

**OWNING OUR FUTURE:  
EXPLORING THE FUTURE OF COMMUNITY SERVICES IN THE GEOPOLITICAL CONTEXT**

**THE GEOPOLITICAL CONTEXT: IMPLICATIONS OF THE TRUMP ADMINISTRATION FOR AUSTRALIA**

**1. Overview**

Trump mobilized the “politics of anger” and “weaponized shame”<sup>1</sup> eg parents can no longer afford to feed their children<sup>2</sup>

- new right economic reforms (beginning under Ronald Reagan) eroded the middle class “American Dream”: there is a growing gap between rich and poor
- “Make American great again” is a recognition that the US has some serious problems (and Clinton/Democrat economic tinkering won’t solve them)
- Trump overcame the Republican loss of the Karl Rove’s 2000 and 2004 winning themes: “God, Gays and Guns”
- rise of “shy Trump” voters (and UK “shy Conservative voters” in 2015 and “shy Brexit voters” in 2016): people who feel intimidated by political correctness to express their true feelings in an opinion survey

**2. What Can We Expect from a Trump Presidency?**

- too soon to tell
- his first few weeks in office have been chaotic
- Republicans now hold both the White House and Congress, and Trump has the ability to fill Supreme Court seats (a judge is appointed for life)
- Trump has promised tax cuts and \$1trillion in infrastructure expenditure
- Trump has promised even more defence expenditure
- Trump’s policies may cause higher US interest rates, which could then flow onto Australia and so lead to increased mortgage stress
- Trump will have difficulty in re-industrializing America and bringing call centre jobs back home: that American era has gone

**3. Implications for Australia**

- i. risk of US-China confrontation: US is Australia’s main ally and China is Australia’s main trading partner: Australia does not want to be forced to choose between one or the other
- ii. protectionism (“buy American and hire Americans”) may reduce international economic growth: Australia is very reliant on a flourishing international economy and so remains committed to free trade
- iii. Trump’s style (though good news for the media industry) will not produce stable government and so US instability will add overall to international economic instability: Australia would like international economic stability and a flourishing international economy
- iv. Trump is an inspiration to Australian right-wing politicians on how to mobilize the politics of anger

**THE REVOLT AGAINST GLOBALIZATION**

**4. The Era of Wealth**

- globalization has been a major transforming force in world politics and economics
- the present world economy is bigger than ever before in history
- more people have been lifted out of poverty than ever before

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<sup>1</sup> <https://www.thenation.com/article/donald-trump-shamer-in-chief/>

<sup>2</sup> A current best-seller: JD Vance *Hillbilly Elegy: A Memoir of a Family and Culture in Crisis*, London: Collins, 2016

## **5. The Drivers of Globalization**

### **(i) "International"/ "Inter-governmental" Organizations**

- UN and other inter-governmental organizations
- France and Germany in the EU: surrendered some national sovereignty in return for peace and prosperity
- there are no national solutions to international problems (such as small pox, polio)
- World Health Organization (WHO), UN Environment Programme (UNEP)
- importance of "functional co-operation" (as distinct from "political co-operation")

### **(ii) Transnational Corporations**

- new challenge to governments: CEOs have replaced generals
- the financialization of the economy (people move money rather than make products)
- what is the "nationality" of a product?
- economy is consumer-driven
- a new global culture has been created
- Western national governments no longer have the same degree of control over their economies
- citizens need to do more for themselves
- from Welfare State to Market State

### **(iii) Non-Governmental Organizations (NGOs)**

- other names: pressure groups, lobbyists, special interest groups
- roles: hope and vision, lobbying, advocacy, delivery of services, fact-finding/research public education
- examples: conservation movement, Amnesty International, US National Rifle Association

## **6. Poor Communications**

- globalization has been poorly communicated to the general public
- globalization *is* difficult to communicate in a society infatuated with sport, celebrity gossip and fashion
- globalization requires a new mindset and politicians have been reluctant to explain it: politicians tell people when they want to hear and not necessarily what they need to know
- what they have needed to know is that the world is entering a new era

## **7. The Politics of Anger**

- the revolt against globalization is not so much coming from poorer countries as from some people in the rich ones:  
there is an anger among the "left behinds" (previously "angry white males") which some politicians have mobilized for their own political ambitions
- "culture" may be more important for voters than "money" (UK Brexit vote: Remainers spoke in terms of money, while Exiteers spoke in terms of British culture)
- some people despair of politics and so take little interest in it; others remain involved but want different politicians
- the remarkable popularity of Donald Trump, Bernie Sanders, and UK's Jeremy Corbyn and Pauline Hanson (all with very different in political outlooks)
- post-World War II Idealist sense of international co-operation is now under threat from a new Isolationism, xenophobia, economic nationalism, search for scapegoats
- role of social media in fostering (for good or ill) new debates outside of political elites

## **DIGITAL DISRUPTION**

### **8. Moore's Law**

- Gordon Moore of Intel: April 19 1965 prediction: power of computers will double every 18 months-2 years; price of computers will halve every 18 months-2 years

- Google driverless cars; Mercedes driverless trucks: for how long will we continue to allow humans to drive vehicles (road crashes kill 1.2million around the world each year); will human drivers be gone in 13 years?

## 9. But Also Some Risks

- Internet was not designed for all the purposes for which we are now using it  
- no one predicted how it would come to dominate our lives  
- no one evidently thought about how vulnerable it could be from people with malicious motives; there are too many points of vulnerability

## 10. The story of *Encyclopaedia Britannica*<sup>3</sup>

- in recent decades the publishing company failed to monitor the rise of online reference works and ran into financial problems

- Evans and Wurster identify these lessons for all businesses:

(i) *“the most venerable can prove the most vulnerable”* [note the speed of the collapse]

(ii) *“a strong corporate culture can blind business leaders to events that do not fit into their collective mental framework”* [just because a company is a vital part of today’s community, there is no guarantee it will still be needed tomorrow]

(iii) even if executives do fully grasp the impact of new technologies, they may be at a competitive disadvantage because they are *“saddled with legacy assets”*

- an early warning for Meals on Wheels: July 27 2016: delivery of goods by a drone:

[http://www.kurzweilai.net/flirtey-drone-delivers-reno-7-eleven-slurpies-in-first-commercial-drone-delivery-to-a-residence?utm\\_source=KurzweilAI+Daily+Newsletter&utm\\_campaign=d8360bdab3-UA-946742-1&utm\\_medium=email&utm\\_term=0\\_6de721fb33-d8360bdab3-281882269](http://www.kurzweilai.net/flirtey-drone-delivers-reno-7-eleven-slurpies-in-first-commercial-drone-delivery-to-a-residence?utm_source=KurzweilAI+Daily+Newsletter&utm_campaign=d8360bdab3-UA-946742-1&utm_medium=email&utm_term=0_6de721fb33-d8360bdab3-281882269)

## 11. Speculation on How to Deal with the IT Challenge: emerging alternative economic models

### i. “Gig Economy”

- there is plenty of “work” to do but not “jobs”

- “jobs” (invented in 1750 for the Second Revolution) may be replaced by “gigs”

- the world’s largest taxi company (Uber) doesn’t own any cars; the world’s largest hotel chain (Airbnb) doesn’t own any hotels; Airtasker enables consumers to buy services online; Facebook does not create any content

- this is self-organized self-employment, working on-demand, with every worker as a “manager” running their own business

- alternatively this is a race to the bottom with workers living on piece-work (as in England before the 1750 Industrial Revolution): little certainty, little opportunity to accumulate assets, increased tension, social unrest: perhaps the next generation will not live as long as predicted?

### ii. Universal Basic Income (UBI)

- UBI scheme would mean that all adults would receive a flat sum of money from the government

- the sum would provide a bare minimum on which to survive; doubtless many people would also continue to work for much more money

- with the increasing loss of jobs from automation, a UBI scheme would put some money in circulation to stimulate effective consumer demand

- slogan from the unsuccessful June 2016 Swiss UBI referendum: “what would you do if your income were taken care of?” In other words, in the emerging new economy it is important to give people a financial foundation so that they can then turn their minds to being inventive and entrepreneurial

- Finland, some parts of Canada and The Netherlands are continuing with their proposed UBI experiments

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<sup>3</sup> Philip Evan and Thomas Wurster *Blown to Bits: How the New Economics of Information Transforms Strategy*, Boston: Harvard Business School Press, 2000, pp 1-7

## AUSTRALIAN AND NSW ECONOMIC SITUATION

### 12. Economic Figures

- overall the economic situation is fine (according to the official figures)
- Australia continues towards the world's record of continuous economic growth (without a recession): now 27 years
- *The Economist* magazine called Australia "The Wonder Down Under"  
<http://www.economist.com/node/2524281>  
<http://www.global-directions.com/Articles/Business/AustralianEconomy.pdf>
- NSW is the best performing of the Australian States and Territories (31 per cent of the nation's GDP)

### 13. Social Climate Not so Good

- wealth does not necessarily bring happiness
- some people are living in a "daze of whine and neuroses"
- growth in wealth has not been evenly spread across the world's economies:  
<https://www.bloomberg.com/news/articles/2016-06-27/get-ready-to-see-this-globalization-elephant-chart-over-and-over-again>
- Chinese and Indian middle classes have done well since 1988 – but Western middle classes have not done so well
- Australia's gain in wealth has not been evenly distributed
- economic growth is the glue that holds society together

## DOING COMMUNITY SERVICES DIFFERENTLY

### 14. Social Innovation: 2012 London Olympics Case Study

- community organizations are local innovators
- "innovation" is not done solely by scientists in white coats
- Bromley-by-Bow improved so much that it hosted the London Olympics in 2012
- Rev Andrew Mawson, Bromley-by-Bow Community, east London<sup>4</sup>
- working from the grass-roots, "inside-out" approach (as distinct from "top-down" / "bottom-up") starting with one person and their passion
- mobilizing local assets (financially disadvantaged may have more skills than are immediately obvious because they do manage to survive)
- rebuilding lives: one at a time: in BbC Mawson said: "...my aim became to firmly nurture an entrepreneurial culture, in which people from all kinds of different backgrounds would work together to fashion their own futures": how many businesses can make that claim?

## PREPARING FOR THE FUTURE

### 15. The Future is Here Now

- the "future" is here now – but it is not evenly distributed
- what problems are being created "today" that will haunt us "tomorrow"?
- moment of greatest danger comes at the time of greatest success: success breeds complacency
- we think of NGOs as "institutions" but in today's era institutions are vulnerable to change

### 16. Value of Scenario Planning<sup>5</sup>

- helps people to "think about the unthinkable"

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<sup>4</sup> Andrew Mawson *The Social Entrepreneur: Making Communities Work* London: Atlantic, 2008

<sup>5</sup> For more information on the technique, see: [www.churchfutures.com.au](http://www.churchfutures.com.au)

- encourages us to “look” at the same facts from different angles: there is more than one way of looking at events
- it encourages attention to the longer-term
- Clem Sunter and the end of apartheid in South Africa

### **The Meals on Wheels Report**

#### **17. The Future of Community Care in the Home in 2035**

Keith Suter and Steve England *The Future of Community Care in the Home in 2035: Four Scenarios*, Sydney: Meals on Wheels, 2016 [www.nswmealsonwheels.org.au](http://www.nswmealsonwheels.org.au)

- NSW Meals on Wheels Association has commissioned a study on what “support in the home could look like in 2035”

- key factors: are client-directed care (funding going to clients to buy services, rather than going to providers to supply them), competitive price tendering, increased competition, population changes impacting both client expectations and volunteer capacity, and new technologies

- two main drivers of change are: the level of Government Expenditure and the level of Social Cohesion

*Government Funding*: To what extent will there be government funding for community care in the home?

*Social Cohesion*: To what extent will there be some form of community spirit – or will people prefer to live individualistic lives? Will people want to work together to solve common problems or will they try to cope on their own?

**(i) “Leave it to the Bureaucrats”**: *high Government Funding/ low Social Cohesion*: the individualistic experiments such as Consumer Directed Care have failed and there has been a decline in not-for-profit organizations such as Meals on Wheels, and so government is back providing welfare direct

- some of the indicators of this scenario emerging might include:

- . failed experiments in client-directed care, particularly for older people, mean that government moves back into the direct provision of care in the home
- . media “scandals” over clients who have exhausted their funding prematurely, thereby being reduced to poverty or having to place greater reliance on the family (where such exists)
- . continuing pressure on attracting and retaining volunteers
- . there is an increase of “for-profit” service providers in the community care space for affluent clients

**(ii) “Golden Era”**: *high Government Funding/ high Social Cohesion*: the economy is going well and so there is adequate money for social welfare, and there is a flourishing non-governmental sector.

- indicators of this scenario emerging might include:

- . an appetite for innovation; a greater willingness to give things a go; less fear of change
- . changes in Australia’s national economic structure leading to economic expansion
- . increased numbers of volunteers available to local community services, both for service provision and governance
- . less “politics of anger” and resentment and a greater sense of community and wanting to assist others.

**(iii) “Each Person is an Island”**: *low Government Expenditure/ low Social Cohesion*: this foreshadows the end of organizations like Meals on Wheels despite the country’s increasing financial and social problems.

- indicators of this scenario emerging might include:

- . continued national economic problems
- . increased difficulty for not-for-profit boards to find and retain board members
- . significant reductions in volunteers
- . the loss of many local services such as Meals on Wheels

- . the amalgamation of some services in an attempt to survive through economies of scale and effort

- . increased push for the legalization of voluntary euthanasia; the dilemma for caring organizations in how they handle the requests of people who wish to “die with dignity”

**(iv). “Local Self-Reliance”:** *low Government Expenditure/ high Social Cohesion*: as in wartime Britain (where Meals on Wheels began) there is not much government expenditure available but there is a grim determination among people of all ages to carry on assisting fellow members of the community

- indicators of this scenario emerging might include:

- . increased service providers, particularly small, local organizations

- . increased numbers of volunteers

- . increased resources available for not-for-profit governance (websites, training)

- . increased local community activities such as community gardens and organic farmers’ markets

- . government programmes to encourage volunteering

## **18. Where to From Here?**

- create indicators

- create contingency plans

- talk up the scenarios (“strategic conversation”)

### **MESSAGES TO THE WIDER COMMUNITY**

## **19. A Fish Does Not Know it Swims in Water**

- people in NGOs take for granted the type of work they do and do not think that it is particularly unusual or special

- NGOs may wrongly assume that the more highly paid for-profits have all the good ideas and techniques and that learning is a one-way street: from the for-profits to the NGOs

- but low-paid staff don’t think any less of themselves – they only think more of other people

- NGOs have a history of innovation

## **20. Not-For-Profits Help Companies become Profitable: Charities/ NFP provide an essential role for the for-profits that often isn’t recognized by the for-profits (or government)**

- need to speak to businesses in their own language: you get rich partly because of us

- a flourishing economy cannot be built on top of a social graveyard

- no successful businessperson is ever entirely “self-made”: it takes at least a village to raise a business

- charities/ NFP provide the social foundations for a flourishing economy

- charities/ NFP provide “social capital”: education, health, formation of trust between individuals in specific geographical areas in which businesses want to set up and operate (this helps explain Australia’s economic growth compared with, say, Somalia)

- we facilitate the smoother running of businesses eg a worker has fewer anxieties (and so can concentrate better on their work) knowing that their elderly folks are being looked after in an aged care centre or via community services

## **21. We Not-For-Profits Can Mobilize People in a Way that Businesses Can’t**

- you can’t put a price on passion and commitment

- business sector is amazed at how community organizations can mobilize volunteers/ low-paid staff via passion for exceptional commitment

- therefore community organizations can mobilize people in a way that the for-profits cannot

Keith Suter [www.keithsuter.com](http://www.keithsuter.com) [www.global-directions.com](http://www.global-directions.com) [keith.suter@bigpond.com](mailto:keith.suter@bigpond.com)