

Social cohesion & prosperity

Upper Clutha U3A

Wānaka
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Key points



What we did isn't working



A failure of imagination & understanding



Unicorns & short-termism



Better is possible; requires paying it forward



Actions: meaning, coordination, collective action.

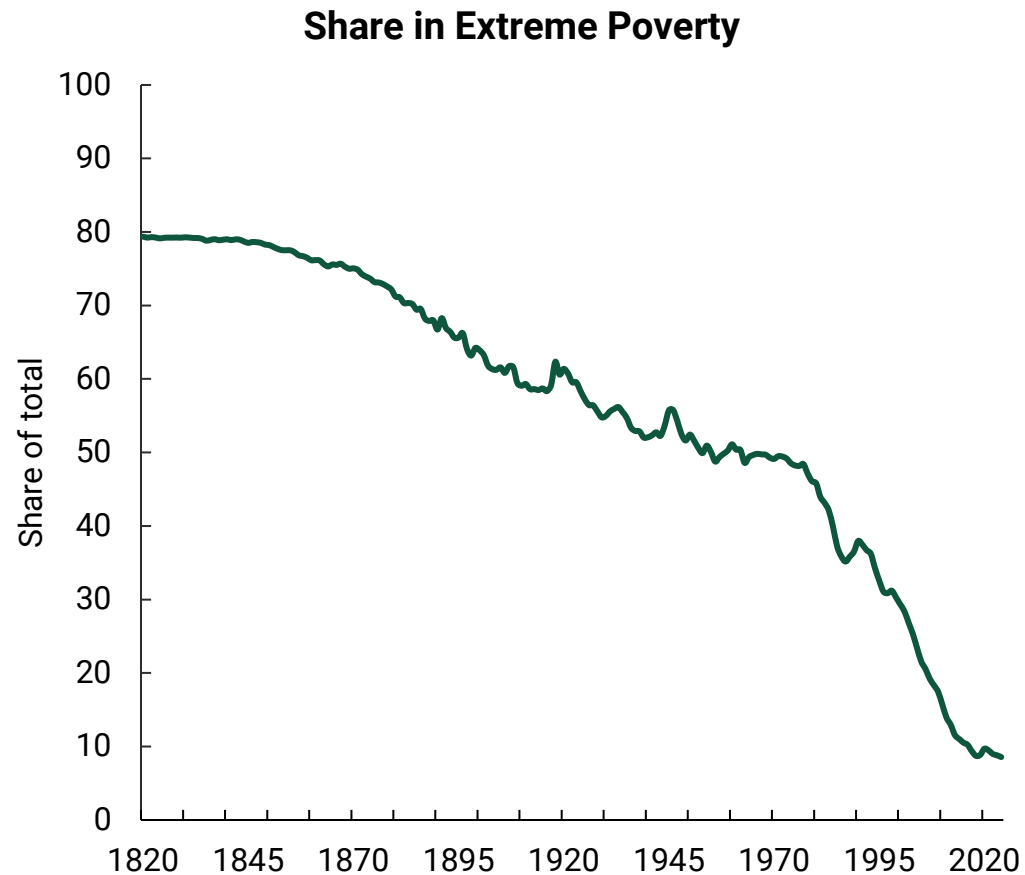


Cohesion is a necessary precondition for durable prosperity.

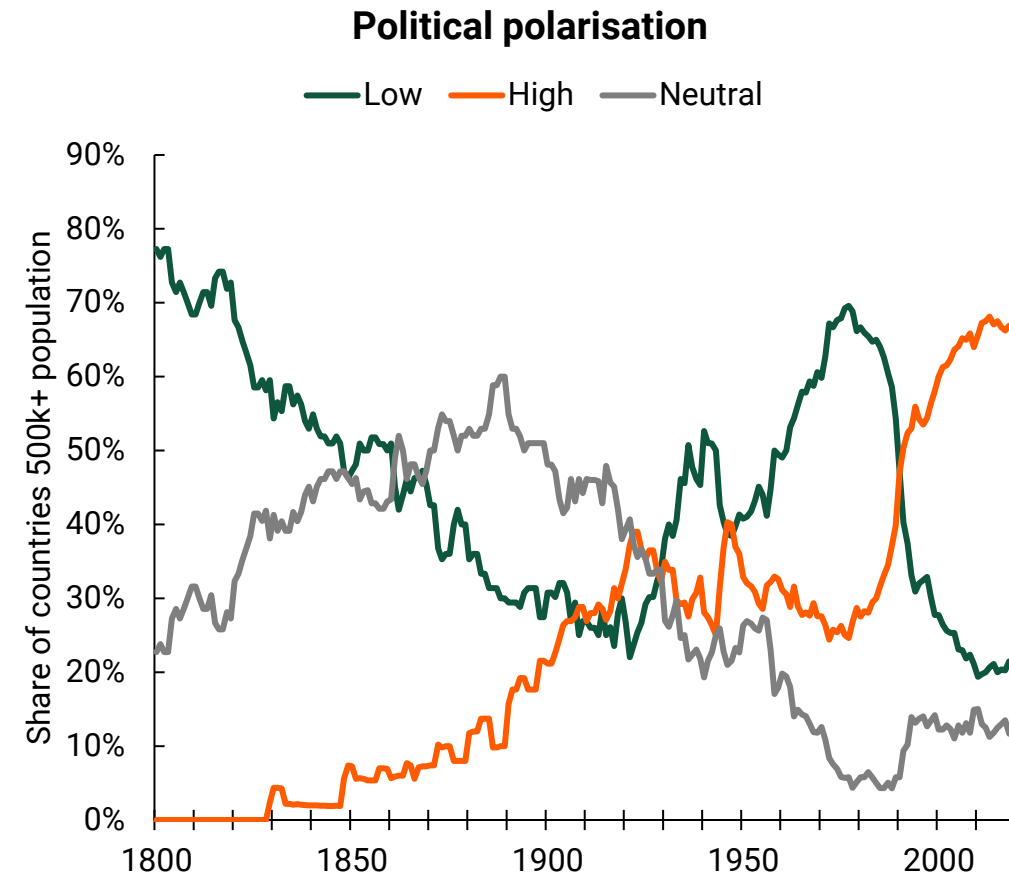
Global disorder

A long trend

The world is getting better & worse

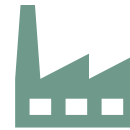


Source: World Bank, Michalis Moatsos (2021), Simplicity Research Hub



Source: Polity Project, Simplicity Research Hub

Institutions really matter



Proximate

Capital
Labour
Technology



Fundamental

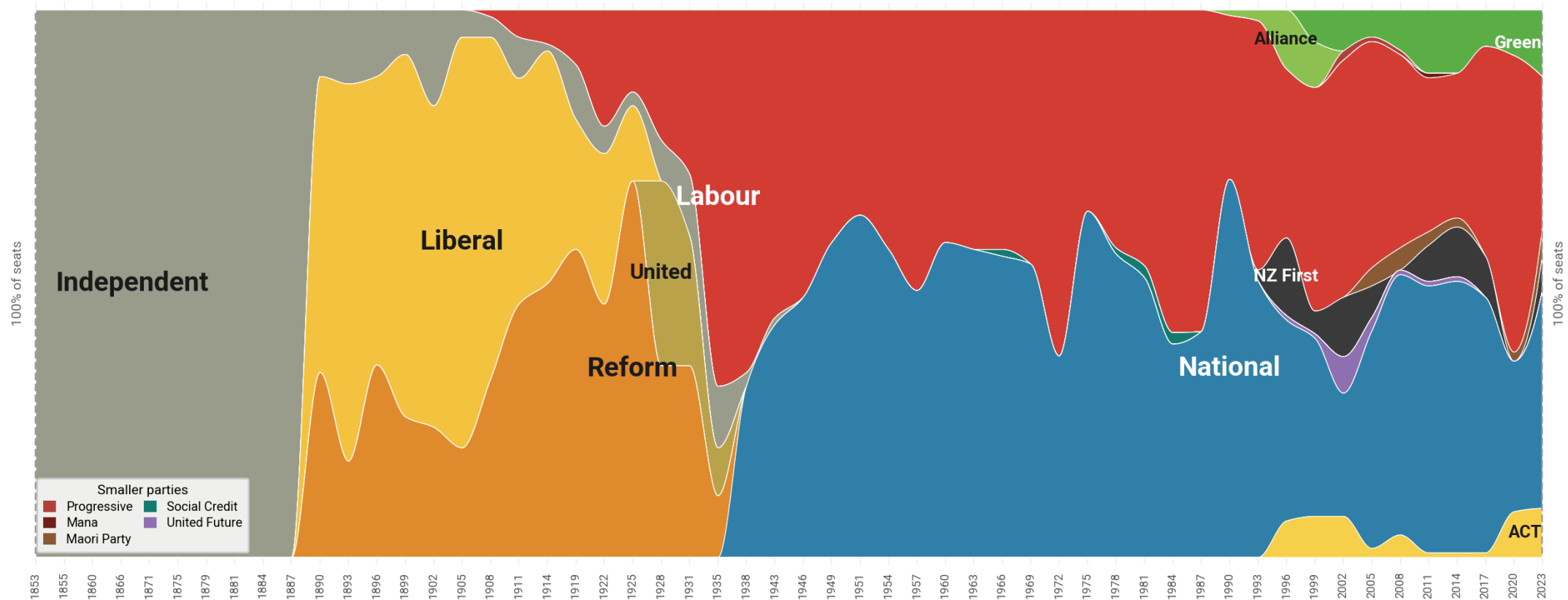
Culture
Institutions
Geography
Luck

We aren't immune

Fraying social cohesion

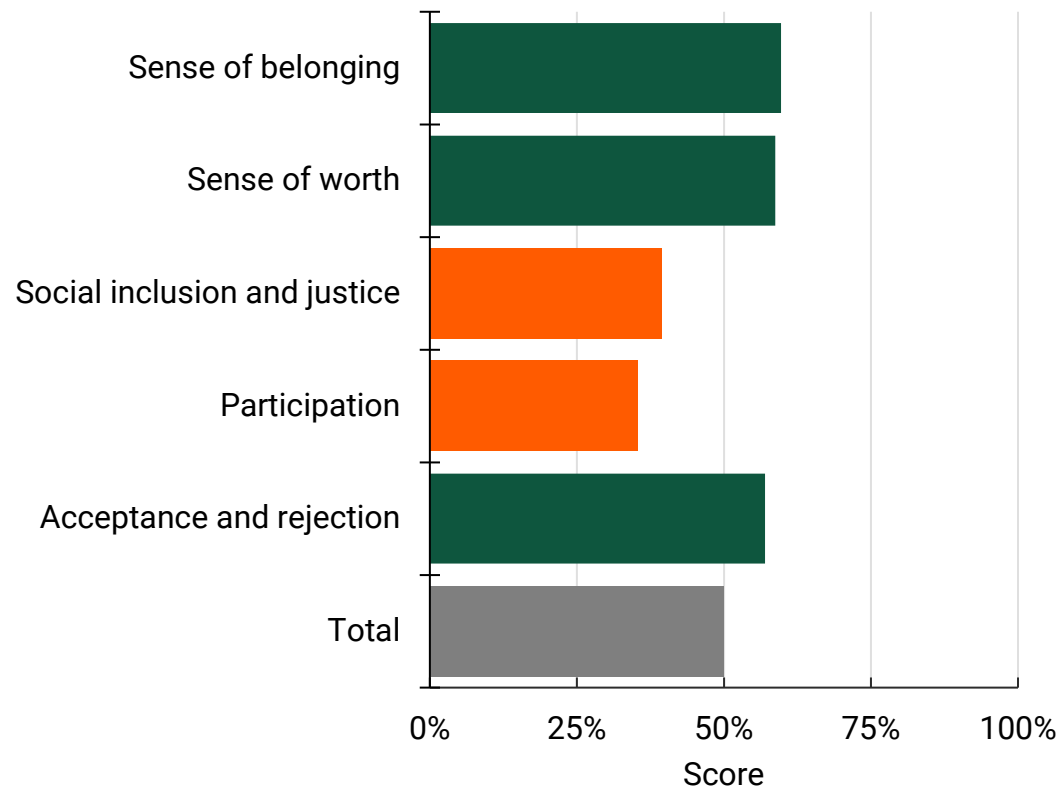
Where to?

A Visual History of New Zealand Parliaments



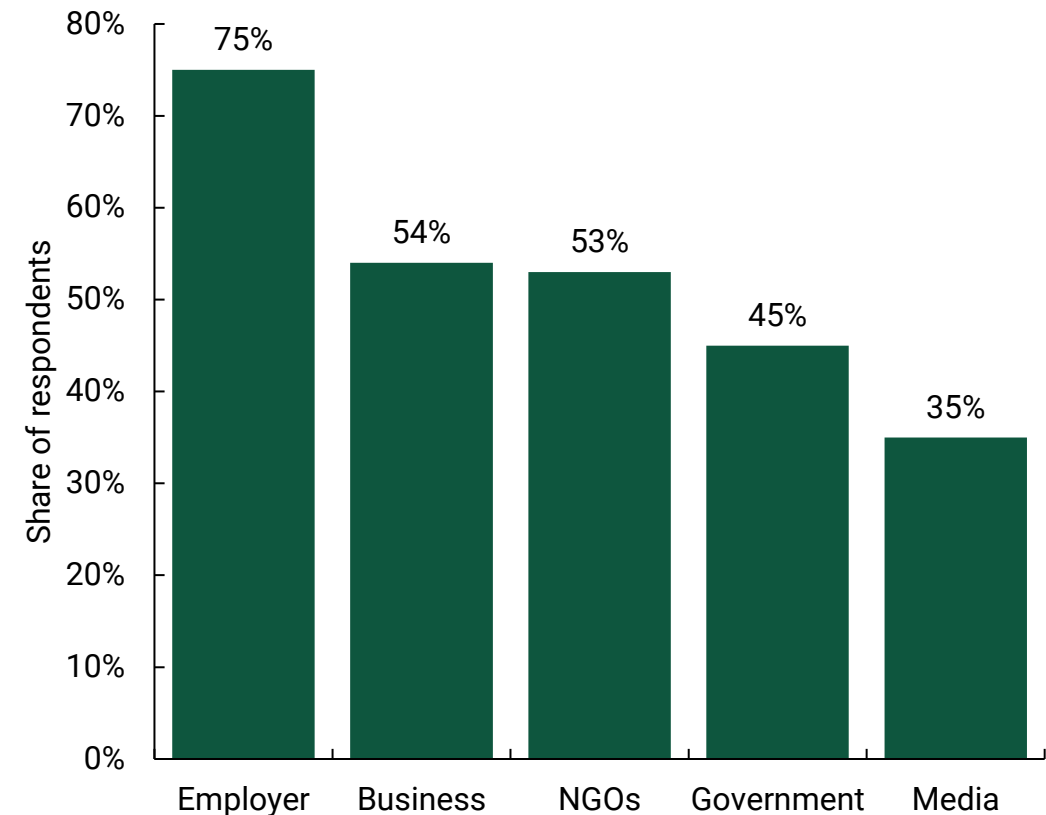
Wider malaise

NZ social cohesion scores



Source: The Helen Clark Foundation

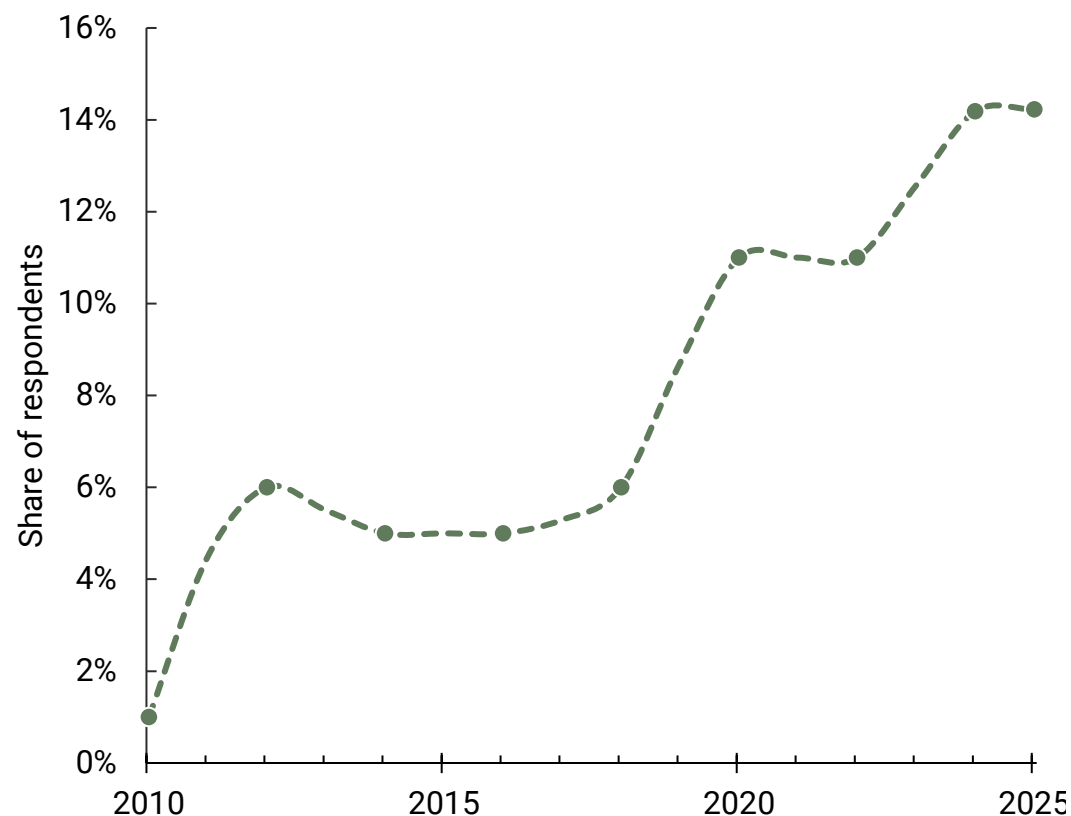
Trust in institutions



Source: Acumen-Edelman Trust Barometer, Simplicity Research Hub

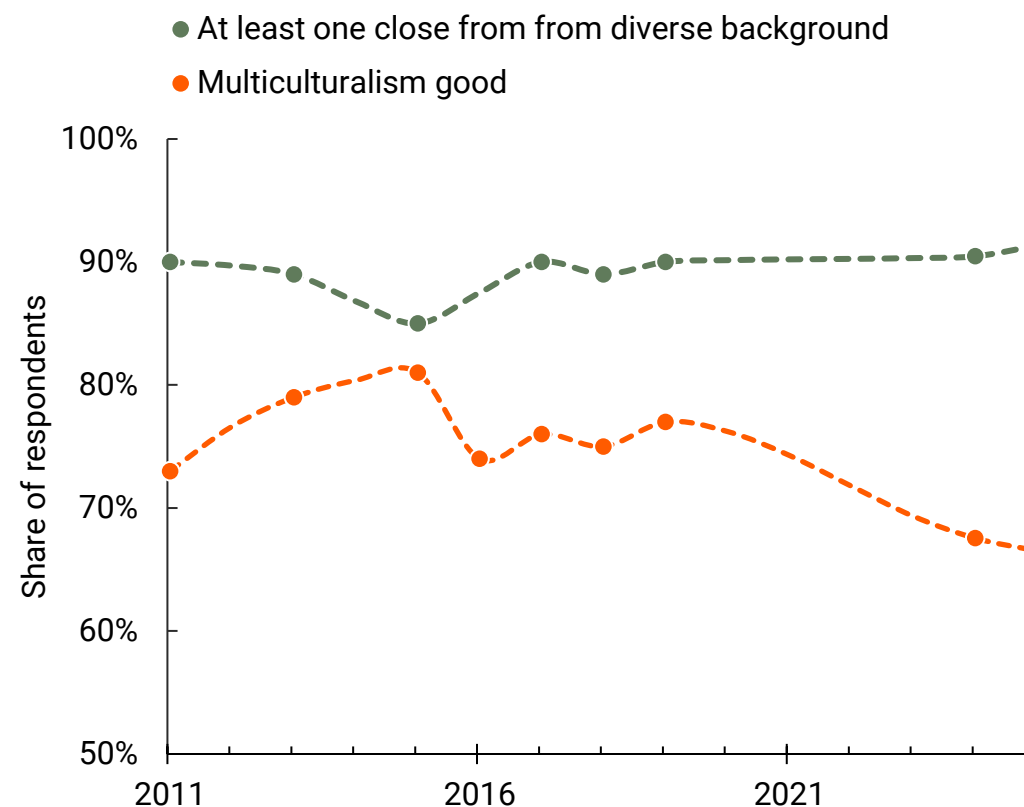
It is part of a broader trend

Feeling isolated often



Source: The Helen Clark Foundation

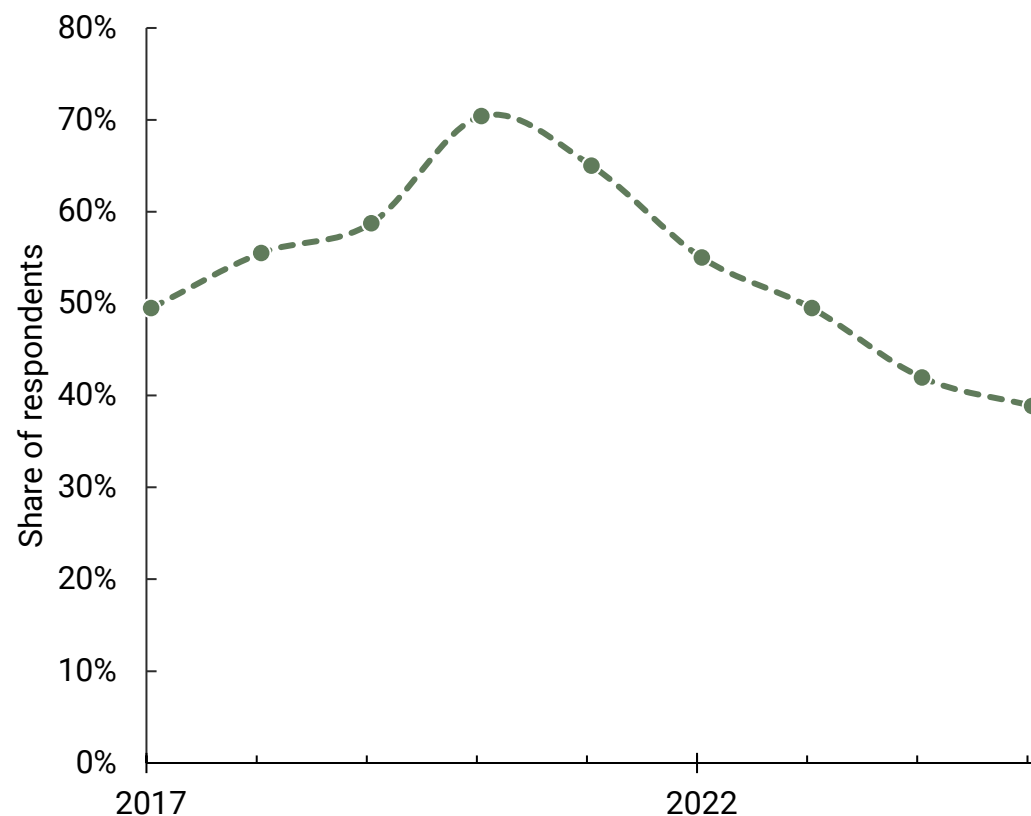
Diverse friends & multiculturalism



Source: The Helen Clark Foundation

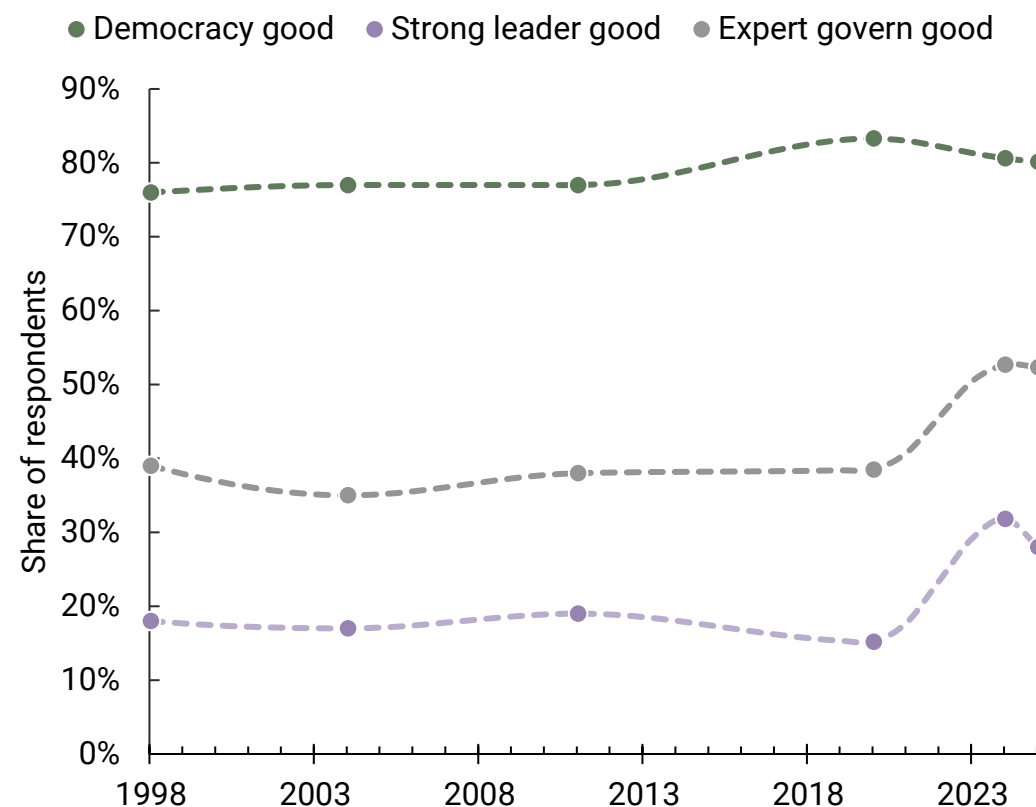
With important consequences

Trust in government



Source: The Helen Clark Foundation

Governance measures



Source: The Helen Clark Foundation

Fragmentation themes



Inequality



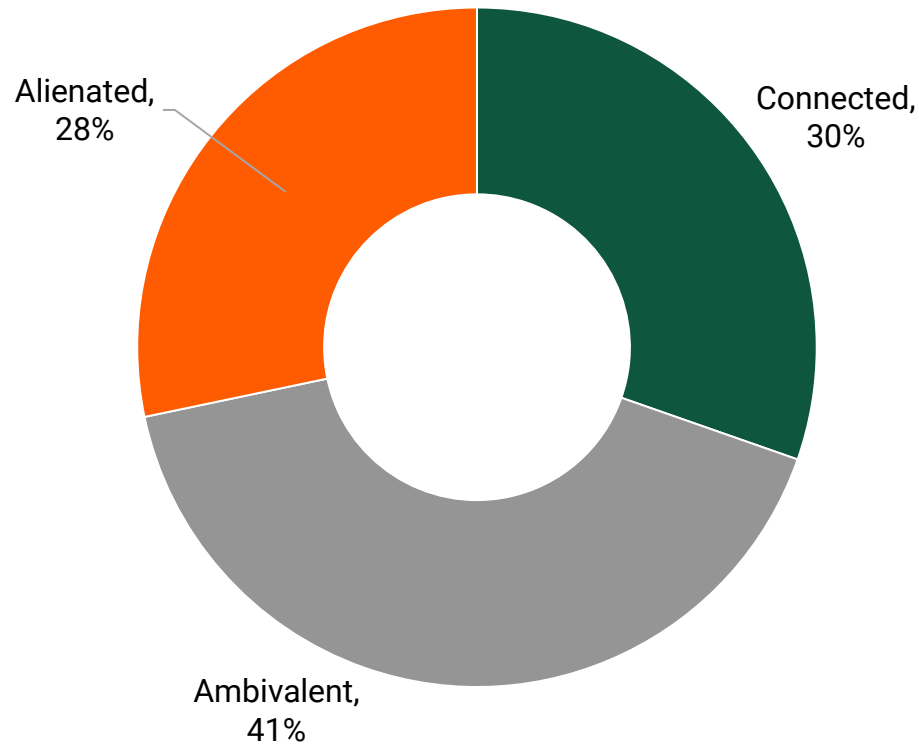
Politics



Age

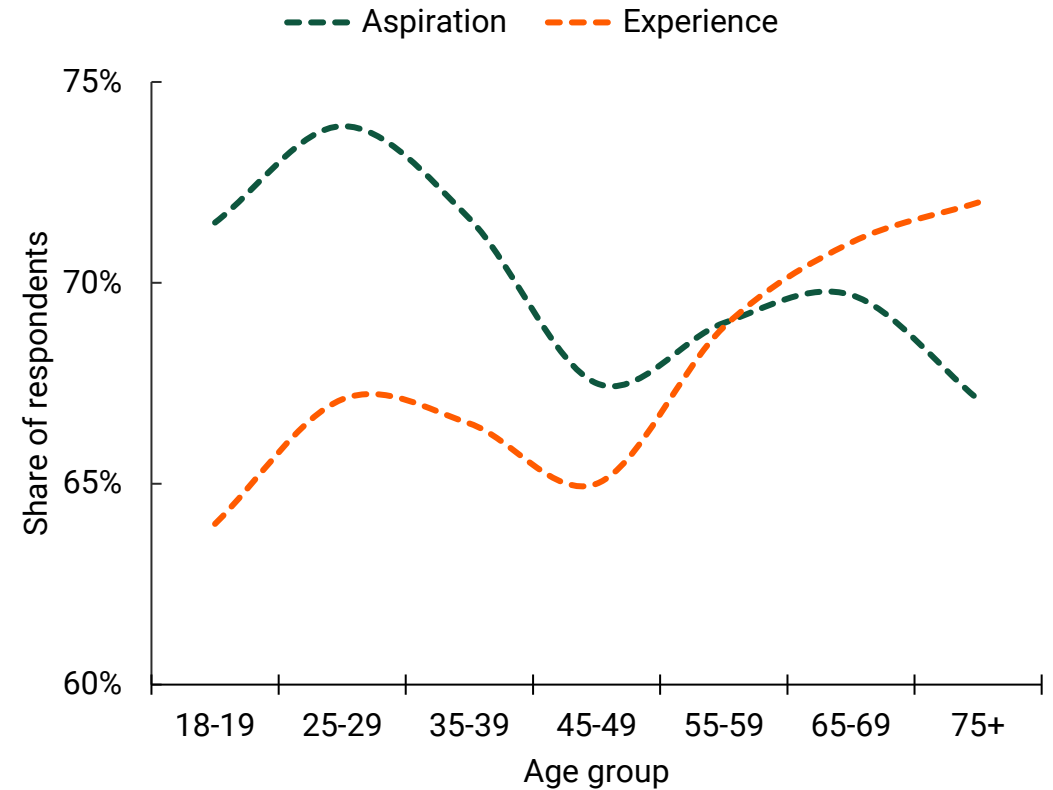
Three New Zealands

Social cohesion clusters



Source: The Helen Clark Foundation

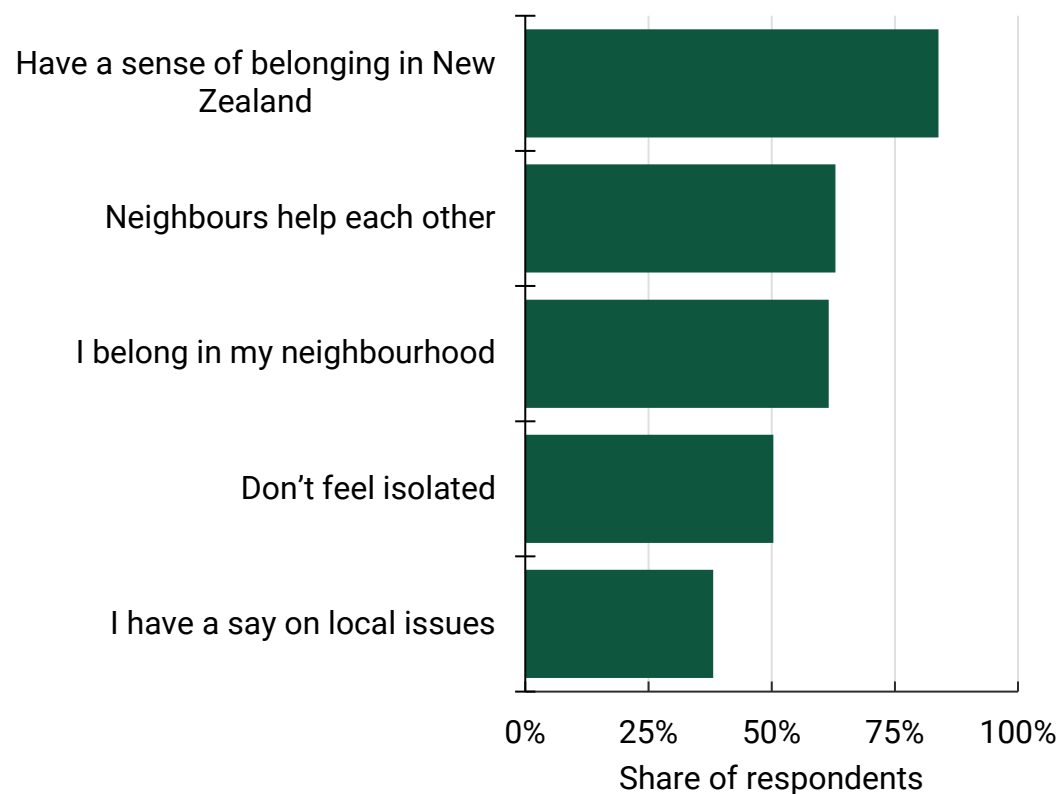
Social cohesion aspiration vs experience by age



Source: The Helen Clark Foundation

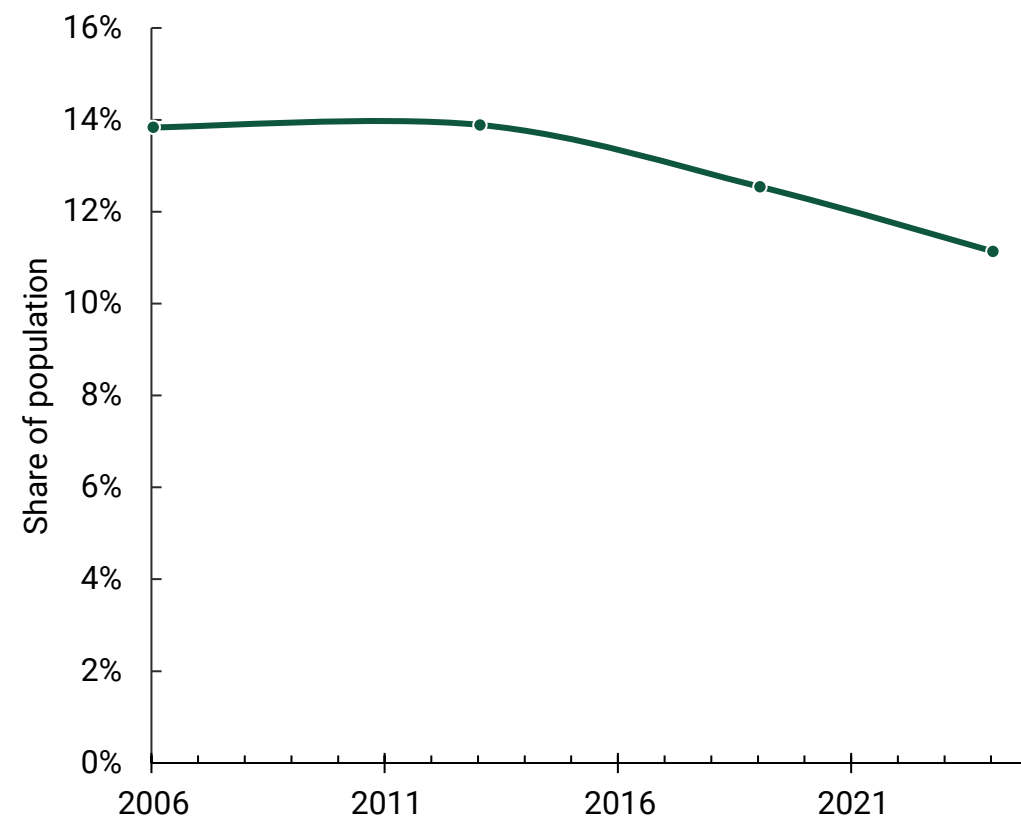
Hopeful, risk & opportunity

Sense of belonging



Source: The Helen Clark Foundation

Volunteering rate: Census measure



Source: Statistics NZ, Simplicity Research Hub

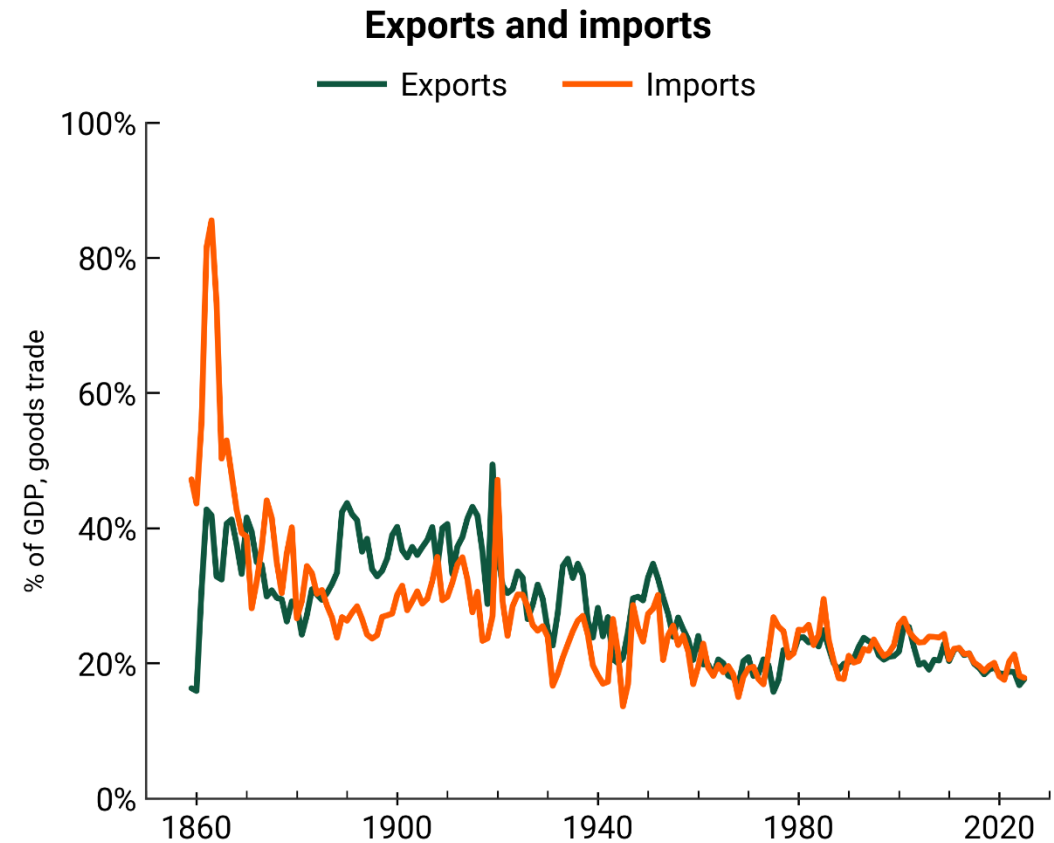
We have issues & strengths

Safe harbour, if we invest

Globalisation is not dead



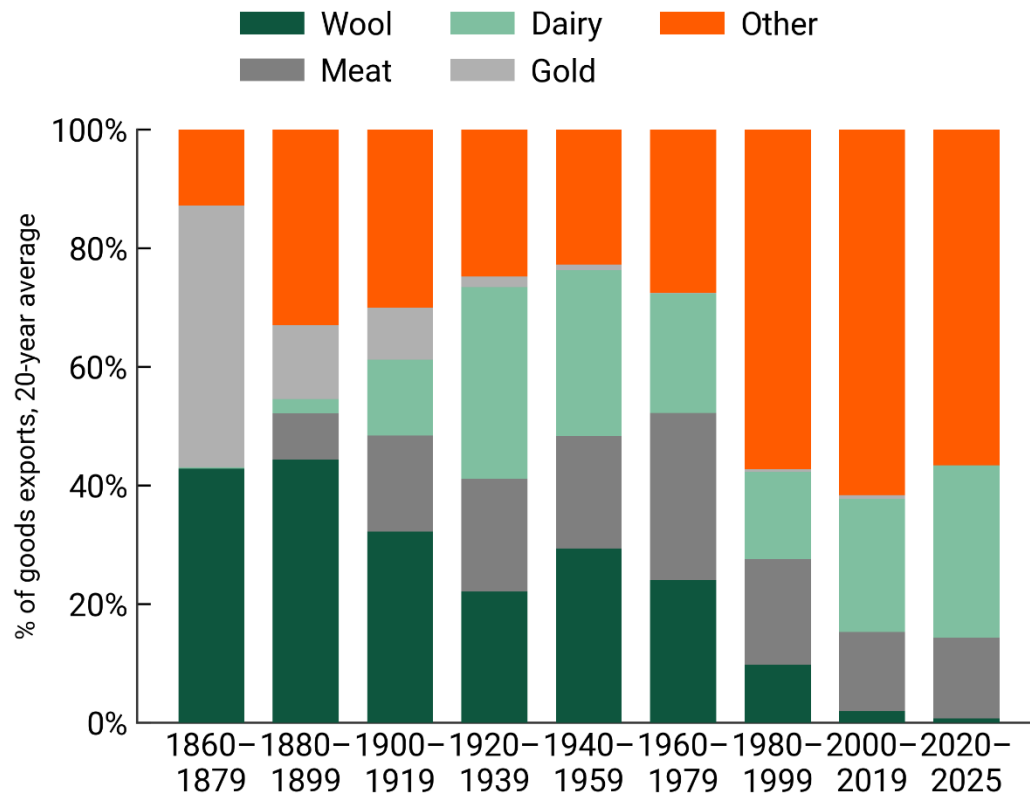
Source: Fouquin and Hugot; CEPII 2016; IMF, World Bank, Simplicity Research Hub



Source: Statistics NZ, Simplicity Research Hub

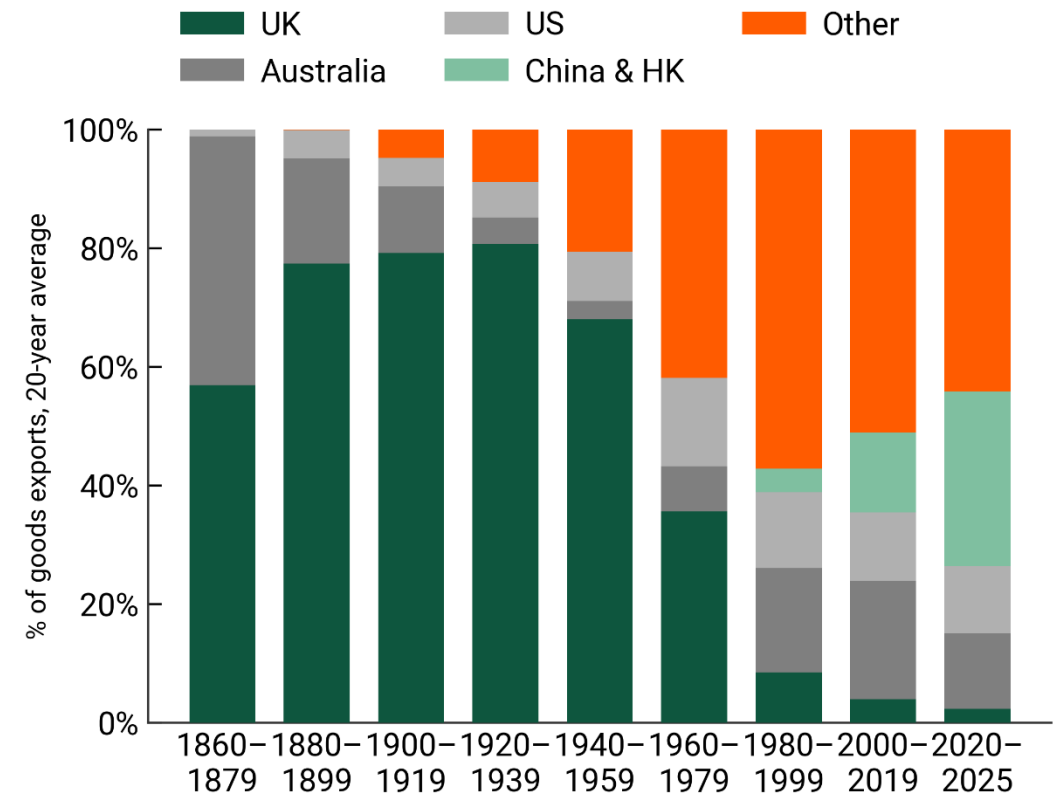
Although changed

Commodity mix of exports



Source: Statistics NZ, Simplicity Research Hub

Export destinations



Source: Statistics NZ, Simplicity Research Hub

Our place in the world...

New Zealand over Europe, to scale



New Zealand over Japan, to scale



...and gloriously isolated

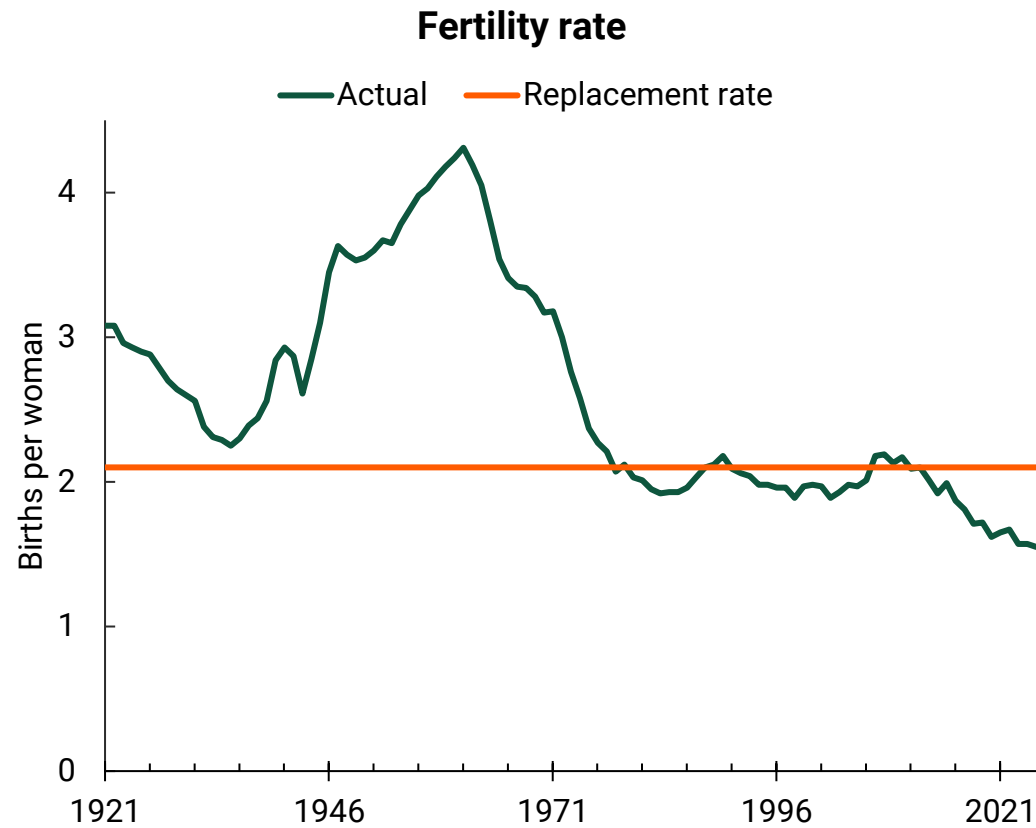
Within 2,000 km of Wellington



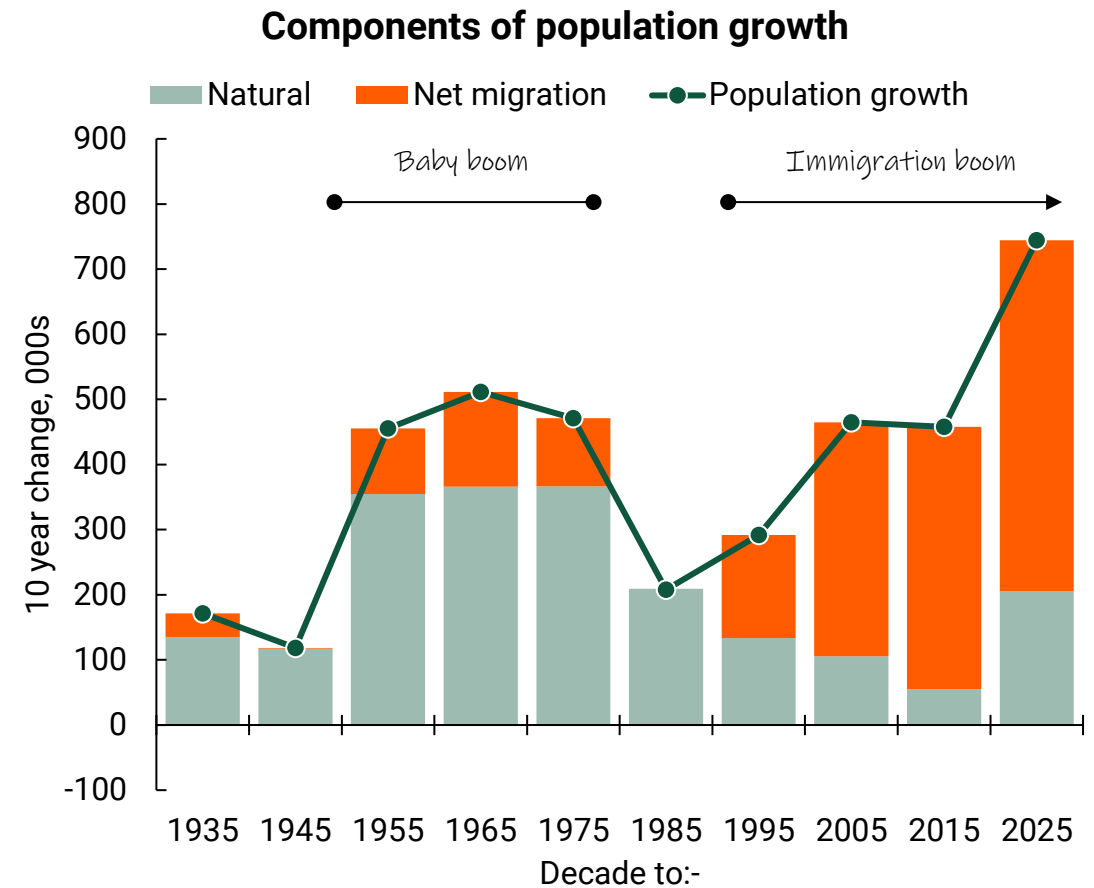
Within 2,000 km of Berlin



We are changing



Source: Statistics NZ, Simplicity Research Hub



Source: Statistics NZ, Simplicity Research Hub

Diversity is place based & changing

Ethnic diversity by region, 2023

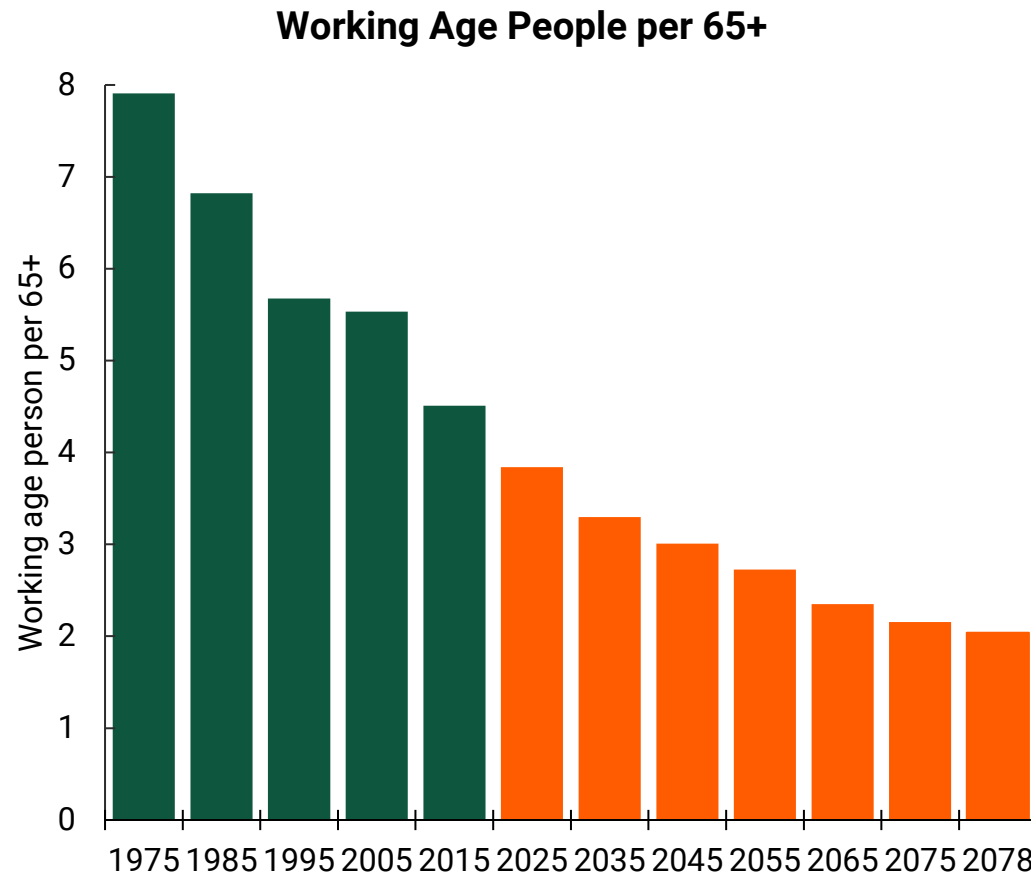


Change in ethnic diversity, 1996 to 2023

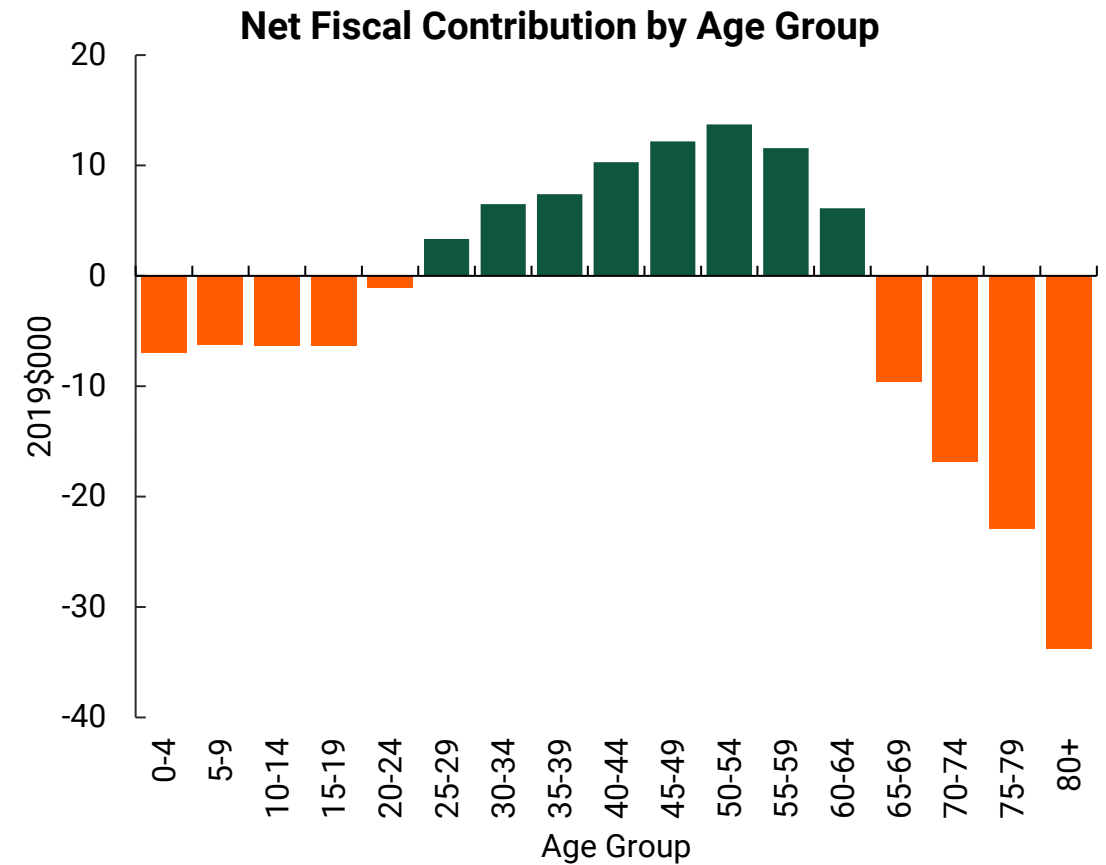


Source: Statistics NZ, Simplicity Research Hub

Demographics matter...



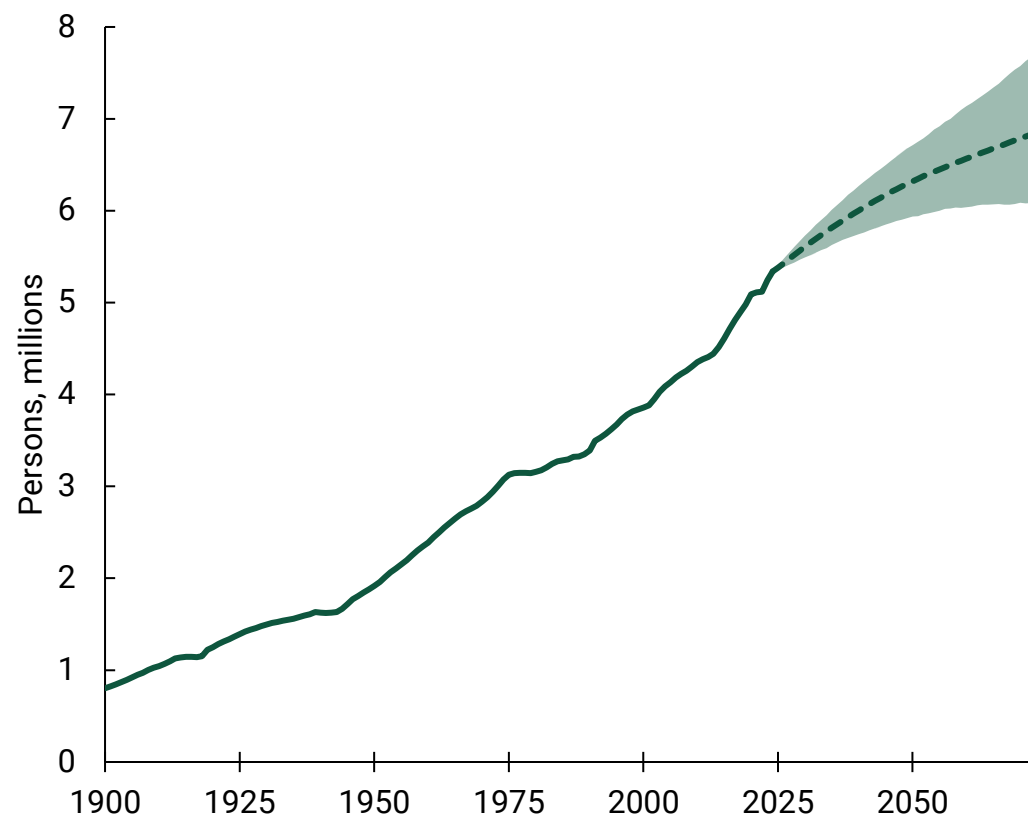
Source: Statistics NZ, Simplicity Research Hub



Source: NZ Treasury, Statistics NZ, Simplicity Research Hub

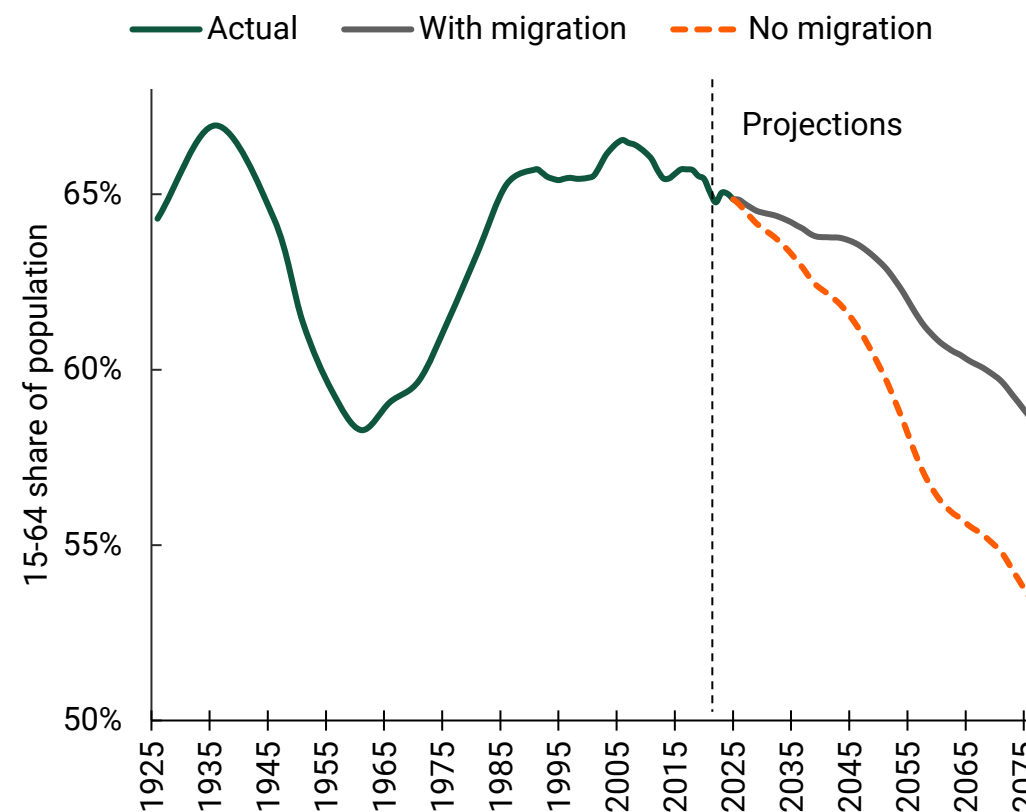
...even there a mixed blessing

NZ Population: Actual & Projections



Source: Statistics NZ, S Eaqub

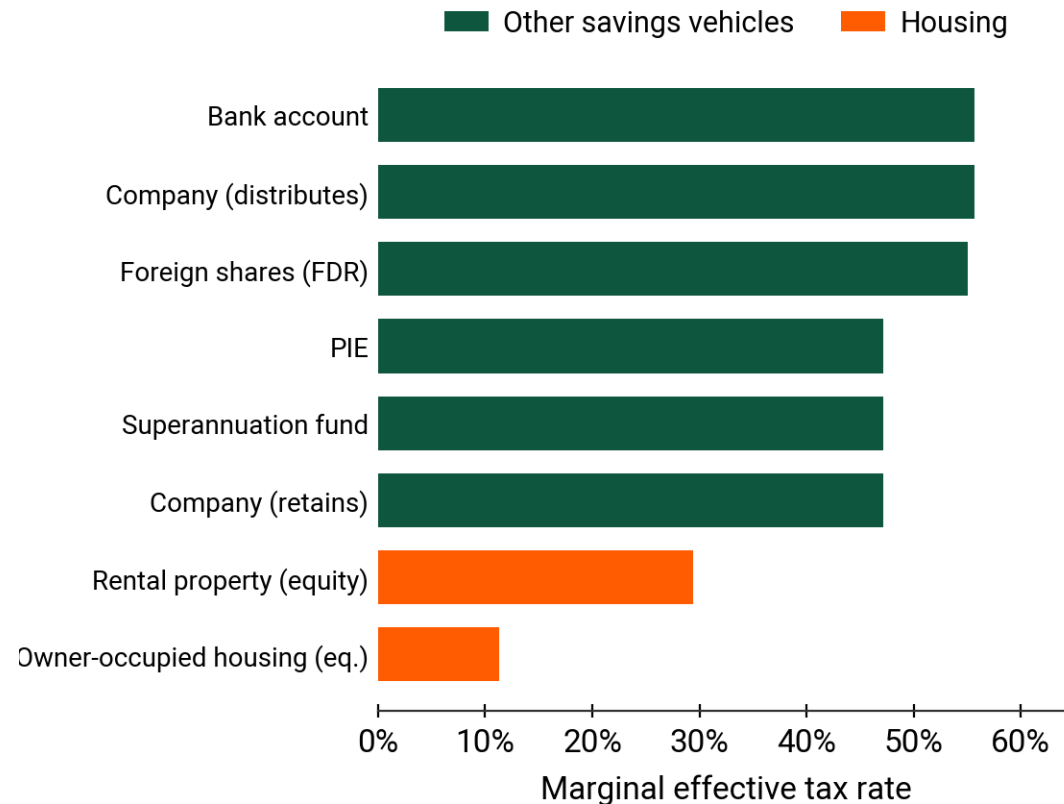
Working age population: 15-64 years



Source: Statistics NZ, Simplicity Research Hub

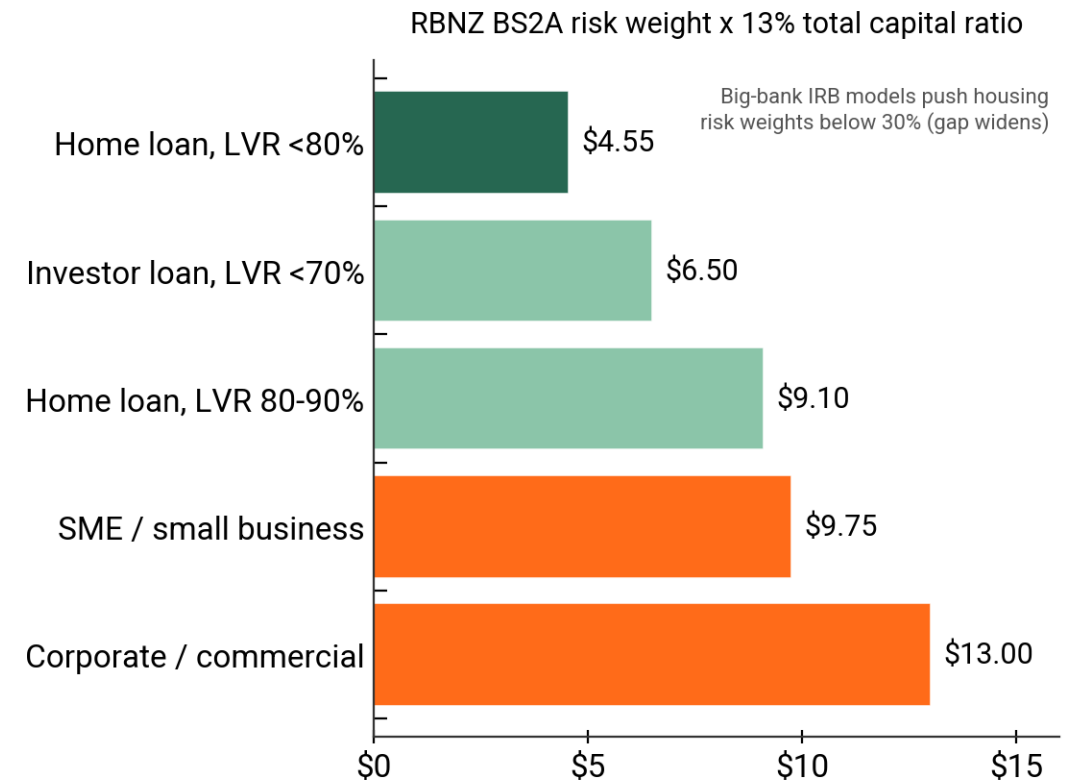
We don't encourage investment

NZ marginal effective tax rate, by asset class



Source: Simplicity Research Hub

Bank equity required per \$100 loan, NZ

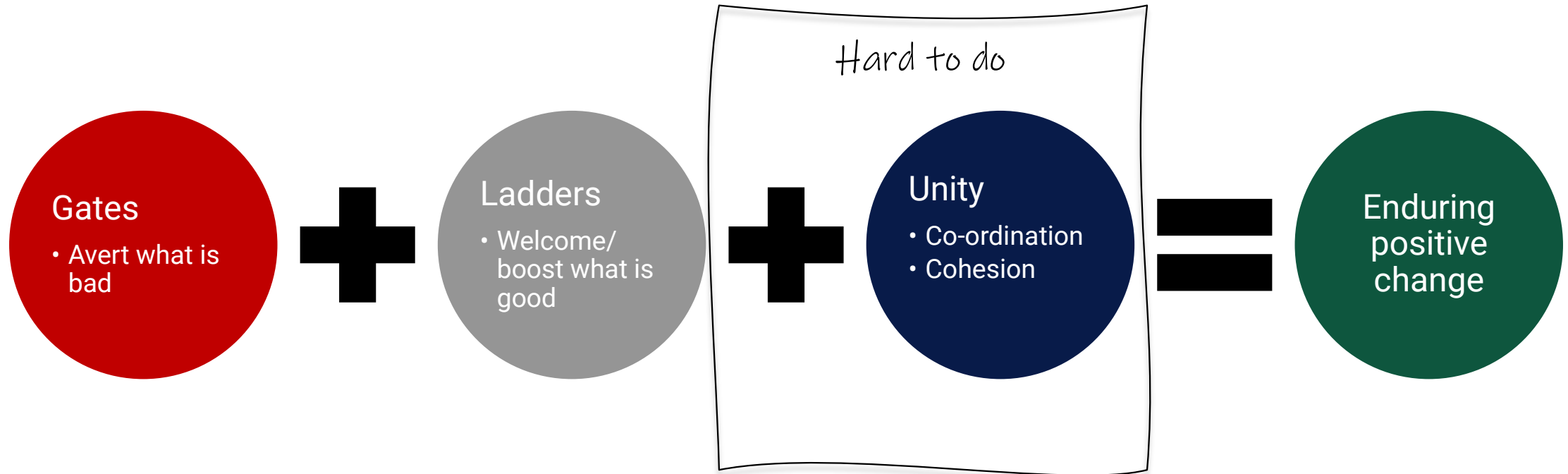


Source: Simplicity Research Hub

So what could work?

Invisible hand of the market vs the invisible fabric of society

Theory of (enduring positive) change

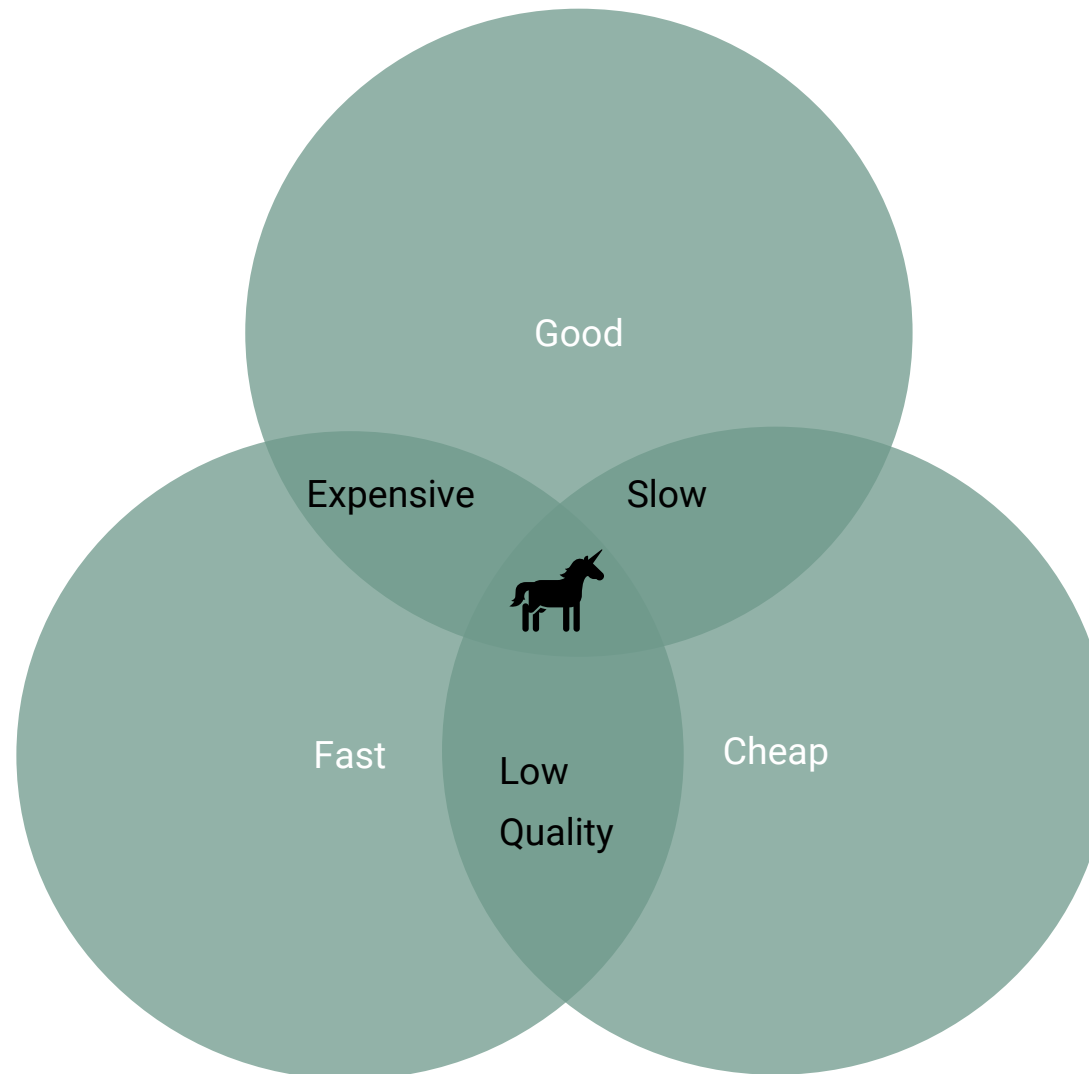


How: Low stakes, responsibility, action.

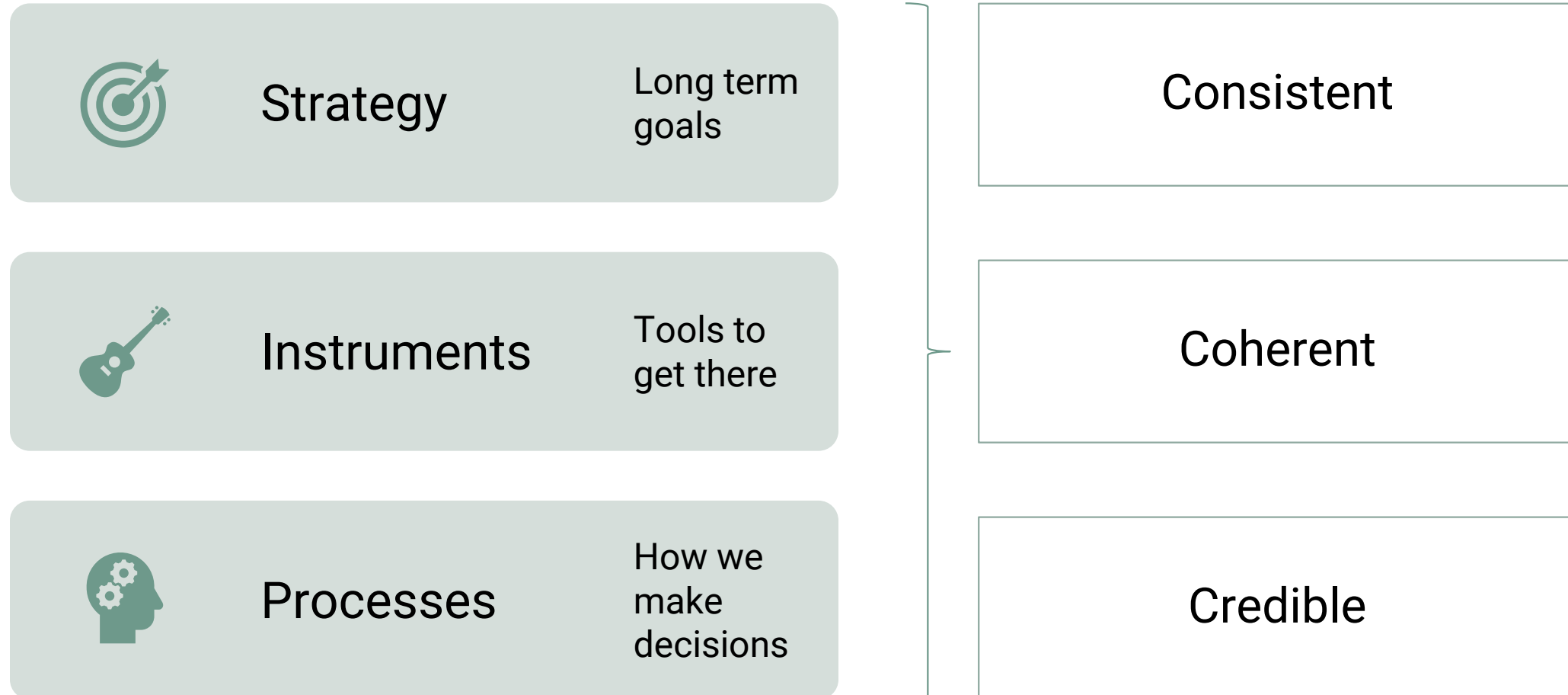
Stages of deepening commitment



From unicorns...



...to what actually works



Using all levers

Influence	Engage	Design	Develop	Resource	Deliver	Control
Advising	Listening	Connecting	Championing	Charging	Nudging	Devolving
Lobbying	Informing	Engaging	Agreeing	Incentivising	Educating	Providing assurance
Agenda setting	Consulting	Analysis	Partnering	Contracting	Building	Licensing
Role modelling	Convening	Forecasting	Planning	Co-funding	Providing	Regulating
Auditing	Collaborating	Modelling	Commissioning	Targeting	Reforming	Intervening
Governing	Negotiating	Testing	Interpreting	Investing	Safeguarding	Enforcing
Publishing	Running elections	Piloting	Drafting	Funding	Preventing	Sanctioning
Scrutinising	Setting standards	Evaluating	Legislating	Recovering	Protecting	Prosecuting

Theory of change: what?



Tinkering with existing
ways



Introduce new ways



Change the goals of
what we want to achieve

The big ideas are the same



Investing in our people



Lifting our gaze...



Investing in social
infrastructure



...bearing costs and...



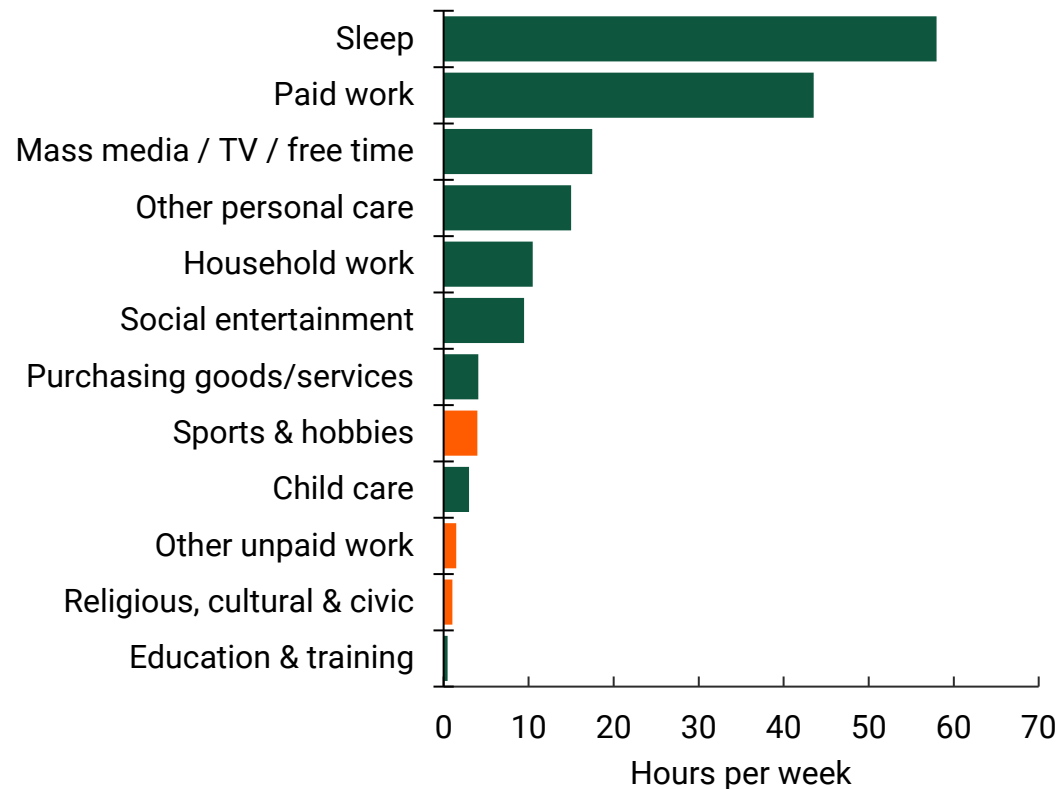
Investing in physical
infrastructure



...sharing benefits

Meet across difference

The average week of a worker



Source: Statistics NZ, Simplicity Research Hub

Individual action

- Show up: sport, culture, faith, civic life
- Volunteer: time is a great equaliser
- Donate and bequeath
- Invest in impact
- Small actions ripple: none need be tectonic

Solidarity, stewardship & lifting our gaze





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