

Productivity Commission
Via upload

27 August 2021

Re: A Fair Chance For All: Breaking the Disadvantage Cycle

Dear Sir / Madam,

It is great to see some innovation with the Commission consulting on a ToR. This letter seeks to give the Commission the benefit of my in-progress MSc Sustainable Development studies¹ and my volunteer role as Advisor for SDG1 – No Poverty, at the United Nations Association of New Zealand, Auckland branch. I have a number of points in the order they appear in the paper.

1. The scope needs to be consistent and wider, before being narrowed

For example, the paper title refers to a disadvantage *cycle*, which is true for intergenerational disadvantage, but may or may not be true for life course disadvantage. I'd suggest framing about 'breaking persistent disadvantage' to align with the purpose of the inquiry.

2. There is a missing step in the systems analysis

After identifying a systems approach, the next step is to draw a systems map. A systems map is an iterative repetitive brainstorming activity that states factors, institutions, outcomes etc. affecting a central idea which links² causes and effects. It is a difficult process and often creates new unexpected insights. The Commission has not done this and has jumped to consultative questions that will risk popularising factors of persistent disadvantage. That process will not necessarily uncover the real drivers of the system, and may decrease the likelihood that the ToR focus on the parts of the system that will deliver the best improvements to solving persistent disadvantage.

3. The framing of 'in/equality' is two centuries out of date³

19th Century USA defined equality as equality of opportunity as the context was rampant capitalism. Yet capitalism creates economic prosperity and produces poverty and unequal outcomes. The paper's purpose should therefore be to try to solve one of the paradoxes of capitalism, rather than that being dismissed.⁴ Framing the solution to inequality from the perspective of capitalism (i.e. equality of opportunity) is unlikely to create meaningful lasting change but perpetuate inequality of outcomes. E.g. what if a person has one life choice which either avoids or cements persistent disadvantage, and they choose the latter – is their inequality of outcome acceptable because they had an equal opportunity before? No. A better and more modern approach is to think of equality as justice (and outcomes, opportunity etc.) – and not to equality as integration or homogenisation.

¹ From number one ranked University of Sussex.

² With regard to the strength of the dependency.

³ Please refer to Sachs, W. (2009). *The Development Dictionary: A Guide to Knowledge as Power* (Chapter on Equality) 2nd ed. London: Zed Books, pp. 354.

⁴ Section 2, paragraph 1 of the paper.

4. Sen's 'freedom' is misunderstood⁵

Amartya Sen's concept of freedom is much more than material hardship. I.e. it is not just about tangible resources, but *intangible* resources, and therefore includes things like free speech, gender discrimination, and transparency. E.g. a young person may live with their parents but not be able to afford a house – that's not material hardship, but it is arguably persistent disadvantage and it is definitely a suppression of freedom to *be able to buy an affordable* house. This leads to an insight that areas of persistent disadvantage are likely much broader than poverty measures.

5. The definition of 'persistent disadvantage' need to be more clear and simple

It is fine to adopt the He Ara Wairoa framework, but there are three pages of discussion and no simple definition of 'persistent disadvantage'. It is also unclear whether persistent disadvantage needs to result in some form of hardship or lost or sub-optimal opportunities or adverse impact on wellbeing. I.e. can one element of the framework be persistent disadvantage even if wairua is fine?

6. The New Zealand historical context is incomplete

While the section on 'colonisation dislocated Māori' is true, it is also true that Māori (and all other) colonisation dislocated nature. I.e. by commodifying nature as a land to be owned, the framing deprives nature of its own rights which is against the spirit of te ao Māori and does a disservice to the whakapapa of Ranginui and Papatūānuku. Under this line of thought, the question therefore becomes about persistent disadvantage "for whom?" – for people, and/or for nature?⁶ This line of thinking leads to insights more aligned with issues that the Climate Change Commission and the government are considering, and could do with more help on. E.g. the research question might be: how does New Zealand achieve absolute decoupling of economic growth from emissions to solve the persistent disadvantage that nature has from modern humans' capitalist practices?

7. What we don't know isn't not possible, but is an opportunity and a risk

An alternative *process* to using legislation, wellbeing frameworks, and longitudinal studies is to look to Bhutan's Gross National Happiness index then extend that and imagine if, say, 0.5% of people's take-home-pay each year was refundable if they complete a survey about, say, poverty and deprivation. I'm not necessarily advocating for this, but want to open up ideas about process. In turn that raises some risks because the public narrative is flooded with climate change and pandemics and the danger is that people become overwhelmed and that those who need to be helped become harder to find. Such a process would at least help identify vulnerable people and build information on equality within the country.

The Commission is on the right track – but please be bold for the next steps.

Yours sincerely

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⁵ Please refer to 1. Sen, A., (2001). *Development as Freedom*. Oxford: Oxford Paperbacks., and 2. Sen, A. and Oxford University Press., (1983). *Poverty and Famines. An Essay on Entitlement and Deprivation*. Oxford: Oxford University Press.

⁶ Especially noting that parts of New Zealand's nature, like the Whanganui River, are legal persons.