NZ Ethical Employers
Cultivating Excellence in Employment to Support Primary Industries

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The Difference Between Ideology and Reality: Economic Survival

Every few months I'm reminded of a strange idea that persists inside some in the public service and some institutions based in Wellington: that New Zealand's economic performance is mostly a communications and marketing problem. If only we "tell our story better" or "position our narrative more strongly", somehow, we'll climb the value chain, lift productivity, and earn more export dollars.

It's an attractive view because it avoids confronting the harder truth: New Zealand survives on capability, not slogans. Premium value comes from skill, precision, systems, and people who know what they're doing: not clever language. And that skill starts in the orchards, vineyards, commercial vegetable gardens and on our farms: hands on. Without skill there is no quality, and without quality there is no premium product, no standout taste, no repeat purchases, and no storability.

This isn't an attack on the entire public sector or all of Wellington's institutions. But there is a recurring pattern of thinking that drifts too easily into theory and ideology, and too far away from the realities faced by the sectors that actually earn our living.

When ideology designs the system: Nothing illustrates this better than Te Pūkenga, whose operating model became the ultimate example of ideology overtaking reality. Its designers created a sprawling conceptual framework full of AI-curated pathways, fancy service blueprints, innovation hubs, digital matching tools, and "community facilitators". But almost none of it was grounded in budgets, delivery capability or financial risk. It was optimistic. Visionary. Even well-intentioned. But most importantly completely undeliverable.

Lessons from Te Pūkenga note the model collapsed because it drifted away from employers, from work-based learning and from the practical foundations of vocational training – the place where most skills are actually built.

You can draw a straight line from that failure to the mindset that says economic performance is mostly about storytelling. When you lose contact with operational reality, everything starts to look like a design exercise or a strategic narrative problem.

But orchards aren't picked by strategy documents. Premium wine isn't made by marketing theory. Skilled welders and electricians don't emerge from conceptual flowcharts.

Execution matters. Skill matters. Craft matters. Eight years ago, we were warned.
The Productivity Commission spelled this out back in 2017. Their review of tertiary education found that system inertia, centralised control, and excessive regulation had created an environment where providers were more responsive to government than to students or industries. The Productivity Commission described the system as *not student-centred*, *not responsive* and too focused on protecting traditional models rather than enabling innovation. In other words: ideology had already overtaken practicality. Te Pūkenga simply amplified ideology at the learners' and employers' expense.

This matters because the world moving around us is very real: labour shortages, automation pressures, climate adaptation, stricter global standards, and export markets that expect precision.

None of this can be solved from an office building in the capital. It's solved by people who actually do the work and by systems built to support them, not get in their way.

Economic survival requires a mindset shift: The good news is that the Government is taking the system back toward reality: toward industry leadership, practical delivery, on-the-ground skills, and financially viable models. The shift to a more employer-aligned, work-based vocational system reflects exactly what our export industries have been asking for over a decade. But for this to succeed, the cultural mindset needs to shift too. We need fewer conceptual frameworks and more practical solutions. Fewer blueprints and more delivery. Less ideology and more honest engagement with what actually drive productivity. Skills training where it really matters on the job.

Because the difference between ideology and reality isn't a debating point. It's the difference between societal decline and economic survival and community growth.