

Rick Boven

(Rick Boven, Director, Stakeholder Strategies)

[Interviewer question to 00.14: What major changes have occurred over your career?]

Well I guess the, the, the, the common theme over that period of time is the increasing environmental constraints – the emerging of environmental constraints. When I started my career, people didn't think about the environment as something that mattered to the economy or to our lives particularly much. The issues were, were local, and they were irritants, whereas I think today they are global and much more serious than they were then. The obvious things are things like climate change, but, but even with climate change today, I don't think there's a recognition of, of what the, the impact that has.

I think the, the other thing is scarcities – emerging scarcities of land and food. We tend to have a belief that technology will solve all problems and, and that belief is, is founded on, on, on a kind of a faith rather than an analysis of what the numbers are telling us. So when we look at growth in agricultural output globally, over the last part of the last century it, it was largely driven by increases in yield. Because even then most of the available land was already being used – other than that that's protected and under forest. Whereas what we're looking at now is reductions in yield and on top of that we're going to overlay climate change. People see these advances in technologies and they're, they're published all the time, but what they don't do is, is put together the big picture numbers and work out what's happening on an aggregate, global scale and what that means.

[Interviewer question 1.50 to 1.56: Where do you see these trends taking us?]

Well, one way of measuring this is to, is to calculate what they call an “ecological footprint”. And the ecological footprint essentially assumes that you keep everybody at the standard of living that they're, they're experiencing and you have a look at how much land is required to support those people at that standard of living. And if you, if you do that calculation today, you, you get a number of about 1.4 or 1.5 Earths required to support the global population sustainably. If you go back to about 1980, it went through one Earth and so we've been living unsustainably until then. If you then project forward to 2050, 2060, you get somewhere between two – and some people say almost three - Earths being required. And in the meantime, we've been operating beyond the sustainable level, which means that we've been depleting the environmental resource, so most of the ecosystems that support us are actually in decline. Food's the only major one that is, is still growing. And so the consequence of that is that, that can't continue forever. So the change we're going to see is we're going to see what the economists in economic circumstances call “a correction”. It's the, it's the form of that correction that lies ahead of us and, and we need to make some decisions about how we will navigate that correction. But I don't think there's a very widespread understanding that that's where we're heading.

[Interviewer question 3.27 to 3.33: Can you speculate on what form that correction might take?]

It's easy to speculate; it's quite hard to predict. I guess that some people would say that it, it takes the form of a, of a financial crisis. Another would say that it takes the form of an increase in the number of failed states, as more and more states become unable to sus-, sustain themselves economically and financially. And the costs of the materials they use, particularly food, continues to rise. People become marginalised and, and obviously, they, they then start to

engage in various forms of conflict and, and migration, which causes disruption.

We're already seeing some of these effects. So that's a couple of ways that we will see it happen. I think the other thing that we'll see is we'll see an increasing division between those who are rich and those who are poor – the sort of building of fences that we're seeing – fences, walls, that we're seeing a-, around the, the wealthier countries. And we're also seeing that start to emerge within countries, between the rich and the poor. So, so potentially a, a kind of reversal of the, of the, the great equalisation that has taken place during the growth phase.

[Interviewer question 4.48 to 4.55: What do New Zealanders need to do to ensure a sustainable future?]

I suppose there's a couple of layers of this. First of all, pretty obviously, New Zealand's not operating in, in a sustainable way at the moment, on, on simply on climate change, for example, and on our levels of material con-, consumption. We're, we're using far more than our, our share per capita. And so if we want to operate sustainably we really have to trans-, transform our economies. But in terms of New Zealand's unique circumstances, we're, we're somewhat remote. We, we have *relatively* abundant land. We have available water. We have a fairly benign climate and, and the climate *predictions* are, are not as severe for New Zealand as they are perhaps for some other countries. And so New Zealand is, is, is becoming a more attractive place for people to go to, both as a, as a safe haven and potentially as a place for investment. And so we're seeing those countries and, and individuals who, who are wealthy and looking for resource, security and safety – moving either their, their, themselves or their, or their, or their investments or their options to New Zealand.

So we're going to probably benefit economically in, in the short run, but of course we won't be insulated from the issues that are arising in other countries, in the, in the medium term. In the medium term that means managing the risk around that; making sure that we've got the kinds of society and the kind of economy that isn't too severely disrupted by issues and difficulties that we might import from challenges that arise in other countries. There, there will be conflict as, as more and more people compete for fewer and fewer resources.

[Interviewer question 6.44 to 6.51: What kind of leadership is required to head in the right direction?]

Well, I, I guess there, there's some fundamental choices that need to be made. Are we all in this together or are we looking after ourselves? And, and those choices need to be made at a individual level, a community level, a country level and a global level. It's really hard to see a-, against a context of greed and, and the growth in competition that we've had in the last few decades that's stimulated the economic growth, whether we'll be able to shift to the collaborative models that mean that we can navigate this together. So you have to think about how you, you hedge your bets. You do the best that you can to create collaborative solutions while protecting yourself against the possibility that those collaborative solutions may not work.

But I think the biggest challenge in terms of leadership is actually doing the analysis that helps you to understand what's going on. A lot of our political thinking, political economy, economic thinking, all of those things, have been developed during the last couple of centuries when environmental constraints haven't been a particularly important feature of the world that we live in. And they exclude consideration, even if the possibility of constraint's becoming important. They essentially make an assumption that technology will solve all, all issues and capital and labour are the constraints. I think we're already seeing that, that old world is, is starting to

change, but we haven't really seen the, the implications of those changes being understood by the leadership who continue to look to growth and efficiency as, as the way out of our, our, our challenges. I, I happen to believe that that's, that's not going to last - it will change. I don't know when it will change. Obviously the sooner it changes the more time we have to adapt ourselves to the, the, the emerging different circumstances.

[Interviewer question 8.51 to 8.58: What is going to be needed to bring about these changes?]

It's listening to the scientists. We haven't been listening to the scientists. We listen to the economists talk about science and, and economists don't actually know much about science. And the other thing is, what we're seeing now is, is for the last four or five years, we're really seeing accelerating shifts in, in the climate, in the climate patterns. And so as, as, as people understand that we've actually triggered a change in the climate, in the last few years and, and then become more fearful about other changes, then we'll see more recognition. But by and large the, the, the leaders tend to follow the public opinion and until the public really understands it, the leaders won't follow.

[Interviewer question 9.45 to 9.55: You talked about needing to switch to a collaborative model, away from a competitive model in leadership. Do you see a contest between the different systems globally?]

I think that there's an undeclared paradigm war going on in thinking. And that war is really between people who think that you can grow and develop technology and, in effect, continue to grow indefinitely, as the economic models actually tell you - people have come to believe mathematical models - and others who believe that we have to navigate environmental constraints. I think that's the fundamental debate that's, that's taking place in the world today and yet our political systems are still involved in a contest between capital and labour. If you look at our political parties, the leading political parties are still the parties of capital and the parties of labour. And the, the, the interesting thing about those two parties - and I'm, I'm talking globally here, in, in, in a lot of different countries - is that there are people's direct interests in play. So, so capitalists spend money to protect their position and change the rules to enhance the world to make them better off. Labour resists that and looks to protect the interests of labour. And so you've actually got population constituencies who look after those two interests, whereas there is not a population constituency. The, the animals and the, the life on the planet doesn't get a vote. The children who represent the future that's being traded away don't get a vote. We've got an artefact of the Old World fighting an old battle still, when the game's changed and we haven't recognised that yet.

[Interviewer question 11.55 to 12.00: Is a tripartite system possible?]

Yeah, what, what has happened so far is that as Green parties have, have grown and, and gained more influence, the other parties have, have taken their policies. If you talk with a Green politician about that, they'll say, 'well I'm happy, because I get the policy changed.' And yes, I guess that's a small win, but it actually doesn't change the paradigm. It's a step in the right direction - it gets more people understanding the importance of these things - but until there's a sufficient constituency of people who understand it, they won't be strong enough to cause real change in the leadership. Leaders want to get themselves elected and re-elected and unless the public understands it, is well-informed, is, is motivated, we're not going to see the, the changes that will protect our future.

[Interviewer question 12.50 to 12.56: Do you see a contest between different systems of

Government?]

Yeah, I, I almost think it's, it's not so much about the, whether it's a, a democratic system or a, or, or a, a more managed state system. It's really, whose interests are you operating in? And I guess in, in the, in the democratic system we've, we've aligned the idea of freedom with the idea of economic freedom, with the idea of business freedom – business freedom to pursue what matters to business. And so we pursue GDP growth. Now the only thing that GDP growth is really strongly aligned with is the profit potential for business in the aggregate. So what we're running is we're running western societies in the interests of business. And, and, and in the past those interests have been aligned with the interests of individuals. That is increasingly not true, but we're still pushing in that direction. Whereas other countries that are more centrally managed can have a more balanced approach. I've, I've been surprised when, when China has deliberately reduced its growth rate. It's in the five-year plan. They said they're reducing their growth rate in order to protect their environment, and yet the western commentators lament the fact that their economy has been faltering, because that's the lens that they look at that through.

[Interviewer question 14.17 to 14.23: Any final thoughts?]

What emerges in the future depends on what we do. Our ideas drive our behaviour and our behaviour determines what happens and what happens influences our ideas. The history is an unfolding of that co-evolution of ideas and behaviour and history. If we change our ideas, then we influence that co-evolution and we influence our future. The most important thing in determining the future that we will have is the way that we think about things.

[musical interlude 15.05 to END]

Recording ENDS: 15.17