sadly, the two current rival suitors for their allegiance are the two faces of precisely such a dichotomy: passion (especially anger) without reason (the ARI), and reason without passion (TOC). We want Objectivism to become the living, breathing, growing, vibrant, reality-orientated, life-affirming phenomenon that it deserves to be.

SOLO is currently under development, and I urge anyone interested to keep abreast via *The Free Radical* website.

## 5. TAKING A SLEDGEHAMMER TO THE GIVEN CONTEXT

Libertarianz aim for nothing less than a full libertarian society with individual rights protected in a constitution. (The constitution is already written, by the way, and you are very much invited to look it up at *The Free Radical* or Libertarianz websites, study it, introduce it in your own countries, or do what you will with it.) Clearly, these aims are not going to be achieved overnight, nor at any time in the foreseeable future. However New Zealand's electoral system of proportional representation and the 5% rule present a very small-party-friendly environment. Libertarianz are still a long way off from obtaining 5% of the vote — in the election last year the party received around 6,000 votes, which translates to just 0.3% of the vote. Nevertheless this was ten times the number in the previous election, and more to the point, the idea of 6,000 people understanding and even voting in favour of individual rights was simply unthinkable five years ago. Having established a toehold of support, the party has ensured its future for at least some time yet.

There have been many other successes as well. One of these is simply the number and quality of young, intelligent people the libertarian movement has attracted. Some of these you will see writing brilliantly and passionately in the pages of *The Free Radical*. Elsewhere you will find them giving presentations on New Zealand libertarianism to libertarian groups in other countries. The brilliant Objectivist Robert White, whose review of *Feminist Interpretations of Ayn Rand* I quoted earlier, has set up an educational organisation called the Objectivist Forum, which runs courses in Objectivism at the country's universities. Whether you agree with Ayn Rand's views or not, it is clearly a tremendous advance to have students discussing reason, epistemology, ethics, and aesthetics in a forum such as this, in direct antidote to the mind-

numbing nihilism, subjectivism, and political correctness that dominates the official university courses.

New people are taking on leadership roles within the party. Perigo has stepped down as leader in favour of the tireless Peter Cresswell, who is another excellent public speaker and a brilliant writer; and a large, committed group of activists write regular press releases, flood newspapers with letters, and generally make an annoyance of themselves in any possible way. Indeed the style of political activism is entirely consistent with the movement's philosophical approach. Peter Cresswell is currently publicising a "census party" for those who want to defy the law on the night when the compulsory census forms are supposed to be filled in. When another magazine stopped its cigar column because the government had threatened it with legal action, *TFR* immediately started up a cigar column of its own. Unfortunately this did not deter the government from subsequently banning an international cigar magazine and barring a cigar importer's website (yes, you heard me correctly). Consistent with the movement's openness to shared libertarian goals, Libertarianz has on occasion joined forces with particular focus groups such as the gun and legalise marijuana lobbies, or the movement for voluntary student union membership.

Perhaps the biggest achievement of all this activity has been simply in raising the level of consciousness among the sheeple, many of whom would never have come across libertarian ideas before. This has been demonstrated in some of the libertarian movement's very tangible successes:

— In 1999 the Government was forced to hold a Royal inquiry into the behaviour of the Inland Revenue Department. This followed enormous publicity about the IRD's Gestapo-like harassment of taxpayers and small businessmen, one of whom in particular was eventually driven to suicide. The suicide story was taken up by an ACT parliamentarian, Rodney Hide, and followed up by a best-selling book, *Be Very Afraid*, by another victim of IRD harassment and Libertarianz associate, Dave Henderson. The Free Radical and the Politically Incorrect Show were also highly instrumental in publicising the issue, the suicide story coinciding with several IRD horror stories published in *TFR*. Note that in this instance, ACT proved to be useful allies.

— In 1998 the television licence fee was abolished. Public opposition to the fee began very much with Libertarianz' "NaZis On Air" campaign and Perigo's relentless attacks on the Politically Incorrect Show (NaZis On Air was Perigo's name for the public broadcasting organisation NZ On Air). In the end, the principles of the issue were lost as the usual whingers and moaners took up opposition on completely non-libertarian grounds. NaZis On Air still exist, and are now simply funded from the great unknown of the government's consolidated fund. Nevertheless, up to a point at least, the libertarian message had got through.

— *TFR* has also been very instrumental in highlighting the fascism of a particularly nasty piece of legislation called the Resource Management Act under which almost any development on private property has become subject to the consent of local council bureaucracies, which are invariably run by those of the green luddite variety. Award-winning writer Deborah Coddington wrote a series of horror stories in *TFR* about victims of bureaucratic harassment under this legislation. These articles gained wide notoriety and may have contributed to the government's eventual review of the Act. Unfortunately the review proved totally ineffectual, in this case ACT's pragmatism proving to be the adversary — it was suggested that the party's lukewarm opposition to the legislation was due in part

to the fact that many ACT contributors made a tidy living as "resource management consultants". Obviously this cannot be proven, but nevertheless it is very true that on this issue ACT has been consistently weak and more of a hindrance than a help. Libertarianz on the other hand, continue to make the most of it. A property developer and Libertarianz supporter, Adrian Chisholm, launched a series of well attended public meetings up and down the country to debate the issue of individual liberty and private property rights, calling it the ABC Roadshow (Abolish Bureaucratic Crimes). In a one-on-one debate, Perigo was of course able to wipe the floor with the invited politicians from other parties, and from all reports the events were a stunning, raucous success. The proof for this, if any were needed, was provided in the most delightful manner by Roger Douglas himself, who at one meeting apparently rumbled, "Libertarianz are a pain in the arse!", and stormed out of the venue.

## 6. LESSONS FROM DOWN-UNDER

New Zealand's libertarian movement should be of interest to British libertarians, if for no other reason than that New Zealand culture is in many ways, as much as I dread to say it, closer to Britain's than any other country. Accordingly, there are a few specific points I would like to draw out.

There are a number of characteristics particular to New Zealand that encourage a strategy of political activism. Firstly, as I have pointed out, the political system is friendly to small parties — it is certainly questionable whether the party would have gone ahead under the old first-past-the-post system that still exists in Britain. Secondly, New Zealand libertarianism is relatively new and has had the immeasurable benefit of an enormously strong front-man. These factors have given the movement its impetus and at least thus far have dampened the tendency of libertarian political parties to degenerate into destructive factionalism. Thirdly, the reform process has been more extreme in New Zealand than anywhere else. Rogernomics was certainly more profound than Thatcherism, but New Zealand's backwards regression over the last year has also been far more severe and obvious than Britain's under Tony Blair. This tendency towards extremes may be due in part to the fact that traditionalism is less deeply rooted in New Zealand than it is in Britain, but whatever the reason, it certainly gives libertarianism a better platform to build on and a better target to attack.

Having said all this, the potential does exist in my opinion for some sort of libertarian appeal to the general population in this country, if anyone were to seriously undertake such a task. I am thinking for instance of the fantastic image of 300,000 Countryside Alliance protesters marching on Whitehall a year or so ago with a simple message to government: butt out. What an opportunity was presented there, were there any libertarian voices around to make the most of it.

I appreciate the work that the Libertarian Alliance does — from what I have seen it is fantastic stuff. However if there is any one lesson I would like to offer from New Zealand's experience it is this: do not underestimate the enemy within. There seems to me to be an overly complacent view in this country that statism is dying a gradual death, and that Britain's liberal traditions are sufficiently strong to withstand any threat of socialist regression. New Zealand, as I said, is the most British culture in the world outside of Britain — our culture supposedly held close those liberal ideals as well. We soon discovered that the safeguards we had built were only as strong as the philosophy that underlay them. From what I have seen, the freedom of British people hangs by a thread.