

**Inside the Black Box:
insights and questions from the
FutureMakers project**

***Derek Gill, Bob Frame, Stephanie Pride and
Tanja Rother***

**INSTITUTE OF POLICY STUDIES
WORKING PAPER 09/03**

March 2009

**Institute
of
policy
studies**

future makers
Hikoi whakamua



INSTITUTE OF POLICY
STUDIES WORKING
PAPER
09/03

Inside the black box: insights and questions from the
FutureMakers project

MONTH/YEAR

March 2009

AUTHORS

Derek Gill

Visiting Fellow, Institute of Policy Studies

Email: derek.gill@vuw.ac.nz

Stephanie Pride

Secondary Futures

Email: stephanie.pride@secondaryfutures.co.nz

Bob Frame

Landcare Research

E-mail: FrameB@landcareresearch.co.nz

Tanja Rother

Project Manager FutureMakers

E-mail: tanja.rother@web.de

ACKNOWLEDGEMENTS

While the project would not have been possible without the strong support of our three organisations, we also wish to acknowledge the Foundation for Research, Science and Technology for funding under Landcare Research's "Building capacity for sustainable development" project (C09X0310). Our thanks also go to Lance Beath and Greg Claridge who undertook the meta-analysis, to members of the Futures Practitioners Forum who made material available and most importantly to the experts (around fifty people too many to be named) who made their time freely available for the project.

INSTITUTE OF POLICY
STUDIES

School of Government
Victoria University of Wellington
Bunny Street
Wellington
NEW ZEALAND

PO Box 600
Wellington
NEW ZEALAND

Email: ips@vuw.ac.nz

Phone: + 64 4 463 5307

Fax: + 64 4 463 7413

Website www.ips.ac.nz

DISCLAIMER

The views, opinions, findings, and conclusions or recommendations expressed in this Working Paper are strictly those of the author. They do not necessarily reflect the views of the Institute of Policy Studies, the School of Government or Victoria University of Wellington. The aforementioned take no responsibility for any errors or omissions in, or for the correctness of, the information contained in these working papers. The paper is presented not as policy, but with a view to inform and stimulate wider debate.

Introduction

“We're not trying to predict the future. We're making the future”, Jane McGonigal, The Institute for the Future.

FutureMakers: Challenge and purpose

Who would have foreseen the demise of all the major investment banks on Wall Street, the introduction of deposit insurance in New Zealand and the effective nationalisation of many of the leading institutions in the world's financial sector either by home government or foreign sovereign funds? When we began FutureMakers in May 2008, had we forecast the speed and scale of the meltdown in world financial markets the forecast would have been dismissed as not credible.

The Futuremakers project was prompted by the fact that in New Zealand futures work is done in silos, under-resourced, and under-discussed. Therefore New Zealand risks becoming wholly a ‘future-taker’ instead of a ‘future-maker’, by being forced to take paths that would not have been consciously chosen. To keep choices open, New Zealanders need to develop a shared understanding about the long-term opportunities and challenges.

As a small country, we like to think of ourselves as punching above our weight. We often speak and act as if who we are and who we might be are matters over which we have control and are simply a matter of our choosing. The reality is that on the whole, we receive the impact of external events and changes rather than influence the course of world events or global trends and shifts. This is obvious when we contemplate:

- Geopolitical shifts, in particular the rise of China and subsequently India to super-power status over the next 30 years
- The impact of climate change on society globally and efforts to mitigate its impact along with resource constraint issues such as oil and water
- Transformational change in the way business is organised with the growth of global supply chains across international borders
- Rapid advances across a range of technologies (bio, nano, information & communications).

These dynamics will transform the world's future whatever contribution New Zealand makes but do we understand what they might mean for New Zealand, our political

leadership and the public sector in particular? It does not relieve us of any obligation to prepare for, at the very least, to think about what these trends might mean for us.

- Do we know where and how we could be a future maker?
- Do we have the knowledge and skills to pull together the right data about the past and the present as a starting point for thinking about the future?
- Do we have the capabilities in the institutions and the leadership to pull together the right information?
- Do we have the spaces to ask ourselves the right questions and to build a shared understanding of the options available to us?

The FutureMakers Project was an attempt to create such a space. The FutureMakers partnership was formed in May 2008 with the objective of bringing together information and the key people to try to cast new light on the challenges and choices facing New Zealand over the next 20 years. FutureMakers was a collaborative partnership between three organisations all of which have an interest in our ability to take the long view and a mandate to help build this capability: Landcare Research, the Institute of Policy Studies at Victoria University of Wellington, and Secondary Futures. This working paper will discuss the process, methodology and outcomes of the FutureMakers project.

FutureMakers: Methodology and Process

With the help of the State Services Commission and the Future Practitioners' Forum, FutureMakers collected over 100 futures-related documents. Aware that a range of futures work had been done in the government sector, but not pulled together, the partnership started by commissioning a meta-analysis of that work, to see what the overall picture looked like. The bulk of this work focussed on trends and trend analysis. Across this material there was a surprising consistency of message about the kind of short-term future we face. However there was a dearth of exploratory work going further out into the future 50 years or more (though this work has been done elsewhere in New Zealand, for example the 100 year and 1000 year visions by Ngai Tahu and Ngati Raukawa.)

FutureMakers is an attempt, on a very modest scale, to make a space to open up the big questions facing NZ going forward over the next 20+ years and to explore them in ways which are not easy to do within today's normal processes. We did not aim for predictions but explorations of possibilities, a starting point for further work. The box below summarises the methodology FutureMakers has utilised to achieve the project goal.

The FutureMakers process

The FutureMakers project has been organised in five stages. Each step developed an increasingly nuanced picture of what New Zealand's future might look like and how challenges and opportunities could be addressed.

Phase 1: Meta-Analysis (May to August 2008)

Brought together recent futures work in the New Zealand State Sector and triangulated this with a recent high quality international meta-analysis of trends and drivers. This in turn was tested and refined by subject matter experts.

Phase 2: Pattern Recognition (September 2008)

Explored the crosscutting issues that emerged which resulted in a range of stories about past and current myths and future possibilities for New Zealand and the questions they provoke.

Phase 3: Responding to the Picture (September/October 2008)

Distilled some of the overarching questions that need to be asked to ensure New Zealand becomes a Future Maker, not a Future Taker.

Phase 4: Outreach and Engagement (October/November 2008)

Shared the insights about the challenges and opportunities for New Zealand's possible and preferred futures and captured the learnings about the capabilities NZ requires to sustain futures work. This marked the closure of the project.

The project brought together experts in the social, technological, economic, environmental and political arenas, first to discuss the existing analysis, to test the future trends identified in it, and then to start to tease out some of the emerging patterns of change that could be seen and the possible futures suggested. In structured conversations with thoughtful and informed New Zealanders drawn from government, academia, business and community backgrounds, FutureMakers identified an initial

set of ten questions¹ for New Zealand, all of which will make different demands on the country and on the state services leadership.

Inside the Black Box

This paper captures the discussions of the Phase 2 pattern-spotting activity. In the same way that records of the STEEP testing conversations have been captured for people to use as a resource, this paper is a record of the conversations to surface the cross-cutting issues. We are publishing it because this part of futures work is often a black box. People publish their trend input data. They publish their polished findings. They keep out of sight the part where the real work of integrating information and imagining rigorously and iteratively happens. Sense-making and surfacing cross-cutting, sentinel issues is messy. The products of this phase are always incomplete and contradictory, full of gaps and raise more questions than they answer. We wanted to lay bare this part of the process, to demystify it and provide a resource for people about to step into the messy exciting place in the middle where new possibilities are glimpsed.

Change agents and questions

Betting the Farm – Our economy in the global world

In the knowledge that it is impossible to get it right, the FutureMakers process has identified the big change agents on the horizon and that raise important questions for New Zealand.

In terms of global economic trends these include:

- Changes in the nature of global business chains with increased integration across national boundaries.
- The rate and scale of technology changes.

In order to understand where we are going we need to understand where we have been. The world's economic output in the year 1900 was achieved in about two weeks

¹The full list of questions is available on <http://futuremakers.ning.com> and are discussed further below.

in 2000 and, based on projections current before the 2008 recession, will be achieved within one week by 2015 and within two working days by 2020.

Keeping up with the pace has not been easy, and New Zealand has experienced a long period of relative economic decline, sliding down the OECD league tables from 3rd in 1950 to 22nd in 1990. This decline occurred despite a remarkable diversification in both our export markets and our export products prior to Britain joining the EU in 1973 and despite a sustained and extraordinary productivity improvement in New Zealand agriculture.

We are now confronted with having to make another quantum shift where the part we play in global supply chains will have a much bigger influence on our earning potential. This in turn will depend more on ‘behind the border’ policy setting and bilateral agreements than will our participation in multi-lateral trading agreements.

Most knowledge creation happens offshore and we do not have the concentration of capital and the deep pockets required to develop much intellectual property here. So with a few notable exceptions we will need to find ways to leverage off the Intellectual Property, which is produced elsewhere, and to adapt it to our own purposes.

One way this could play out is that, increasingly, the bulk of our economic activity rather than being *in* and *of* New Zealand will be *by* and *with* New Zealand as we become arbitrageurs to the world. Already New Zealand companies are locating some of their production overseas and are investing directly in other economies. Icebreaker has moved its manufacturing to China; Fisher and Paykel went first to Australia and the US and are now in Thailand. Fonterra, as we were made aware, has invested in the Chinese milk-processing sector.

We have made one big adjustment – how are we thinking about the next big adjustment and what are we prepared to change? Looking forward some of the questions we might ask are:

- How can we build more flexibility and resilience so we can respond nimbly to

rapid global changes?

- How can we stay ‘ahead of the crowd’ and sustain our points of difference and advantage in this rapidly shifting world?
- How can we avoid policy drift and poor quality institutions constraining the economic choices we do have?
- How can we better leverage the high proportion of New Zealanders working offshore?
- How can we avoid ‘staying at home’ meaning ‘becoming relatively poor’?

Turangawaewae to My Space – What will ‘New Zealander’ mean?

If we look forward we can contemplate a future where one half (not one fifth) of Kiwis are off shore at any one time because of the changing NZ economy and the increased competition for skilled/able-bodied labour². How might this change our definitions and our responses to what it means to be a New Zealander? This trend, coupled with an aging Europe desperate for young skilled workers and the traditional Kiwi OE as a rite of passage, would result in a future where a far higher proportion of New Zealanders may be working off-shore at any one time.

How do we feel about this possibility? One response is to picture this as a scenario of dreadful loss, to extrapolate from the one fifth of us already living overseas, to see it in the context of the current “loss” of people across the Tasman. Net migration to Australia in 2007 reached 28,000 and continued at that rate in 2008. The income disparity between the two countries is now so strong it may seem that we have to accept it as permanent. Is it our future to be a dormitory suburb – a Porirua or a Belmont – to Australia?

What questions should we ask ourselves about this?

- Will a geographically bounded notion of New Zealander suffice?
- Do we need to see hyper mobility as loss, or can we see it as enriching us?
- How might we make more use of/keep connected to New Zealanders and

² Because we cannot control the movement of our own citizens, one scenario is that the only ones remaining are those with criminal convictions who cannot emigrate – and NZ becomes an Australia by reverse.

those who pass through New Zealand?

- How might our models of citizenship and residency change in response to these possibilities?
- Might we have seats in Parliament representing off-shore New Zealanders?
- Might we have virtual New Zealand citizenship that enriches us as much as the traditional model?

How could we reframe this possibility? Rather than seeing spending time living and working in other countries as a loss (The Godwits Fly), we might see it as enriching, connecting and learning with a range of different societies, strengthening both our connections in the rest of the world and our connections back to New Zealand. We understand this not as an irreversible one-way journey, but a coming and going that will become the new norm. In this context staying always at home may mean staying poor in a whole range of ways.

As a country do we want to be wealthy enough to provide for our citizens and what are we prepared to trade off to do it?

We know that many New Zealanders overseas have a strong emotional attachment to New Zealand, even if they decide not to return to live here. If, rather than one fifth, two fifths or half even of our population are out of the country at any one time, how might our rules of citizenship and residency change to accommodate these off-shore New Zealanders? How might we maintain a stronger connection with the Kiwi diaspora? What models are useful to us? Māori living in Australia? India's Overseas Returned Indian programme?

We already have large numbers of people passing through New Zealand with one of the highest rates of short stay migration in the OECD. Might we do more to enlist those people as connectors for New Zealand as they move on?

Increasingly globally, people are choosing to connect and identify with people holding similar interests and values international in social networks of choice. Casting out further into the future, might people from a range of places in the world 'elect' to

become honorary New Zealanders, signing up to support a set of values and practices that are identified as kiwi and they want to see maintained? How might we revise and operate our notions of citizenship to enable the best from any of these possibilities?

If we do decide to move from the British model (which predominantly defines citizenship by geography rather than descent) toward a definition more useful for the 21st century, what will that mean for our concepts of nationhood?

Similar issues are emerging at the state level. How do we manage our decision-making at national, regional and international levels? Is local government too large to be local and too small to be effective on regional issues? In what areas is our nation state too large to respond effectively to regionalism and regional difference but too small to have effective reach and control in a globalised world?

Will being a New Zealander be a state of mind, of descent or of location or all three?

Bitter Calm – A pacific Pacific?

The regional context within which these issues play out will change dramatically over the next thirty years with geopolitical shifts, in particular the rise of China and subsequently India to super-power status.

How will tectonic shifts in the global power structure play out in the Pacific? China's economy is on course to eclipse the US by 2030. What are the ways in which China's rise to super power status and – inevitably – its growing visibility and influence in the Pacific affect New Zealand? How will our institutions respond to the challenge of dealing with increasingly powerful occidental societies?

The countries of the South Pacific are grappling with a range of issues, many of them seemingly intractable: isolation, global warming, environmental degradation, natural resource constraints, depopulation, political instability, dependency on remittances, corruption and the difficulties of blending tradition and modernity in constitutional government.

As the formal institutions fail, states struggle and the people leave, New Zealand will have to face its post-colonial legacy. Why exactly are Niue, Tokelau and the Cook Islands any different from the Chatham Islands? Why should their inhabitants not be granted the franchise to vote for representation in the New Zealand Parliament?

Looking forward, some of the questions we might ask are:

- How will New Zealand respond to the risk posed by states where their institutions are unable to sustain their citizens?
- How will the emergence of China and subsequently India as super powers affect New Zealand directly or indirectly through the South Pacific?
- Will it change our traditional links? What are the possibilities for our relationship with the US and our other traditional allies and for a range of civil society and government organisations?

Gold Standard – Will our institutions act as an anchor or a sail?

The problems which many of the South Pacific Islands are already grappling with may soon also be experienced by New Zealand, and arguably are already in the food standards area and increasingly in areas like intellectual property. As globalisation and complexity increase, can New Zealand sustain credible regulatory authorities such as the Reserve Bank, the Commerce Commission, the Securities Commission and the Intellectual Property Office?

The challenge all Pasifika states (including New Zealand) face is to separate the ‘symbols of sovereignty with every state having its own institutions from the ‘effective exercise of sovereignty’. The traditional myth played out in small states such as New Zealand is that in order to exercise sovereignty, a country must have its own sovereign institutions such as regulators, courts, and central banks. However, the trappings of independence do not guarantee the substance. The independent exercise of sovereignty is hollow unless the institutions have the capability of effectively exercising that sovereignty. Shifts in the locus of decision-making and the growing internationalisation of policy reinforce the need to adapt to these changes. Is New Zealand too small to sustain credible capable institutions such as the Reserve Bank,

the Commerce Commission, the Securities Commission or other standard setting bodies over the longer haul?

The big question raised is - *will our institutions act as an anchor or as a sail?* Going forward we must be clearer about where we need to retain full control of setting and maintaining standards, as the sail that helps to propel us forward in the direction we have chosen (e.g. fisheries) and where maintaining our own local version of institutions, in the face of global similarities will act as an anchor. Where are the areas where we increasingly will lack the scale and depth to operate world-class institutions because of growing complexity?

How do we ensure we understand when autonomy in relation to our institutions fails to give us agency and when controlling our own is paramount? Through the FutureMakers conversations, it has become increasingly clear that the quality of institutions will be of critical importance for economic performance and social cohesion, but that our ability to maintain our own institutions across the board is diminishing.

The performance of our public and private institutions will be crucial for New Zealand to be able to effectively respond and manage the many future challenges we face. Highly effective institutions will help shape the responses to the other questions identified in the FutureMakers process. Looking forward, some of the questions we might ask are:

- How do we maintain the quality of public and private institutions in a world of increased complexity and globalisation?
- In what areas would New Zealand more effectively exercise sovereignty through jointly controlled institutions?
- In what areas will we continue to govern alone?

Surface Tension – Love the landscape; (Ab)use the soil

How we will handle global change processes created through greenhouse gas emissions is a priority for our long-term well-being. The meta-analysis commissioned

by FutureMakers indicates widespread concern about the future of New Zealand's natural resources. We used to think resources were limitless and cheap - now we know they are not – this was first realised for fish stocks, and now it is water, with soil likely to be the next chapter of this sad story. And do we understand what will follow these?

Globally, human society has had a massive impact on natural ecosystems and, since an *Inconvenient Truth* and the *Stern report*, the need to respond to climate change has become a mainstream issue. Part of the issue is the lag in time between emissions and impacts, and uncertainty about how much time remains to create a significant solution. Internationally there is insufficient acceptance of the required speed and scale of carbon emission reductions. It is also uncertain how the scale of adjustments necessary can be achieved, from both developed and rapidly developing countries, to make this possible, and how this can be implemented in the next decade or two. What is clear is that we lack the international institutions to respond. Most of the significant global bodies, the UN, the World Bank, the IMF, were instigated after the Second World War in response to a very different set of global challenges.

Similarly, increasing demand for energy and the unpredictability of oil markets over the next decade or so will play out in increased energy prices although the quantum will depend on whose predictions you favour. Within the New Zealand electricity system stability requirements limit the total amount of non-renewables we can feasibly use in the medium term. And nuclear is never likely to be a serious contender economically in New Zealand even if we were to put our ethical stance to one side. This leaves NZ looking at Southland lignite – and the ticklish technical issue, again, of capturing and storing greenhouse gases securely for very long periods of time.

A critical issue is to understand the time at which greenhouse gas emissions reach a 'tipping' point beyond which irreversible effects will take place. Recently some scientists have published research that suggests we may already be past that point. Such changes will respect neither territorial borders nor reward individual efforts. While New Zealand will not be as directly affected, at least in the next decade, as many other countries, the indirect effects could be profound including the prospect of

massive global migrations and far greater volatility of weather patterns and magnitude of extreme weather events.

In the meantime, the effects already likely to impact are affecting our nearest neighbours and will have an impact on us. Drought, salination and its impact in reducing the ability to produce sufficient food may even reverse the current flows to Australia. At the moment - fears that we are becoming the dormitory suburb - the Belmont & Porirua to Melbourne & Sydney - could spark a mass return of the nearly 1 million Kiwis overseas.

In New Zealand there is also increased competition for water; a competition which highlights weaknesses in existing governance arrangements, including the Resource Management Act³, to deal with new threats to sustainability. Our regulatory tools struggle with managing scarcity as they were developed on models of plenty. Mechanisms such as “first come, first served” cannot cope with competing demands as we are seeing with the RMA’s inability to manage water allocation in Canterbury.

The issues surrounding our soil are in many ways less obvious. But the implications for New Zealand’s future viability are no less serious given how much of our GDP is dependent on the quality of the top 150 millimetres of soil in the roughly 10% of our land area which is of medium to high cropping suitability. (A further 5% has already been lost.) More pressing will be the need to review institutional arrangements and governance processes to enable society, globally, nationally, and locally, to respond in a mature and long-term manner.

If current rates of urbanisation continue, we would pave over New Zealand’s most productive soils in a thousand or so years. The picture is even worse if you consider conversion of rural areas to lifestyle blocks both in terms of the land it removes from production and the potential to hinder agricultural practices resulting from adjacent incompatible land uses. Remaining soils are further subject to modification or erosion. For example, the soils of the Canterbury Plains are among the most modified in the world.

³ It remains to be seen whether the review of the RMA announced in 2009 will address this issue.

Looking forward, some questions are:

- What is the long-term prognosis for the health of our soils, our oceans, our natural resources?
- Do we understand which biophysical resources we might start to reach the limits of next? Can we anticipate better?
- What can feasibly be done to arrest decline or to create remedial action?
- What are the implications of implementing such measures?
- Are these issues widely understood?

Urbanite aesthetic values and the rural landscape

One of the core issues here is the tension arising from our love of the landscape, the value of the “100% pure” on the one hand, and the (ab)use of the soil resulting from our economy being largely dependent on natural resources, on the other. How we perceive and deal with our environment has far reaching implications. Over the last couple of decades, perceptions have been changing. Increasingly, in the eyes of some, urban society imposes its values on the rural landscape. The iconic ‘family farm’ which increasingly is becoming controlled by corporates, is side by side with the ‘lifestyle block.’ Both represent just a tiny part of a growing diversity of living arrangements and notions of Turangawaewae with often conflicting interests. In this context the landscape has already become an area of dispute between individual and collective choice and benefit.

Spotting these issues as they are emergent, and understanding not just the immediate issues, but where they have come from and the wider ranging implication going forward require consideration of or even re-thinking public governance. (The events around foreshore and seabed issues were sparked by one aquaculture resource consent application at local level.) How do we work smarter to resolve local issues in ways that line up with national and increasingly international imperatives?

This also relies heavily on our natural heritage. The major asset in this regard is the conservation estate, which accounts for about 32% of our land area. Roughly another 2% is protected through regional and local parks or private covenant schemes. The ecosystem services that these areas provide, directly through tourism or indirectly

through improvement of water quality for example, must remain well managed and given a secure future.

However, we are an increasingly urban society. Over 86% of us now live in urban settlements and nearly half live in metropolitan Auckland. On current growth rates, Auckland will be home to 45% of resident New Zealanders within the next 20 years. Yet only one in seven Aucklanders were born there.

One generation ago, most New Zealanders knew someone who lived on a farm or in a town surrounded by farmland and strongly linked to the agricultural sector. Now, with the steady disappearance of the family farm and with the drift to Auckland, the farm experience is confined to the few.

And rural New Zealand is also becoming fragmented between large corporate dairy farms, some with a turnover of \$150M and the much more modest family farms, lifestyle farms and boutique farms producing modest quantities of value-added products.

Looking forward, some of the questions we might ask are:

- What are the long-term implications of neglecting the health of our soils and our other natural resources?
- How do we ensure we have the capability to look ahead and see what parts of our environment are likely to come under strain next, so we can address them before depletion sets in, rather than once it has happened?
- How can we allocate resources fairly and address the conflicts between urban and rural values and between environmental values and more intensive agricultural land use?
- How can these connect to our sense of identity?

Right-Size me or ‘one size fits all’: Social organisation

The nation state and, inside it, the family and whanau have been perceived as relatively stable units of organisation but are becoming less so. Around 40% of Maori have no tribal affiliation. Families now come in more varieties with much higher rates

of assembly and disassembly and there is almost a new urban myth that the individual is the basic unit of society.

Individualism, in the form of self-expression, is an increasingly dominant cultural trait and is reflected in the increased customisation of consumer products – the iPod, the customised number plate etc. We would be naïve, however, to make a simple correlation between the expression of individual taste and preference as a matter of personal choice and reduced social connection. Many commentators link this trend with another: reduced trust in and adherence to traditional institutions (governments and their agencies, many branches of organized religion) in the second half of the twentieth century, and speculate on a consequent weakening of social fabrics.

Just as Henry Ford's customers' ability to choose a car in colours other than black did not generate immediate disregard for road rules, it may be risky to assume that an increased capacity to exercise personal preference and creativity over an increased range of choices, by itself, foreshadows social collapse. It also belies the lived reality of many individuals in New Zealand who are willing to put service to family, whanau or religious institutions before personal preferences.

The issue may not be either bemoaning or resisting individualism per se, but of developing models and systems that allow and accept a far greater range of choice in the size and nature of the social units that people elect to identify with. New Zealanders are already grappling with the notion of ethnicity. Given widespread intermarriage, ethnicity is defined by cultural identification not descent and an increasing number of kiwis report multiple cultural identities. Similarly children may have one, three or five "parents". The proportion of children raised in two parent families, where one is working and one is looking after children, has declined sharply. People may choose to identify with their immediate family for some issues, hapu or iwi for others and communities of geography or interest for others.

Over the last few decades changes in the manner in which we regulate the labour market has also driven shifts in family structure and choices. We have moved from a breadwinner model, which implicitly supported the family, to a model which emphasises labour force participation at whatever wage can be gained. There are a

growing proportion of families where both parents are working and there has been a sharp increase in part-time and non-standard working hours. The variety in people's work pattern choices and circumstances has been accommodated in systems and social mores, in a way probably not imaginable in the 1900s.

How might we envisage accommodating the increasing variety in both what constitutes and is produced in families?

There have also been marked changes in the function of families. At the beginning of last century, a great many things that now are provided by the state and the market were on the whole produced within families – this includes domestic production of clothes, meals and care (child care, elder care) as well as socialisation and nurturing “life-skills”. At the beginning of the 21st century many of these functions are provided by government activity and the market, or a combination of both. There is movement in the boundaries marking who is ultimately responsible for ensuring that children and young people – key beneficiaries - are provided with what they need to be equipped for the future.

Currently we treat people as individuals for tax and as family units for welfare support. Going forward, how might businesses and governments and society more generally respond to increased exercise of choice about the level of social unit people elect to function, or of choosing different units at different times and purposes, and still ensure the wellbeing of those most vulnerable. To break the cycles of disadvantage experienced by dysfunctional families are we prepared to treat those families differently? For example should we decouple the child assistance components of the tax and welfare systems which is then provided to agents (aunties, uncles or kuia) who would act on the children's behalf because their parent(s) cannot?

How can we “right-size” decision-making to reflect the different contexts in which people live their lives?

Transition Myth: Changing identities

As humans we have always told ourselves stories about who we are as a people. These stories serve to articulate what unites us as a group of people and focus on what we have in common, sweeping differences and splits to the margins of the story. The European coloniser stories of the 19th and early 20th centuries represented New Zealand variously as an empty land, a South Seas paradise, God's Own, a Better Britain. Maori were often cast as uncivilised, inferior, a dying race, exotic, childlike, and barbaric.

All of that was of course news to Māori whose views about the colonisers were equally unflattering though mixed with a degree of curiosity and a readiness to learn from the exchange. In any event by 1858, the colonisers outnumbered tangata whenua and steadily New Zealand assumed a British persona, even though this did not represent the lived reality for all.

But 150 years later that too has changed. Not only has the Māori population increased at a faster rate than the non-Māori, now accounting for around 15 percent of the total population and some 25 percent of young New Zealanders, but progressive waves of migrants from neighbouring Pacific states have combined to remind us that we are after all located in the Pacific and, not unexpectedly, have the Pacific in our veins. The concept of New Zealand as a Polynesian nation has gained more acceptance.

Moreover the transformation is more than numeric. Up until the 1970s Maori were expected to take their place as brown New Zealanders. But for more than three decades the explosion of marae, Te reo Māori, and more recently Pasifika and a Polynesian ethos has been acknowledged in all forms of media and across a wide range of sectors. It contrasts sharply with New Zealand's cultural norms in the fifties and sixties, though for many of those living at the southern end of Te Wai Pounamu being fully part of a Pacific nation may feel more like a fiction rather than a lived reality.

Perhaps even more noticeable this century has been the new migrant trails from Asian countries bordering the Pacific Rim. Not only is Auckland the largest Polynesian city in the world but also it presents an increasingly Asian face that parallels our

developing economic ties with Southern Hemisphere countries especially Asian states. What stories might we tell ourselves next? How might we conceive of ourselves as a PolyNAsian people? And how will this fit with the lived reality of all New Zealanders?

As distinctions between identities in different geographic areas of New Zealand grow sharper, will we have several competing notions of identity?

- Do we have one myth of nation that resonates for all now? If so, what is it?
- Is it necessary to have only one, or one at all? Will it be possible to have only one in the future?
- Do we already have multiple myths and a degree of comfort with that, or is it a problem?
- What would 'New Zealandness' be if there was no single shared myth?

Within these larger myths of identity, there are other touchstones of national characteristic. Underlying the "Kiwi way of doing things" is the notion of 'a fair go'. 'A fair go' contrasted sharply with the class-based systems in Europe and implied that New Zealand was a classless society. It was true to an extent but only partly true. 'A fair go' was by no means a universal experience either for women or for Maori though the extent of the unfairness was largely hidden. Nor can we say that 'a fair go' stands out as a common denominator of contemporary New Zealand. There is a widening gap in the distribution of pre-tax incomes that reflects a global trend towards increasing returns to skill over labour. There is also a wide variation in educational achievement and disparities in health in part reflecting that the more advantaged have 'sharper elbows' which enables them more access to universal services. Long gone are the days of a single breadwinner's wages being able to support a family or a strong back being sufficient to deliver a comfortable standard of living.

- Is the myth of a 'fair go' past its use-by date?
- If not how do we create a common commitment to institutions that promote resilience and social mobility without promoting dependency and blunting initiative?

(In)difference: Class, gender, race

At the same times as people fashion stories of what we have in common, they acknowledge several distinct New Zealands, from the diverse ethnic mix of the globally-connected metropolis, to the land-based economy of the more sparsely populated South Island.

In the first half of last century, religion and class were the dominating taxonomy for articulating social and economic differences. In the sixties, seventies and eighties with the rise and progression of feminism, gender took over as the social pre-occupation with difference. Through the eighties and nineties, ethnicity and particularly relations between Māori and Pakeha became the main area of social pre-occupation with difference. It was given heightened focus by the establishment of the Waitangi Tribunal and the subsequent settling of claims and historic grievances. An accelerated rate of immigration from a range of Asian countries in the late 90s and early 21st century further increased the commentary on ethnicity as a social demarcator.

The widening gap between rural and urban worldviews and priorities has been mentioned earlier. There are a series of differences currently at play, or emergent in New Zealand. One is the metropolitan/provincial divide. Auckland, the country's major metropolis, has embraced a range of cultures and economic activities and is increasingly connected to other world cities. Large metropolises tend to share common DNA and have as much in common with each other as they do with the countries in which they are located. In other NZ centres the main focus is with their district and region and the particular ethnic and economic make up it contains.

One question we could ask as differences proliferate, is whether we will continue to substitute one set of differences for another, harnessing subtle notions of social hierarchy on to them? Will the next noticeable divide in society be perhaps between those whose traditions and values are rooted in the practices of the "east" and those whose modes are predominantly derived from a western or "occidental" paradigm? Alternatively will there be a social split between those who choose to keep their physical and mental being discrete from their surroundings and those who choose to integrate and blend with human and non-human networks.

Might we have a society where difference was endless and not ranked? Where people are comfortable with multiple identities and communities of affiliation, for themselves and for others, and don't ascribe status or lack of it on the basis of those choices? This would involve change in perspectives on marriage or co-habitation as a matter of choice not attached to social standing. If we reach this point of comfort with variety, will we understand or value what we have in common?

- Is it possible or even desirable to have a single supervening myth of nation that resonates for all? If so, what might that be?
- Are we more comfortable with a range of definitions, myths and understandings of what it means to be a New Zealander?
- Can we have affinities to particular groups within the nation, and at the same time, all be Kiwis?

Delicate constitution

The New Zealand story is of a neo-colony – a 'better Britain' slowly morphing and drifting away from the mother country. After the Treaty of Waitangi, New Zealand moved gradually from being an extension of New South Wales, to self-governing status, then dominion without a defining moment of independence. Similarly, the Treaty morphed from a founding document, to 'a legal nullity' and then back to a founding document, which now forms a part of the constitutional arrangements of New Zealand. This is also a story of resilience: New Zealand is one of very few countries which has experienced an uninterrupted succession of democratically elected governments for over the last 100 years. This resilience is based on continuous adaptation and change to New Zealand's constitutional arrangements. As a result we have drifted away from the Westminster model with a series of incremental but significant steps, such as the introduction of the Official Information Act, the Bill of Rights Act, abolition of the right of appeal to the Privy Council, and the introduction of MMP.

Constitutional arrangement will need to continue to adjust in the face of the drivers and trends identified in the futures discussion such as globalisation and internationalisation of policy development. Developments in the South Pacific may

require a reconsideration of the legal status of Tokelau, the Cook Islands and Niue. Sensitivity around the Treaty (and the risk of a political backlash) suggests that changes to constitutional arrangements will continue, but on an incremental, pragmatic basis with the Treaty retaining an opaque legal status.

The continuation of small organic incremental changes, cumulatively, is likely to create a move away from post-colonial to post post-colonial political arrangements. There are a number of drivers which are likely to reinforce those trends: the generational shift in leadership from the baby boomers to Generation X and Generation Y, the associated shift to the first cohort of Maori leaders after the Treaty settlement process taking up their leadership positions, the Asianisation of New Zealand and the increasing importance of linkages with Australian institutions.

- What will the effect be of moving from Generation X to Generation Y leadership in the era beyond the Treaty settlements?
- How will the post Treaty settlement generation view the role of the Treaty in the constitution?
- How would New Zealand respond if Australia became a republic (triggered by the death of the current English monarch)?

Outlook: Building a FutureMaking capability?

New Zealand is not alone in having a highly uncertain future, as is obvious from the global financial crisis. And in many ways we are not able to assert a firm hand on the tiller – we are constantly aware of the fragility of our current existence. However, if we choose we can increase our resilience to change, consolidate our reputation for sound stewardship of our resources and be visionary in setting our course for the future. But, as the old school report would say: there is no room for complacency.

In a country of just over four million, we cannot afford to carry on thinking forward in separate pockets, either within sectors, business, government, academia, communities, or within individual agencies. We need to bring together our data, our knowledge, our diverse perspectives and our imaginative capacities to have any chance of clearly

imagining the range of possibilities we face and understanding how we might want to respond to them.

This requires a well-informed debate among unlike minds. It is only when the debate is widened and more voices are encouraged to contribute will the capacity and capability to create truly innovative and rigorous futures be realised. Only through challenging the myths that we construct round our present day realities, will we be able to claim our destiny as a future maker and not a future taker constrained to paths that limit future potential. Unless New Zealand builds a capacity for truly rigorous imagination around these and other issues, we will surely be consigned to being a future taker. That may ultimately mean losing what we value and prize which make us unique and gaining some things we would rather not have.

To enable that debate to take place, we need to have the institutional arrangements that make this possible, where we can have wide and searching debate about what is happening and could happen next. We need to create spaces to have challenging strategic conversations where it is safe to pose questions about ‘wicked’ problems and contemplate the range of possible and plausible responses. This will equip the next generation of leaders to imagine future possibilities rigorously and also to engage New Zealanders and inform leadership on our future options.

FutureMakers developed a pack of “thought starter” materials⁴ and a web site <http://futuremakers.ning.com> which contains the experts’ conversations and the trend data collected in the project. The project has been a ‘taster’ of the benefits of futures work. The next step is to clarify the infrastructure and capabilities New Zealand needs to identify and respond to strategic issues on an ongoing basis and to build support for putting this in place. Building this capability would enable Aoteroa New Zealand to take these questions forward. Futuremakers was a ‘toe in the water’ that showed what could be done with very little resource. We leave it to the reader to imagine what a sustained investment would yield.

⁴ Available from mwpress@LandcareResearch.co.nz

Key References

The project website <http://futuremakers.ning.com/> contains all the information and resources produced by FutureMakers and serves as an interactive space to get involved in the discussion about New Zealand's future.

Listed below are our suggestions for following up reading – it is not a bibliography.

Futures Methodology

Taylor, Rhys, Bob. Frame, Kate Delaney and Melissa Brignall-Theyer (2007) *Work in Progress – Four future scenarios for New Zealand*, Manaaki Whenua Press, Lincoln.

FutureMakers Meta-analysis

FutureMakers (2008) *Review of futures resources in the New Zealand government sector*, FutureMakers,
<http://futuremakers.ning.com/page/page/show?id=2196846%3APage%3A104>

International metastudy

Davies S, Bolland B, Fisk K, Purvis M (2001) *Strategic Futures Thinking: meta-analysis of published material on drivers and trends*. Defence Evaluation and Research Agency (DERA), Farnborough, Hampshire, UK.

Constitutional & Treaty

James C (2008). *Take me to your leaders: the constitution in 2033*. Available on IPS website: http://ips.ac.nz/events/previous_events-2008.html

Palmer M (2008) *The Treaty of Waitangi in New Zealand's Law and Constitution*. Victoria University Press, Wellington.

Pasifika Governance

Ladley A, Gill D (2008) *No state is an island - New Zealand and the South Pacific*. Institute of Policy Studies (IPS), Wellington.

National Identity

Belich J (2001). Making Peoples: A History of the New Zealanders, from Polynesian Settlement to the End of the Nineteenth Century. University of Hawai'i Press. ISBN 0824825179, 9780824825171

Belich J (2001). Paradise Reforged: A History of the New Zealanders from the 1880s to the Year 2000, University of Hawai'i Press.

Social

Bromell D (2008) Ethnicity, Identity and Public Policy. Critical Perspectives on Multiculturalism. Institute of Policy Studies (IPS), Wellington.

Statistics New Zealand. (2009) Hot off the Press: National Population Projections: 2006(base)-2061. Available at: http://www.stats.govt.nz/NR/rdonlyres/152C242E-E6F8-4A7A-87C7-8C0A3E48D790/0/nationalpopulationprojections_006basehotp.pdf

Economic

Hawke G (1985) The Making of New Zealand- an economic history, Cambridge University Press, Cambridge

Environmental

PCE (2004) Growing for Good: Intensive Farming, Sustainability, and New Zealand's Environment, Parliamentary Commissioner for the Environment, Wellington.

Ministry for the Environment (2007) Environment New Zealand 2007, Ministry for the Environment, Wellington.

OECD (2007) Environmental Performance Review: New Zealand, OECD, Paris.