

Will We be So Lucky Next Time? Government and Politics Post COVID-19

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Summary

Australia and New Zealand have gained international recognition for their COVID-19 curve-crushing success. NZ, particularly (due to Jacinda Ardern's superstar status) is seen as *the* model. However, the main lesson is that all governments need to be more *anticipatory* in their policy-making style. We might not be so lucky next time.

Text

Our 'new-normal' COVID-19 world has generated a new conventional wisdom, namely that 'the economy will never be the same again'. We shall see. Certainly, some sectors are adapting to online trading and some of these business innovations will outlive the immediate crisis. Will government and politics ever be the same again? We must surely hope not.

The New Zealand Government currently occupies a podium place internationally, alongside Australia, for its effective management, thus far, of the COVID-19 crisis. Jacinda Ardern, already an international superstar, has received huge praise for her government's early and decisive response to the crisis compared to Donald Trump's slow and chaotic reaction to the virus threat in the US, for example. Drinks all round then? Maybe not.

Epidemiologists have long predicted a global pandemic. So, was the New Zealand Government well-prepared for this event? Or, was it just good at thinking on its feet once this prediction became a reality? Evidence suggests that many governments, including in New Zealand, have been *reactive* rather than *anticipatory* in managing this pandemic.

Whilst we should congratulate the New Zealand government on its handling of the COVID-19 crisis, we must also acknowledge that it has been in 'fire-fighting' mode, albeit excellent at it. In fact, New Zealand was not well prepared for a pandemic, being ranked only 35th out of 195 countries in the Global Health Security Index, with a score of only 54/100. As one academic health expert put it bluntly to the NZ Parliament's Epidemic Response Committee, New Zealand was caught with its pants down.

The main lesson to be drawn from this crisis is that all governments, including podium countries like New Zealand and Australia, need to be much more *anticipatory* in their approach to public policy-making. Dreaded events might never happen, but when they do the resulting disruption is massive.

Introducing an 'anticipatory policy style' will be tough. Governments come and go at relatively short intervals (every three years in NZ). Implementing effective (often expensive) policies in preparation for an event that may or may not occur at some unknown future date brings few electoral benefits for a sitting government. Anticipatory policy-making is arguably a mug's game for any sitting government minister; the costs are immediate, but the political rewards of foresight are uncertain and likely to benefit someone else. Politicians are more worried about office retention than receiving a jolly good obituary as a result of their public policy foresight when they were in office.

However, might the COVID-19 crisis make anticipatory public policy-making more likely? There are reasons for hope.

First, COVID-19 has clearly demonstrated that when the going gets tough the public relies on governments to come to the rescue. New Zealand and Australia have survived the crisis thus far reasonably well because Government has 'taken charge'. Big government is back with a bang (and very big bucks). Concepts such as 'small state', 'light regulation' and 'market efficiency', so fashionable for decades, now seem dated.

Secondly, popular support for public welfare provision has resurged globally. Like the rest of the world, New Zealand and Australia are experiencing an outbreak of '*grantitis*'. Almost anything seems eligible for a government grant. New Zealand Finance Minister, Grant Robertson is both Grant by name and grant by nature!

Grantitis has stopped in its tracks the austerity 'policy fashion' that spread like a virus itself for decades around the world. The mantra that 'there is no money' no longer rings true. Maybe there *are* money trees after all! Fiscal constraints, prudence, and good house-keeping rules that since the 1980s framed debates about what is or is not possible have disappeared from view.

Thirdly, *expertise* is back in fashion. Contrast Prime Minister Ardern's respectful relationship with NZ Director General of Health, Dr Ashley Bloomfield, with President Trump's testy interactions with Bloomfield's equivalent in the US (Dr Anthony Fauci). In New Zealand, management of the COVID-19 crisis has been driven largely – though not entirely - by appropriately qualified experts, rather than by political ideology or the 'gut feelings' of politicians.

The New Zealand Government has, of course, made mistakes. For example, there was initial confusion regarding plans to re-open schools should the country be able to move from level 4 alert to level 3. The government failed to consult fully with key affected interest groups (teaching professionals) beforehand. Increasingly, probing questions are being asked about the detailed workings of the various emergency business subsidy schemes, with an emerging theme that large amounts of public money are being doled out to businesses that don't need it. More recently, the New Zealand Government's roll out of its contact measures has is also attracting expert criticism. These implementation problems highlight the extent to which 'the devil is in the detail' when it comes to effective policy implementation. Advance detailed planning might have avoided most of these problems.

The overriding lesson of COVID-19 is that societies – not just governments - need to be more *anticipatory*. The New Zealand government has been agile and adept in its response to the pandemic, especially in drawing policy lessons from abroad. Keeping an eye on the car in front in a thick fog has many advantages! Anticipatory policy-making is expensive, but for known, major risks, it is likely to be a good long-term investment.

Finally, we need to recognise that 'the government' has borrowed huge amounts of money in most affected countries in order to get through this crisis. However, 'the government' is not a separate entity from society. As citizens, we now have a *collective* debt. Meeting this liability will require controversial policy changes. Policies previously ruled out as being too unpopular will undoubtedly come back onto the political agenda. It will take decades to pay of these massive debts. Clearly, the pandemic has demonstrated that money can be found at the drop of a hat, but, alas, governments do not have an orchard of money trees.

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