



RECORD OF RARE FIBRE

Some politicians strive to be popular, most are content to be tolerated, a few are prepared to be unpopular if that is the price of pursuing the greater good. Ruth Richardson, who retires from Parliament tonight, was one of the precious few. Her contribution was not the kind that enraptures historians or inspires monuments. More the pity.

She proved that public spending need not rise inexorably, that with sufficient and sustained courage, the state's call on national output could even be reduced. Ultimately she showed that the budget could be balanced and though she had to watch a successor announce the first surplus for 17 years, the budgeting had been hers. The foundations of fiscal repair were laid as soon as she came to the finance portfolio in 1990 and reinforced in the memorable 1991 budget.

She was prepared to be unpopular not only among state dependants, of whom she asked more effort, but among business who found her an intransigent defender of the revenue, right down to the deductible lunch. Nor did she shrink from imposing greater costs for health and education upon those income brackets National is expected to favour.

Perhaps it is no coincidence that a female Finance Minister — the country's first — should demand prior concern for future generations. But she would not want to be judged by gender. Certainly, the Opposition leader might note, she did not use it to deflect criticism. Ruth Richardson came to Parliament when women were still strangers to the National caucus. Even before she got there Prime Minister Muldoon had publicly declared she "frightened" him. With reason, perhaps. In her first term she finally crossed the floor in an attempt to defeat his interest rate regulations.

Supposedly strong men in politics, famously Prime Minister Fraser of Australia, believed it fatal for a Government to be seen to cut benefits. Ruth Richardson dared do so, openly, positively without apology or an

accounting disguise. She might have made more of the fact that social welfare was not so much cut as reformed. While many standard benefits were reduced, supplementary payments were provided to those who could establish genuine need.

And supposedly learned economists — such as 15 at Auckland University — pronounced it fatal to reduce the deficit as Ruth Richardson proposed in 1991. The "Auckland XV" were as wrong as the 364 British academics who had recited the same conventional fallacy to another Iron Lady precisely 10 years earlier. Far from further depressing the economy, Ruth Richardson's determination to cut the deficit took much deflationary burden from interest and exchange rates, stopped the contraction and soon began the growth that gathered pace in the past year.

To prune public spending probably sounds a simple, surgical matter. It is not. The whole business of politics is biased toward ever-increasing expenditure. Public money is the politicians' stock in trade. They are daily assailed in public and private for a financial solution to social difficulties real or exaggerated. The cause invariably seems irresistible in isolation from other calls on the public purse. Other ministers and departments measure their success by the financial allocations they can grab. It falls to the Finance Minister and few others to withstand the constant claims. It takes stubborn diligence every day of a fiscal year.

Ruth Richardson's record speaks of her strength. As a guardian of the public accounts she was the best in many a year. She leaves politics with the same dignity she displayed when the Prime Minister decided to put a different face on finance. She declined a diminished role in the cabinet and now, her legacy enshrined in a Fiscal Responsibility Act, she will not hang about on the public payroll with no purpose. She has set the standard by which future finance ministers will be held to account. The mother of all, so to speak.