

Where next? A Garden of Eden or a Slough of Despond?

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About the author

The Hon Sir Michael Cullen is a former Deputy Prime Minister, Minister of Finance, and Attorney General of New Zealand. After leaving politics he served as chair of New Zealand Post.

During the depths of the COVID-19 crisis New Zealanders got some glimpses of a different country.

A country with clean air, more birds singing, streams where fish were seen that had not been there for many years: a kind of Garden of Eden with wi-fi. New Zealanders also should have learnt that Gross Domestic Product is not a meaningless measure but still tells us a lot about people's material standard of living and its distribution.

As New Zealand descends down the alert levels and transitions to the world of the new normal there are many old shibboleths that need to be cast aside. The traditional left needs to understand the necessity of the private sector for jobs and wellbeing. Environmentalists need to absorb the fact that their ambitions for a sustainable future cannot be bought at the price of mass unemployment and denying the contribution good science can make to sustainability. The political right needs to recognise the hypocrisy of worshipping at the altar of the free market while putting out the begging bowl whenever things go wrong.

The immediate priority is to get as many people back into work as quickly as possible as the social consequences of not doing so are dire. New Zealand may have had a glimpse of the Garden of Eden but we have also had one of the Slough of Despond.¹

Much of New Zealand's economy will recover reasonably quickly.

That includes the key primary and the construction sectors, the latter buoyed up by billions of dollars in extra government investment. Both will face labour supply issues. Support measures from government will remain necessary, but will hopefully be further targeted on those sectors and businesses with a reasonable chance of success long-term.

It is less about picking winners than not picking losers, hard-hearted though that may sound.

At the same time, support for occupational training and retraining will need to expand well beyond the substantial Budget provision, with close attention paid to ensuring that investment is not wasted on training that leads nowhere in employment terms. It is another area where simply running a market leads to sub-optimal decisions both for the individual and for society.

In achieving these aims we need to be aware of two ways in which we can build a stronger and better society and economy simultaneously.

The first is consistent with an argument I have been pushing for a number of years and is highlighted by the COVID-19 experience. This generated the most intrusive and all-powerful government intervention in our lives, possibly for ever in New Zealand.

I am sure the great majority of New Zealanders do not want to see such interventions as the norm for the future. But addressing the medium-term issues of emerging from the pandemic lockdown, let alone the challenges of climate change, sustainability, poverty, housing and so on needs a better model than our current top-heavy, plodding, slow and risk-averse bureaucratic system. For such a small society we make an indigestible meal of almost any change or progress.

We need to develop a new high trust partnership model where government is seen as the facilitator, not the barrier, to progress and sustainable development. Many of the private, voluntary, and other sector lead organisations need to move out of their trenches and start to think about how they, in a partnership model, can contribute to New Zealand's wellbeing.

A good place to begin this recovery would be the tourism sector.

Its leadership during the crisis has done a fair impersonation of a wailing wall. It needs to sit down with government and others and start discussing what a realistic, viable future

looks like for the sector and how to get there. Government needs to loosen the reins while sector organisations need to act more like grown-up citizens of New Zealand, and less like importunate teenagers, ever wanting more attention and more money.

Hopefully, looking ten years down the track, we could see a leaner, more agile, more interactive bureaucracy working with many different partners towards shared goals. At the moment we have a team of five million where part of the team wants to keep the ball all the time and the rest run around in circles.

Nowhere is partnership needed more than in the process of creating a sustainable economy fit for the future.

Behaviours of interest groups are particularly in need of change in this respect. But government organisations also need to fully internalise the understanding that this is a journey to a better place that cannot be undertaken alone. In particular Māori organisations, whether iwi or commercial trust-based, have to be partners on that journey, especially as they are often leaders in the drive to sustainability.

The COVID-19 crisis will be looked back on in the future as a key moment in our history.

Whether it will be seen as a disaster or the beginning of a better age will depend on the honesty, courage, and unity we, as a nation, can show over the next couple of years. It is time to move beyond self-congratulation on what we did during the crisis. It is time to reckon with the much harder task of fulfilling the promise inherent in that time for our children and grandchildren.

Endnote

- 1 John Bunyan's *Pilgrim's Progress* was published in 1678, and is widely believed to be the first published novel. It is religious allegory of a person's journey through life's difficulties towards heaven. Christian (the main character) is so eager to reach heaven that he fails to be careful, and instead finds himself in a trap known as the Slough of Despond (a muddy pit of quicksand representing his fears, and doubts, and discouraging apprehensions).



"Me in all my chemotherapy glory!" – Sir Michael Cullen



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