

# Long-Term Insights Briefing

Notes from discussions with  
expert stakeholders

October 2021

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## Introduction

This document brings together notes from four discussions with experts in the fields of public administration and foresight. These were informal conversations between the experts and a few members of the Long-term Insights Briefing team at Te Kawa Mataaho. We are extremely grateful to these people for giving up their time to talk to us online. Any errors in the notes remain our responsibility.

# Notes from a conversation with Professor Jonathan Boston, Victoria University School of Government

## Topics and approach for Te Kawa Mataaho Public Service Commission's first Long-term Insights Briefing

6 September 2021

### Which of the topics do you think is the most important for us to focus on, and why?

Firstly, a key factor in answering that question will be how many of these documents there will be. Someone, probably a central agency, needs to have an overview of how the briefings dovetail and overlap, picking up on overall challenges and risks. There needs to be an integrated approach that can give people a sense of the whole.

For this specific briefing, Te Kawa Mataaho has an opportunity to identify and focus in on what isn't otherwise being focused on. With that in mind, workforce capability, joined-up government, and innovation are all quite traditional topics that have been receiving attention, in some cases for several decades.

On the other hand, active participation and engagement with the public in a social media context do offer the opportunity for original thinking.

#### Are there specific issues or parts of the topics you'd like to see explored?

Within those related topics, there's a number of important considerations:

- Rapidly changing technology and risk profiles
- Diversity
- Artificial Intelligence risks and vulnerabilities
- Fake news, especially state-mandated fake news and the increasing number of regimes engaging in it
- Misinformation and echo chambers
- Capacity for manipulation and control – tracking movements, personal mobility data – impact on human rights and basic liberties, especially from an autocratic/authoritarian point of view

A lot of these come back to the question of how to preserve democratic systems and robust public services, and how to maintain trust in the face of various stressors and destabilising events. Our relatively strong public governance system is an asset in this context, with high levels of public trust and confidence, at least in comparative terms.

#### Democracy and the public service

Democracy is under threat worldwide, sometimes deliberately. Actors seeking to undermine democracy can also end up undermining the rule of law. The price of liberty is eternal vigilance, especially in the face of evolving challenges. It will be important to protect democratic institutions and values, especially human rights, and civil and political liberties. The issue of balancing state control with individual freedom is incredibly difficult and incredibly important. In a world with more and more threats, automatic responses may be emergency powers and increased police presence – what impact will this have for participative democracy?

Threats to democratic governance also pose threats to the integrity of the public service. What role does the public service have to play in this as a core part of the constitutional democracy? The public service is a very important institution in our democratic system. It acts as both a stock and a flow, and holds a lot of different types of capital – human, social, financial, etc.

Looking out over 30 or 40 years, the public will be directly affected by all these risks, challenges and opportunities. As they are experiencing these changes, they will need to be more involved and engaged; we will need many different forms of democratic participation. These will need to be robust, meaningful and have integrity and probably need to start with people learning more about the nature of the democratic system (e.g. better via civic education). We currently do okay on this front – our select committee system for legislation is probably

one of the best in the world. But we need to focus on how to ensure that participation is fair and equitable in the face of vastly different resources. There are a couple of concerning trends here – undermining of local government and managerialism, especially in universities. Unwillingness or fearfulness of speaking publicly is detrimental to democracy.

### **Are there any other topics relevant to the Commission's role that you think we should consider?**

The briefing should start by mapping some of the particular risks, challenges and opportunities for the public service. Don't get too bogged down in the micro side of things or in one particular topic. This part should provide a decent map looking forward, with a focus on the public service. Providing reasonably plausible scenarios is a useful approach, thinking in terms of possibilities rather than prediction.

There is also the topic of institutional design/machinery of government. If you choose to discuss public participation, social media and related matters in any detail, it would be worth considering the possible implications for institutional arrangements in terms of how the public service organizes itself to provide the public with reliable and relevant information on important matters in the public interest – whether health related (e.g. COVID) or regarding natural disasters (e.g. seismic or climate related) or in relation to the big economic and social transformations that will be needed over the next 2-3 decades (e.g. decarbonization, waste minimization, regenerative agriculture, climate adaptation/managed retreat, etc.). Equally, there is the issue of public support for, and enabling, public engagement, especially on the part of those least able to engage, whether for financial or other reasons.

Some macro, broad factors to keep in mind:

- Covid's not going away.
- Possibility of more pandemics – some warn of a pandemic of some kind every five years.
- Anti-microbial resistance – already a problem but will be far worse.
- Ecological issues – increased impacts of weather events and their ripple effects for distribution and communication. Managing climate risks will be a critical issue.
- Increasing frequency and sophistication of cyberattacks – what if there was a cyber-attack on our energy system? Increasing risks for any particular system raise questions of redundancy and alternative arrangements.
- Te Tiriti o Waitangi is another consideration that is highly relevant for the role of the Public Service Commission. How the principles of the Treaty, and that of partnership in particular, may (and should) affect the design and operations of the public sector over the coming decades is a highly significant issue – constitutionally and practically.

# Notes from a conversation with Dr Stephanie Pride, futurist at StratEDGY

## Topics and approach for Te Kawa Mataaho Public Service Commission's first Long-term Insights Briefing

10 September 2021

### General thoughts on possible topics and approaches

The altitude or granularity of topics is an important consideration. Playing around with framing using things like issues trees, three horizon thinking and assumptions logs (what are the assumptions and will they be fit for the next era) will help address granularity and stretch the horizons. Current discussion of system challenges and opportunities in the consultation document doesn't include an indication of time frame. That is appropriate at this point, because there will be interactions between what the final subject matter is and over what time frame.

Crucially, this is an opportunity to look out to problems we're not yet facing, exploring what the challenges might be for the next generation of public servants. What are the shapes of the trajectories and where are the interesting points to intersect that? This will surface assumptions.

- As an example, there's a lot of focus on the ageing population, but we're beginning to move past the baby boom – what impact might that have? How will we transition out of an ageing population? What are the opportunity spaces of a younger population?
- Think about a decolonised or re-indigenised country – what would this mean for the public service? This stretches the frame, imagining this rather than focusing on Pākehā institutions doing better.

We are going through an era-scale change – everything that has supported our current era is coming to an end. What is coming is going to be as different as the shift from agrarian to industrial. What will enable the public service to make its own transition through era scale change? The social operating system will be fundamentally different and that comes with opportunities.

Remember that futures processes are iterative by nature.

### Continuing innovation post-crises

Thinking across the next three, four, or even five decades, there's a very real possibility that crisis will be the new normal, resulting from the conflation of climate change, governance challenges at international and local level, disruptions to democracy, etc. We need to think about what it would mean if that was the case.

One of the things to think about there is capacity, especially surge capacity. Drawing on some work with Customs, there's questions of big head, small body versus small head, big body, and the level of automation versus a hard border. It's probably more relevant for large service organisations. Given we are a small country, we can't necessarily afford to have surge capacity on tap, but maybe redeployment capability would work as an approach; i.e., how can we easily deploy people from one area to another. This raises interesting design questions – is there an opportunity to fundamentally rethink the design of the public service?

The pressure of crisis situations that leads to innovation is not likely to come off, so there will still be that impetus. However, it's the enabling environment that needs to be looked at, especially in light of era-scale change. The fourth estate has a role there, as well as the political system. There's been a change in minister's offices towards rewriting briefings rather than putting up parallel papers to outline differences. Along with media attention, this creates an environment where innovations that aren't successful are traced back to chief executives. The Public Service Commissioner has a huge role there in standing up for chief executives who take innovative approaches, sending the message that hounding such approaches is bad for all of us. We need a safe space for innovation, not a move back into risk-aversion. Sometimes it takes letting go of a bit of power to achieve something good and that involves a reset of system levers, otherwise it's not worth a chief executive's while to take that risk. This is not at

all to say that public servants aren't innovative – just that the system predisposes them against that. We need to fundamentally reset many system levers if we want innovation – and need to do this whilst still maintaining trust in the public service.

If you require all this flexibility and we're going to be crisis driven and public servants will be at the forefront of responding – we also need to think about how we ensure the wellbeing of those people when crisis is the new normal.

### **Better public participation in government**

This topic goes across several of the topics, and is dispersed in terms of who contributes to it. The key question is: who in the system both defends and updates democracy to ensure that it's fit for purpose? It's topical because democracy is under threat around the world for various reasons. The answer is probably not the Commission on its own, but there is a role there in terms of system settings, institutions, behaviours, and capabilities. The reality is that everyone in the system has control of bits and pieces, but the system-level question is important for the longer term. Within this topic, play with the question of what participation might look like – from users designing their own services through to users designing the system. Split those into levels of granularity – which are the most important? Or are they all equally important?

### **Engaging in a social media world**

This topic comes back again to the link between the public service and the fourth estate. Social media is too narrow as a term – we probably won't be calling it that even in the near future – it might be the fifth or sixth estate. Situating it in relation to the fourth estate recognises that we've moved on from that model of the media holding people to account. We need to think about what else is evolving and where it could go, then what does that mean for democracy and how democratic governments communicate with the public. QAnon, etc. are not fourth estate but they are very important actors. This area requires proactivity – to avoid war you have to work at peace, to eliminate discrimination you have to work at inclusion. It starts with public understanding of civics and democracy.

There has been a lot of work done on how technology and social media can help democracy – but this is just the new thing of the moment. It's useful to look at modal shifts and patterns rather than particular technologies. For example, there is a trend of easily

distributed and self-authored content. If the rules that constrain the press don't apply, how do we manage misinformation? This is a stressful phase – there is an absence of global governance, and there are limits to jurisdictional governance. This is a fast-evolving space. There is an explosion of modes in the middle of fermenting churns. What might emerge in the governance space?

If we think about why people are susceptible to misinformation – this is the lack of social cohesion and an absence of positive social connections, which leads to people feeling disempowered. This also depends on how vulnerable people are – basic levels of education and critical faculty are important. But there will always be bad actors, with some sort of material or psychological gain from spreading misinformation. There are complexities around policing this – but this is not a role for the Commission.

Think about this over three horizons – what can we do right now, where do we want to end up, and how do we transition to get there? What role do public servants have in settings and maintaining trust and reducing isolation? How can the public service work as a whole to prevent this? There will also be individual agencies who can work directly with communities and local government.

But you can't focus on the here and now. Think about whether digital things can be governed. How can we stop people being vulnerable to it?

### **Public service workforce capability**

This topic also links back to some of the things mentioned in relation to innovation – especially the question of surge capacity and how you flow things around the system. E-government brought the idea that wherever a member of the public makes contact with the public service, they'll be able to help without needing to go somewhere else. That relies on 'T-shaped knowledge' – combining a broad understanding of the system with deep expertise in a narrower field. Thinking about knowledge like that will help reframe how you think about system capacity and individual capability – how broad and how deep, how much resides in individuals and how much is in the system.

It's also linked to rethinking fundamental structural assumptions – a move towards post-institutionality raises questions about accountability and how to reconcile that with flexibility. Adjunct to that and

to surge, if you have more people working with government than for government, how do you build that into the system, maybe as a default, so that public service standards of behaviour, integrity, competence, etc. are ensured even outside the public service? Do you look at some kind of certification system that gives a stamp of approval for working with government? What about security clearance? The system should make these things easy. Fluidity will be a characteristic of workforces of the future and the public service will have more porous boundaries.

### **Joining up to address intergenerational problems**

This topic again fits with the idea of surge capacity – where public servants can flock around the things that need action and then fly away somewhere else. The idea of T-shaped knowledge and the ability to murmur go together. While vertical siloes are barriers, everything is connected. How can we increase people's capacity to understand interconnectedness. Are we tackling this at the right level of granularity? Often not, and this impacts the level of interaction.

There are generations just entering the public service who have grown up not waiting to be given permission. This is a generational thing. How can we harness this attitude for innovation, and create settings that are empowering?

### **Covid context**

You shouldn't focus on Covid as context – apart from drawing lessons from it. Covid is now – will it still be relevant in 10 years? Think ahead – what is the next crisis? We'll have more zoonotic diseases, diseases affecting animals and plants that we depend on. We'll have antibiotic resistance. Look out at least 15 to 30 years.

### **Local government**

#### **Joining up**

As well as joining up within central government, we need to connect across the layers – mobilising whole-of-nation responses that are stood up locally. For example, with water, there are strong local interests, but we can't manage the system just at a local level. How do you have governance that moves across layers? There are modal shifts here – we can move from mass governance to bespoke governance for an issue. Rather than having three or four layers of governance – how can we organise governance around an issue rather than using established, fixed levels?

#### **Engagement**

Another point is on local engagement – technologically enabled governance and town hall meetings – these tend to squash out interesting and edge ideas, and lead to the most commonly held view – which may not be the most informed or useful. It can be helpful to start with the voices that are least heard.

There also needs to be a shift in the assumptions about communications. There is a lot of trauma and angst due to colonisation, poverty, and now the pandemic. These stress levels haven't really existed since the world wars and the global financial crisis. The stress of the world is particularly carried by younger generations. How can we support councils to respond to communities, and make visible a human centre to the public service that can enable humanity?

What is the role of the public service in enabling and managing these transitions, and what skills do they need to enable society to make these changes?

May be helpful to read Navigating Critical 21<sup>st</sup> Century Transitions – useful as an example of a way to talk about these things.

# Notes from a conversation with Professor Girol Karacaoglu, Head of Victoria University School of Government

## Topics and approach for Te Kawa Mataaho Public Service Commission's first Long-term Insights Briefing

14 September 2021

### Coordination needed on LTIBs

Every time we create tools for collaboration that are exciting and have the potential for making the system work together – the public service is still working in siloes. The Long-term Insights Briefing could be a catalyst for a joined-up, integrated, system level focus on wellbeing, and on the issues in the consultation document. The approach to all departments' Long-term Insights Briefings should be an integrated exercise.

Someone needs to coordinate the thinking on these documents. Ideally this would not be a central agency – could emulate the Netherlands, Scotland, Wales, who have an independent coordinator to aggregate feedback – like a commissioner for the future. We need to avoid politicizing these documents.

### Process of developing briefings

Process matters as much as outcomes. This is what affects trust and legitimacy and integrity. This is why a separate commissioner for the future could enhance the outcomes of trust.

There is no focus on accountability on the part of institutions – how will you measure whether you're succeeding? Being committed to particular outcomes and targets and measuring these and making them public would be a fantastic discipline (like with BPS targets).

There's also the matter of inclusiveness – we want to hear people's voices. But there is concern that consultation is interpreted as asking someone after you have cooked a meal what they think of the food, rather than asking what they want to eat, and cooking it together. This is not generally how things are done in New Zealand. But localism is one way to increase inclusiveness. It would be possible to turn the table upside down and generate a machinery that really captures people's voices.

### Stewardship

Maybe it's not your business to tell politicians and governance groups what to do. But the Public Service Act has aspirations of stewardship, joining up, and reaching out to iwi. What can be done in the public service to support that and think in an integrated way? Do we need a mental health and wellbeing commissioner? One should constantly think about what can be done across the system. Think about governance, government and the public service to ensure they complement each other.

### International examples

We are constantly look at Anglo-Saxon countries, but exciting things are happening elsewhere – Scandinavia, Asia, smaller countries. Make sure these aren't missed. ANSOG is a useful resource, which has many connections across the world. They have researched practical work that is making a difference.

### What is long-term?

When we talk about long-term, what are we talking about? 20 years is reasonable. Different questions require different time frames. The long-term fiscal statement uses 40 years; it would be nice to align these timeframes. Forty years is still within the timeframe of current middle aged and younger generations but is long enough away to make a difference.

### How long-term insights are actioned

If the centre doesn't have somewhere to receive good ideas then it won't go anywhere. For example, why is New Zealand's long-term productivity mediocre? There is some good work being done on this, but nowhere to insert findings. There's no integrated systemic pipeline – it requires thinking end-to-end about the whole system. Central agencies can play a role in that.

## **How do you create institutions that are not captured, distracted and absorbed by the present?**

There will always be some uncertainty – some things we sort of know, some things we don't quite know, some things we really don't know. Radical uncertainty requires investment in systems to build resilience – the conversation should be about changes we can make to improve resilience.

One way to do this is to genuinely separate governance from government. Governance institutions hold government to account. Think of recreating an upper house for intergenerational issues.

Why should the demand come from the ministerial side? If you have an independent agency, then the demand can come from the public. This can also help solve commitment problems with long-term thinking.

The further out you look, the more esoteric your product becomes – if you look out 100 years, where will the accountability be for holding to that. Let's imagine a world where you're not involved, or there's a veil of ignorance that means you don't know what your position in that world will be. Build that story to tell the public and use commitment mechanisms for that. Create different scenarios and sets of actions to debate which one can best be served by what interventions.

For COVID-19, government was able to tell a coherent story. But for many of the issues we are talking about – these are like boiling frog syndrome – they happen slowly, without people realizing – which is harder to explain the need for change. This is why we have long-term insights briefings.

## **Wellbeing framework**

The consultation document talks about broader diversity and social cohesion – wider wellbeing can be a framework for this.

Treasury's living standards framework should be a useful tool for constructive and complementary conversations, given the need to consider impacts across all four areas. Some consider this is not a realistic approach; for example, that environmental and social aspects don't come into decisions on key infrastructure, but other countries are doing this already. The first thing you do is change the conversation.

# Notes from a conversation with Dr Chris Eichbaum, Victoria University School of Government

## Topics and approach for Te Kawa Mataaho Public Service Commission's first Long-term Insights Briefing

6 September 2021

Stepping back from the immediate:

- The five topics look good, but it is hard not to consider them within the current context
- How do we look at long-term insights briefings in the context of an unprecedented challenge?
- The public service is under significant pressure from a public health crisis, with effects also on the economy and society as a whole.
- What does the new normal look like in terms of broad macro-economic settings (central banks, tapering, "taper tantrums," etc.)?
- And what are the associated fiscal implications for the Public Service longer term?

That's why one of the topics resonated in particular: What are we learning from COVID-19? Starting with the reality of the here and now and what we might learn from that?

### COVID-19

COVID works as context and as a point of leverage. In some ways it provides evidence of the public service operating at its best:

- leadership
- capability and capacity across all levels
- communication in a social media context
- Innovative ways for outreach,
- embracing te ao Māori perspective and approaches
- diversity
- regional differences

It is suggestive of a changing risk appetite – there's not much appetite for failure still, but there is a willingness to try new approaches as long as the consequences aren't too dire. Assuming there has been change how in the context of encouraging innovation have we dealt with failing forward (in the context of an adversarial system with incentives for zero risk).

Covid allows much more porous lines between what might be considered the state sector – truly a whole-of-government response as was envisaged by the Public Service Act. A feature has been particularly novel interagency responses. COVID has allowed more porous lines between NZ public sector (MBIE, AVSEC, Defence). A serving officer from Defence is the person responsible for MIQ – prior to COVID this would have been extraordinary.

One couldn't have asked for a more significant, systemic disruption than this. It's an opportunity for stress-testing (the things that went into the Act and a whole lot of other things). For example:

How are we communicating with citizens? Are there new ways? Do people have access to the information they need? Are there assumptions that need to be tested here?

- One example I saw related to a kuia for whom English is a second language – how do services reach her in Tai Tokerau and offer her vaccination? It involves a Māori provider operating in te reo and being trusted
- There's also the matter of digital opportunities – that's a glass-half-full view but there is also a digital divide that needs to be navigated.
- Are we seeing the institutional innovations we anticipated from the Public Service Act (both hard-wired and soft wired)? Where are things not working? What are the impediments to getting traction on collaborative work?

Stress-testing grounds us in what we're learning now as a way of positioning us to deal with future crises.

## **Presentist bias**

In recognising the COVID context, there is a risk of falling back into the presentist bias that was apparent pre-covid – in electoral cycles, parliamentary terms, budget processes.

The Long-term Insights Briefings are intended to address this and be independent of the government of the day, applying public service capacity and capability to outline what we anticipate the challenges for the future are going to be.

In a 2x2 matrix I use with my students, the ideal space for the public service is in the ‘responsible’ quadrant. That might include giving reflections that are discomforting to a government.

## **Engaging with the public**

Coming through strongly in the Commission’s material is the idea of engagement with the public and citizens. But there is also a philosophical question involving the idea of subsidiarity – narrowing the gap between those making decisions and the public. As well as having the benefits of increased trust and legitimacy, the quality of policy deliberation and delivery can be improved through engagement and co-design. However, this also raises challenges around accountability and risk tolerance.

In terms of engaging with the public there is a need to strike a balance between keeping the public better informed and proactively coproducing policy and services. There is a sense that subsidiarity should be a default setting as a matter of principle (i.e. a default to coproduction). But in a crisis like COVID, there is a need to react quickly.

In other areas, a lot can be learned from default engagement with the public. Some organisations use focus groups to build institutional understanding of how people understand and perceive technical and policy questions, or for reality checks, or to anticipate design challenges. Other methods are used depending on the nature of the topic. It’s important to improve these areas of understanding.

## **Putting policy into practice**

The other question is how to translate government policy objectives into practice. The Long-term Insights Briefing is a stage in the process – a legislative mechanism provided by Parliament that is acceptable in the fiscal context and in line with Treasury’s requirements. The briefing considers what other elements of the policy mix are needed to address the challenges in future, but it doesn’t seek permission from Ministers to action anything. Providing the necessary advice will take organizational courage, especially if it’s politically difficult. The briefing is not intended to be gratuitously disruptive – it constructively provides the best professional assessment of potentially difficult issues and choices.