

DIARY

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Wellington.

When think tanks launch their reports, reactions are typically divided. Fair enough: our goal is to present innovative analysis and recommendations and trigger debates. So it was a bit concerning for us when the New Zealand Initiative's latest report *World Class Education?* was welcomed by both the National government and the Labour opposition. To make matters worse, both parties claimed that our report supported their respective policies. Education Minister Hekia Parata's office called the report 'a further contribution to the Quality Teaching Agenda she has established'. Her opposition counterpart Chris Hipkins argued that our publication demonstrated the failings of Ms Parata's very policies, which he labelled 'a war on teachers'. So who is right? Well, neither. What the Initiative presented is empirical evidence on the quality of our teachers. In summary, it is not bad but it should be improved. And it has as much to do with policy as with the more fundamental question: why has the social status of teachers in the developed world deteriorated so much? Probably because other professions provide more intellectual challenges to aspiring graduates. Spin doctoring, for example.

For almost four years I have been writing an unusual column for the Australian online magazine *Business Spectator*. It is odd because it exclusively deals with the state of the European economy — which probably makes me the world's only New Zealand-based German Europe correspondent. That's globalisation. When I started commenting on the troubles of the European Union, the monetary mess that is the eurozone and the collapsing welfare states around the Mediterranean, there was far more excitement around these issues than I sense today. Stock exchanges panicked. Government bond yields spiked. The whole euro crisis was an emotional roller coaster — or rather, the economic equivalent of a ghost train. Today, analysts and markets have calmed down on Europe's prospects. The fear has gone out of the euro crisis not because it had been solved — it



hasn't. Paradoxically, the calming of nerves seems entirely due to the longevity of the crisis. The longer it stays with us, the more familiar it becomes and the less it scares us. Europe's crisis is the new normal. This doesn't make it easier to write exciting columns about it. In any case, it's better to do it from the safe distance of Wellington.

It was a good week for the convicted double murderer Mark Lundy and a week of nostalgia for Kiwi Anglophiles, both for the same reason. The Privy Council quashed Lundy's murder convictions for killing his wife and daughter and ordered a retrial. Thanks to new evidence, the 12-year jail veteran Lundy may be acquitted. The case is not so much a legal but also a historic landmark. This may well be the last time the Privy Council has to decide a New Zealand case. Ten years ago appeals to the Privy Council from New Zealand were abolished for cases heard after the end of 2003. Australia had already ended appeals to London with the Australia Acts 1986. New Zealand's justice will lie entirely in the hands of Kiwi lawyers. Only the staunchest Anglophile could find this unsettling.

If there is one thing that is holding the Anglosphere together, it is the deep-seated suspicion of local government. Having now lived in Britain, Australia and New Zealand, I notice how unpopular sub-central tiers of government are in all three countries. It needn't be this way. My new essay *A Global Perspective on Localism* explains why. From an economist's point of view, few things are worse than government and monopolies. In a way, central government is both evils in one. From a citizen's perspective, it is desirable not be ruled by far-away politicians and

bureaucrats. At the launch event for my essay, Deputy Prime Minister Bill English supported the idea of greater devolution. In fact, he took it one step further. 'New Zealand is deeply statist and always has been,' he said. However, statism had run its course and central government tasks could not just be passed down to local government but to private companies and not-for-profits. I was pleased to see that New Zealand's radicals have a seat at the cabinet table.

Reading about the UK Tories' recent party conference, I see the British Prime Minister David Cameron remains enigmatic as ever. I worked for Cameron's favourite think tank when he took over a demoralised Tory party in 2005. The early Cameron did not so much present a coherent programme, let alone a philosophy, but a new marketing style. 'Let optimism beat pessimism. Let sunshine win the day,' he proclaimed — as if he were trying to sell soap instead of politics. Next up came Cameron's climate change crusade, his infamous 'hug a hoodie' speech, and the replacement of the Margaret Thatcher's torch of liberty by a stylised tree as the Conservatives' logo. In between all of this, David Cameron even found the time to recommend publicly my deportation from Britain. My crime: one of my reports had been misrepresented by the British tabloid media. A rare phenomenon in British journalism, of course, and so just for the record: no, I have never called for forced mass relocations of northerners to the south or the closure of Liverpool — tempting as these ideas may appear. From my antipodean exile, it is harder to follow the Cameron chameleon and make sense of his latest mimesis. Suddenly he believes in tax cuts, reducing benefits, cutting the budget and fighting the EU. He now actually sounds like a, well, Tory. Cameron never ceases to surprise me. Who knows what's next? Maybe he'll send me a Christmas card this year?

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