

What is this phenomenon Jacinda Ardern?

Colin James to U3A, Christchurch 7 May 2018

Philip Tremewan, who assembles the programme for Aspiring Conversations in Wanaka every second April, said the session last month featuring former Irish President Mary Robinson in conversation with a young thing called Jacinda Ardern sold out in one minute when bookings opened.

I wasn't at the event. I have only Philip's word for the reactions to the star. In the telling, his face glowed and superlatives flowed. Even hardened National voters were softened, he said.

What is it about our Prime Minister that does this to people? And will this star fix in the heavens or be a shooting star back to earth?

I have been asked since August last year to explain her to journalists from organisations ranging from the BBC (three times), through Nikkei (owner of the Financial Times) to Time. This international media interest in a bottom-of-the-world mini-country's election was unprecedented in my 50-odd years. It continued when she won the top job. The Frankfurter Allgemeine Zeitung's South-East Asia correspondent wanted to know whether she might be a beacon signposting the future of liberal democracy. The Australian Women's Weekly editor, who interviewed the Prime Minister, then interviewed me about her, in mid-January, overdosed on exclamation marks when I sent on to her the ninth-floor press statement announcing the pregnancy.

Why that interest?

Northern-hemisphere democracies are disturbed, some to the point of near dysfunction. The cause: a combination of stalled incomes for wide sections of those societies in the wake of 1990s and 2000s economic hyperglobalisation, the impact on national identity and homogeneity of substantial immigration and the damage from the 2007-08 financial crisis. Anti-establishment parties and personalities have unthreaded the centre-right/centre-left fabric which since 1945 has clothed liberal democracies from 1945 in bounded rationality.

The new forces are left, right and even anarchist. In that last category include the Five-Star Movement founded by a clown, Beppe Grillo, which is top-polling in Italy. Its leader, Luigi Di Maio, is, by the way, 31.

On the right, the United States Republicans have wandered into a forest inhabited by dark spirits, the Conservatives in Britain are split at least two and arguably three ways, the French Liberals are ragged and across the continent old-style conservative parties have moved rightwards to squeeze new or reinvigorated parties of the hard right which have gained ground, notably in Holland, Germany, Austria and Italy.

On the left, social democratic parties have been dismembered by breakaway parties promising new directions – like Syriza in Greece (in the government) and Podemos in Spain – and by forces promising a reconstituted 1960s or 1970s – Bernie Sanders' strong challenge to Democrat orthodoxy in the United States and Jeremy Corbyn's takeover of the British Labour party. United States Democrats and British Labour are deeply divided: most Labour MPs deeply disapprove of their leader; would-be agents of renovation are challenging the Democrat establishment in many candidate selections for the November mid-term elections. The French Socialists are in tatters and Matteo Renzi's reconstructed Socialists, the Democrats, did dismally in Italy's

recent election.

Another dimension of this departure from the centre-left/centre-right settlement and search for salvation or hope has been the eruption of macropersonalities: Prime Minister Alexis Tsipras in Greece (age 43), Prime Minister Justin Trudeau (age 46) in Canada, Austrian Chancellor Sebastian Kurz (age 31), France's man from nowhere, President Emmanuel Macron (age 40) – and, here, Jacinda Ardern (age 37).

How come we find ourselves in this volcanic landscape? How did gloom, rebellion and resentment come to disfigure liberal democracy, descended as it is from the rational values of the Enlightenment. How did this happen at a time when, as Canadian philosopher Steven Pinker points out,¹ life has actually got better for humans across the globe through the past two centuries, particularly in the past two decades. Only a minority now live in extreme poverty compared with the great majority 200 years ago and that minority continues to shrink. We can fix many of the afflictions that used to kill us humans and so we live far longer. Per head of population there is less war and less violence. The list of life improvements continues to lengthen.

But, Steven Pinker points out, that is not the message we get from the media. Over the past half-century in liberal democracies the traditional media have highlighted not what is going right but what goes wrong. Over the past decade or so Twitter, Facebook and other "social media" have multiplied the spread of that bad news, including now in "fake" form. And we hear from politicians and bureaucrats and not-for-profits constant litanies of "problems".

And that despondency is rampant even though we are standing on the threshold of an exciting decade, the 2020s. Excitement, of course, can be both frightening and exhilarating. And for all Steven Pinker's masses of evidence in support of his rosy – sometimes too rosy – view, there is mounting evidence the 2020s will generate both sorts of excitement: fear and hope, good and bad disturbances and disruptions.

Start with the global economy and global politics.² Over the past half-century and particularly over the past quarter-century, the world has been rapidly rebalancing and that rebalancing will continue through the 2020s. For five centuries Europe and its offshoots lopsidedly dominated the world's politics, economy and ideas, both of how things should be run and in new science and technologies. That domination is ending. We have to share with others – and adjust and adapt and live with their different ways of thinking and their new science.

Xi Jinping is reconstituting the Chinese Empire, which for two millennia or more until the mid-nineteenth century saw itself as the centre of civilisation, with a periphery of tributary states reaching across central Asia and these days down to us via South-east Asia and through the South Pacific. This re-energised China, having fed off a liberal global trading system to enrich its people, sees all Chinese as "family", including those living elsewhere. It aims to influence countries around it through that "family". It aims to reshape global trading networks by reconstituting the ancient silk roads

¹ Stephen Pinker, *Enlightenment Now. The case for reason, science, humanism and progress* (Allen Lane 2018) and before that *The Better Angels of Our Nature. Why violence has declined* (Allen Lane, 2011).

² I have explored this, and much that I have briefly touched on in this talk, in *Unquiet Time. Aotearoa/New Zealand in a fast-changing world* (Fraser Books, 2017).

through central Asia to Europe and establishing a strong sea presence around Singapore and India to Africa and the Middle East. Xi's China is supplementing economic power with both soft political power (including loans to "vassal" states) and hard military power. It promotes an alternative to liberal democracy and capitalism.

To Xi's west Vladimir Putin is reconstituting the Russian empire. Putin intervenes in neighbouring states and hacks into liberal democracies' voting systems and markets. (China, too, is interfering digitally.) Add the turmoil in the Arab world and its wider terrorist impact. The world is in disorder and there is no early resolution.

This comes as global issues, needing global responses, are rising, principally climate change, water, sea pollution, food source degradation and pandemic diseases. If not addressed, these trending issues will disrupt human lives and social orders, potentially seriously. There is no global government, so to even begin to address these global issues will require "coalitions of the willing" to take risks, set standards and ferret out opportunity. The good news is that such coalitions can be not only states but cities, companies and non-government organisations and there is growing evidence of such initiatives.

Another global issue is digital technology. This is deeply changing the way we live much as did the first industrial revolution from the 1770s, then the second in the early twentieth century. But it is doing that multiple times faster. The world and its citizens are more directly and for more extensively connected – to the extent they want to be. This technology, built off science established in the 1940s, is now what experts call recombinant, as steam in the early nineteenth century and electricity in the early twentieth century were. That is, as digital innovations spread, offshoots and new innovations emerge which feed back in and add dimensions to the original technology.

As a result, artificial intelligence and robotisation will develop very fast in the 2020s, with effects on work and social order which are only guessable at this point but are likely to be profound and disorienting in addition to opening up opportunities. Think of self-drive cars, fast, accurate, prognoses and early diagnoses of medical conditions, robotic surgery, the "gig" and "sharing" economies. Those "of a U3A age" will not be cloistered from these changes.

The huge potential benefits of these new technologies will coexist uneasily with huge potential risks and damage. One issue will be how to ensure everyone has access to the benefits digital technology and especially artificial intelligence can bring, including, for example, for health – particularly for those who are less well off or are in remote places or are older and/or less able to adapt to new-fangled machines. It will pose complex issues of privacy and dignity in the way personal information is collected, stored and used, even when it is collected for the benefit of those it is collected from. These issues will demand fast-adapting responses from policymakers in the 2020s, very different from those that have been fashionable in the 2010s. It will demand different responses from those who supply or use the technologies.

Then there is gene editing, especially its six-year-old form, CRISPR. This offers potentially huge benefits in improved plant growth and so expanded food production to meet the needs of the next 2 billion people due by 2060 or so, offsetting the huge upsets posed by climate change and related events. It offers huge benefits in treatment of bodily afflictions and in the interruption of genetically transmitted diseases. It also offers the possibility of designer babies and the potential for serious and destructive

misuse by autocrats and crooks. The ethical issues CRSPR and its impending offshoots raise are of such mind-boggling complexity and novelty that the discoverer of CRSPR, Jennifer Doudna, told the *New Scientist* recently she began to worry in 2017 that she might be a modern Dr Frankenstein.³

These are the multiple forces of hope and fear that have made a 37-year-old Prime Minister here – with, astonishingly, the support of a 73-year-old former reactionary populist, Winston Peters. Try attaching the word logic to that outcome.

Yet Jacinda Ardern earned her role. How? What makes up this, our very own, macropersonality?

She grew up a Mormon. Though she left the church in her late teens, that upbringing gave her a solid moral and operational platform. She has firm navigational aids for life and its anxieties and opportunities.

She connects. When her eyes lock on to you, you feel looked at and into. She is warm and funny. People feel no need to leave a deferential space between her and them. She is combative when challenged but seems not to have a nasty cell in her body. She has presence befitting her status but zero pretension. When she talks to children that does not look staged because it is not.

She is intelligent and has a capable intellect. She absorbs and processes briefs. Businessman Sir William Sargeant, for whom she worked in London engaging with government departments to reduce regulation during the Tony Blair era, told me she was the best in his team.

She got international experience, including visiting some global hotspots, as president of the 134-country International Union of Socialist Youth. She worked in Parliament and the Beehive, including in Helen Clark's office (alongside Grant Robertson, with whom she is personally close). That grounded her in politics, political management and policy and added to her international affairs knowledge. Mentor Helen Clark ensured she was well placed on the list in 2008.

These qualities marked Jacinda Ardern out for me early in her time in Parliament as someone who could go to the top when she wanted it. I spent time with her. I got to know her, I thought.

But when she was suddenly Labour leader on August 1 last year, she did so with an assurance I hadn't calculated. She walked into the job as if she owned it. The campaign opening and the size and buzz of its crowd three weeks later was like none I had experienced. She took Labour from 25% to 37%.

I was not the only one surprised. During the campaign a senior MP and a senior party organisation figure, both close to her personally, each volunteered their surprise. They did so again after the coalition was formed, attributing the outcome principally to her skill in conduct of the negotiations. At that point, as I said in my remarks at the post-election conference, I stopped being surprised that I was surprised.

Jacinda Ardern evoked something of the Sanders/Corbyn effect. She appealed to older people who have long yearned to resuscitate the pre-1980s social democracy and appealed to others yearning for a new idealism, a new social democracy (which has loose parallels with the idealism of young baby-boomers of the 1960s).

³ Michael Le Page, "Director of evolution", *New Scientist*, 3 March 2018.

At 37, she had the appeal of being what on her first day as leader she awkwardly called "youth-adjacent": young enough for 20-somethings to feel she was one of them. Many mobbed her.

That all adds up to a macropersonality, appealing and connecting very widely, outside the mould, above the political humdrum, like Justin Trudeau and Emmanuel Macron. That is what the international media sensed. Days after she was made Prime Minister Forbes magazine rated her 13th most powerful woman in global politics. During her European and London visit last month, France's conservative Le Figaro gushed that "the young woman has upset the political codes" and Time rated her among the 100 global people of most influence, a "prodigy" and an example to women that they could combine career and children.

Jacinda Ardern's rise marked the end of the baby-boomers' domination of politics. Sir John Key (another macropersonality) and Bill English were tail-enders of the baby boom. Jacinda Ardern and Grant Robertson and James Shaw and Julie-Anne Genter and Chris Hipkins and David Clark and Carmel Sepuloni are all 45 or under. So is Fletcher Tabuteau, the new New Zealand First deputy leader. There are some baby-boomers still around in high places, notably Winston Peters and David Parker. But there can be no mistaking that the transition is now well under way in the cabinet – and, now, in the National party with 41-year-old Simon Bridges as leader and 46-year-old Amy Adams as de facto deputy leader in the finance portfolio. A fifth of the Parliament was under 40 on election day and just under two-fifths were 45 or under.

That trend won't reverse. Another 35-year-old, Nicola Willis, came in when Steven Joyce went out. Two 35-year-olds are contesting the Northcote by-election for Labour and National. As National MPs retire during and at the end of this term of Parliament, they will be replaced mostly by 30-somethings and lower-40s.

But transition is not transformation. In the Speech from the Throne on November 8 Jacinda Ardern proclaimed a "government of transformation".⁴ But will it be? In her pre-budget speech to Business New Zealand last Thursday she toned that down to a "government of change".

On April 17 Jacinda Ardern told a Berlin think tank⁵ that people needed to "hear from their political leaders that we anticipate" the sweeping changes digital technology

⁴ Excerpt from the Speech from the Throne, 8 November 2017: "This will be a government of transformation. It will lift up those who have been forgotten or neglected, it will take action on child poverty and homelessness, it will restore funding to education and the health systems to allow access for all, it will protect the environment and take action on climate change, and it will build a truly prosperous nation and a fair society, together.

"This will be a government of aspiration. It aspires to make this a nation where all cultures and human rights are valued, where everyone can have decent housing and meaningful work, where education is free and good ideas flourish, where children live surrounded by creativity and love, and are encouraged to reach their full potential, and where we become world leaders on environmental issues and climate change. "

⁵ Excerpt from Jacinda Ardern's speech to the Friedrich Ebert Foundation, Berlin, 17 April 2018: "Add to that rapid technological change where even in a country as small as New Zealand the workforce faces the prospect that more than 45 percent of jobs will no longer exist or will be completely replaced in just two decades. It is little wonder that this sense of insecurity has grown. People need security. They need to hear from their political leaders that we anticipate that change."

would bring to the workplace and so to personal security and she backed that last Thursday with a tripartite "future of work forum".

So far the tone so far is reformist, not revolutionary. The sixth Labour-led government is not of kind with the fourth in the 1980s. The baby-boomers were iconoclastic. The post-baby-boomers are not – at least not down to age 35 and that encompasses all the younger ministers.

Dozens of reviews and inquiries are under way. But most have more of a 2010s fixit ring than a taking-into-the-2020s one.

That applies particularly to the repair work needed after Bill English's "more with less" formula turned to "less" through his third term in many portfolio areas, particularly short-funded hospitals and mental health, the serious shortage of good houses, degraded waterways and much infrastructure. Bill English basked in the immigration torrent's addition to gross GDP but did not match that with expanded services.

Then there is tax. Tax reform is in the hands of Sir Michael Cullen, a principal architect of the Helen Clark government's third way which was a partial correction of the 1980s deregulation, a cul de sac not a path to a different future. Grant Robertson well understands that wealth is at the root of the wider inequalities that have become embedded and are reducing social cohesion and economic opportunity. But the tax working group is approaching this tentatively, including exempting the family home from capital gain tax and land tax. The International Monetary Fund, no leftist cell, called this "narrow" in a briefing on April 17 in Wellington.

Chris Hipkins' multiple education reviews also look more 2010s than 2020s at a time when a growing line of international commentary reckons deep change is needed. One dimension in that commentary is a heavy focus on the years zero to eight – emphasise "zero" – and on building non-cognitive skills to prepare children for much less settled worklives. That would include being better geared to imbibe the necessary cognitive skills not just in school and post-school but multiple times during the much more differentiated and often fragmented worklife than the twentieth-century factory education system efficiently schooled us for. Those cognitive skills will need to be delivered in much more learner-need-defined ways than now, including in precisely targeted modules, which poses fundamental challenges to our ossified tertiary systems. We might also usefully aim to imbue in managers wider and more appropriate non-cognitive skills.

And to do this different educating well will require valuing the educators far more as professionals – including far higher pay and status and on the other side of that ledger far higher professional qualifications and effectiveness on the job.

Nevertheless, this government is only six months old. Is something gestating that will not really be born until a second term?

In environment and climate change policy the government *is* pointing into the 2020s and beyond. While there is not much yet in the policy bag, the direction signposted is towards far greater action after nine years of timidity that has threatened our international brand. Last week David Parker indicated that the Resource Management Act, 28 years old and amended almost as many times as it has had birthdays, will be re-examined in depth from 2019 after some immediate changes next year.

That is one big area of change. The other, arguably even bigger, is wellbeing

economics.

Three years ago last month Girol Karacaoglu, then the Treasury's chief economist, sent me a draft of a working paper on the Treasury's living standards framework. This working paper explored Amartya Sen's theory of "wellbeing economics" as applied to New Zealand conditions by academic economist Paul Dalziel. I nearly fell off my chair reading it.

As since developed by the Treasury, wellbeing economics aims to measure economic success by changes in the stocks of various "capitals". Economists have long measured the ups and downs of financial and physical capital and scored the economy by how much output of market-priced goods and services was rising or falling. The Treasury now wants to measure changes in the stocks of natural capital, human capital and social capital in order to widen its understanding of our true prosperity. This was spelt out both in its four-yearly long-term fiscal forecasts in late 2016 and its four-yearly investment statement in March.

This makes a lot of commonsense. The economy is a subset of society and if social capital decays so will politics and that will affect the economy. How well a society operates depends on the strength of our human capital. And humans can exist only if our natural capital – ecosystems and raw materials supply – is in good order and not run down. People don't measure prosperity only in stuff and dollars but in a wide range of aspects of their lives. New Zealand comes out near top in the world on a number of measures of this wider prosperity, for example, those of the Legatum Institute and the OECD Better Life Index.

The Labour-led government has enthusiastically adopted this "wellbeing" way of thinking about how to shape the economy. Jacinda Ardern and Grant Robertson warmed to the idea while in opposition and Grant Robertson wants his 2019 budget to be a "wellbeing" budget.

Whether the Treasury can actually fulfil Grant Robertson's 2019 wellbeing budget aim is very doubtful. To get meaningful measures of natural, human and social capital is mind-bogglingly difficult. There is a lot of international work on these matters but they are far from settled. It might take a decade or more to get the sort of rigour that would measure up as guides to effective policy. So Jacinda Ardern and Grant Robertson will probably need a second term at least if the Treasury's initiative is to survive future political cynics.

Meantime, Jacinda Ardern has taken a step down the wellbeing road with a bill to insert into the Public Finance Act a requirement to measure and report on changes in child poverty. She has appointed a Minister for Children, Tracey Martin (who is also Minister for Seniors). Tracey Martin, a New Zealand First MP, is wholly onside with wellbeing economics and the value of investing in children, which has been convincingly demonstrated by Richie Poulton's ongoing study of a cohort born in Dunedin in 1972-73. Jacinda Ardern has long been au fait with Richie Poulton's work, which has shown strong correlations between self-control at age 3 and multiple later-life outcomes ranging from income to mental health to crime.

That points to a need for highly innovative policy which will take time to develop and get right – if it can be. It takes us across into other policy areas. Self-control is one of those non-cognitive skills education needs to focus on. Early self-control is more likely in a strong household and a strong household is more likely in a good house with secure tenure, as Jacqui Graham's Wise Group has demonstrated. The house has

to be at the centre of social policy. Broadly, Jacinda Ardern and Co get that. Likewise, health is not some separate domain. It is affected by and affects almost all other social policy.

Doing right by children will over time contribute to a more cohesive society. As I see it, a cohesive society is infrastructure, to be invested in and maintained. Everyone benefits. Moderate conservatives would agree.

All this takes us a long way from the neoliberal or neoclassical or market-liberal paradigm which has been dominant in liberal democracies since the 1980s. This paradigm is in decay. There is no new paradigm on the shelf waiting to be taken down and applied, just as there was no new paradigm on the shelf in the early decades of the first industrial revolution. Wellbeing economics is a step, not the whole journey towards a new, durable paradigm.

But what about the short term? Can Jacinda Ardern hold this three-legged coalition together another two and a-half years and get the second term she will need if she is to make her mark? That question has got sharper after a string of gaffes and divergences over the past few months. Is she in control? Can these failures of political management be brought to an end?

This is the first true three-way government. On the left are the Greens, which have overwhelmingly elected bright-red-green Marama Davidson as deputy leader and thereby in effect made green-green, even a little bluish-green James Shaw the minority co-leader. New Zealand First is focused mainly on the short-term, centrist these days but leaning right on some issues and needing to claw its poll ratings back to 5%. Labour is in government only courtesy of macropersonality Jacinda Ardern. If she went it would sag. Labour knows it has much work to do to assemble the sort of firm, durable support base National has.

The best guess at this early point is that Jacinda Ardern will hold it together and that either a two-way Labour-Green government or a three-way version with probably different weightings among the components will rule after 2020.

But that is in your hands, not mine.