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What do you want NZ to be like in 2020?

David Skilling

I want us to be the generation that the NZ poet Allen Curnow spoke of 60 years ago:

Not I. Some child born in a marvellous year
Will learn the trick of standing upright here¹

I want NZ in 2020 to have learned “the trick of standing upright here”. To have worked out how we make a success of living in a small and isolated island state, with all of the things that make NZ unique – such as our culture(s), history, landscape.

There are many dimensions on which we need to “learn the trick of standing upright here”. I am going to focus on this from the perspective of the economy. In this context, the ‘trick’ is to work out how we can be genuinely world class, create a high-performing economy, in a small, distant country.

A key part of this task is to work out how to compensate for the disadvantages of being small and remote. But more is required than simply trying to offset disadvantages. At best, this will lead to an economy with a stoop – it’s not the same as standing upright.

I think the key is to learn to treat these factors as a source of advantage rather than disadvantage. By 2020 I want NZ to have worked out how to generate value from these unique characteristics – our size, location, environment – that no one else can replicate.

We won’t learn the trick of standing upright here until we see our condition as a gold-plated opportunity rather than as a constraint. Rather than accepting that a small country means that only modest goals are appropriate, we need to believe that we are world-beaters because we have assets that no one else has.

In essence, I want NZ in 2020 to be a country where we routinely achieve completely unreasonable goals. Where we take on the world and expect to win on a systematic basis and big time. Where we are not constrained by modest expectations, small goals, what I call the ‘tyranny of reasonableness’, but aspire to the best in the world.

After all, NZ is an unreasonable place – perhaps the best way to respond is to be a bit unreasonable. And indeed many NZ success stories are examples of unreasonable behaviour: Peter Jackson with Lord of the Rings, the Tall Blacks, Sir Edmund Hillary. So let’s have unreasonable goals and then be absolutely world-class in execution.

The NZ Economy in 2020

This will require a mental shift in terms of how we think about the economy and doing business – and will mean that the NZ economy will look very different in 2020.

Rather than NZ becoming a branch office economy that does routine, low value stuff for foreign firms, by 2020 NZ will have become a head office economy where firms do their creative, innovative, value adding work – and use foreign networks as their back

¹ Allan Curnow, ‘The Skeleton of the Great Moa, in the Canterbury Museum, Christchurch’.

office or factories. Overseas locations will be the foreign branches of the NZ ideas factory.

Our remote location will inspire creativity and new ways of solving problems. NZ will have earned a reputation for great ideas and companies rather than sheep and rugby – just as when people think of Finland they think of Nokia not reindeer. Having a NZ presence will be a must-have for foreign firms and talented people will aspire to base themselves in NZ.

Our small size will be an asset in terms of providing a flexible, low cost, and fast environment. And we will realise that scale is not required in NZ, but overseas. To help achieve this presence in foreign markets, we will use the enormous Kiwi diaspora. Our firm growth aspirations will not be constrained by the size of NZ. NZ's small and medium-sized firms will succeed in global markets, and several of these firms will kick on to become large, successful, high profile NZ multinationals. By 2020, we will have grown more Fonterra-scale companies, and will be on the way to growing a NZ Nokia.

NZ in 2020 will generate compelling value for all of its citizens, enabling them to pursue their dreams in NZ rather than having to go offshore. Although NZers will remain internationally mobile, the brain drain will have been reversed. NZ will have the best lifestyle in the world; environment, arts and culture, a vibrant intellectual life, great jobs. Our income levels will be at least as high as Australia's (currently Australia is a third richer).

What are the main challenges that need to be addressed in order to realise this desired future state?

This is a big stretch from where we currently are. The key challenge is a mental one, how we think about ourselves and the rest of the world. But we also need to create the conditions that make it as easy as possible for these goals to be achieved from a NZ base. Successful countries don't just happen – they are the result of deliberate, sustained effort by the private sector, community groups, and government.

The NZ economy needs to be 'built'. We need to ensure that NZers can access the skilled people, financial capital, and infrastructure they require and connect with the rest of the world. It is about creating a magnet, which attracts and retains people, capital, and firms in NZ, because they can be most productive here.

This is an urgent challenge; to get where we want by 2020, we need to start moving now. The longer we leave it, the harder it will be to catch up with the rest of the world.

What kind of leadership is required to foster this change?

Leadership from all of us is required to build the economy that we aspire to. We all need to take responsibility for achieving the desired end state, rather than just waiting for things to happen. No one else is going to do this for us.

This is a challenge. Fortunately, we have lots of opportunities in NZ to make a contribution and to affect the direction of the country. But that doesn't make it an easy job – it can be hard and frustrating to do this in NZ. In the words of a Muttonbirds song from a few years ago:

And all the time I wanted to be
Somewhere that wasn't so new
Where you didn't have to dig yourself out
A place to stand²

These lines reflect the challenge – you don't have to dig yourself out a place to stand in London or New York. It's done. It's not yet done in NZ – we're half built. But the hard work of digging yourself out a place to stand is also a fantastic opportunity. We have the rare opportunity – and the responsibility – to build the NZ that we aspire to.

In terms of the challenge to you to contribute to building this economy by 2020:

- Work out which bit of NZ you are going to build.
- Scale up your aspirations to unreasonable proportions. Add two zeroes to the end of whatever you are planning to do.
- Be disciplined and focused to achieve the goal.
- Be genuinely world-class at whatever it is that you do; your benchmark is the world not NZ.

² 'Envy of Angels', words by Don McGlashan, from the album 'Envy of Angels', by the Muttonbirds, 1996.

NZ in 2020

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Allen Curnow
The Skeleton of the Great Moa, in the Canterbury Museum,
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