

THINK-TANK

Education, population, poverty, tax...getting views on topics like those in Jersey isn't the difficult part – but have you ever noticed how many people sound eminently credible when talking about them, even though they may actually be basing their views on conjecture, false facts and blind guesswork?

There is a real danger in making the 'facts' fit the opinion, rather than the other way around – which is exactly the point at which someone with an eye on the latest buzzwords will smugly insert the phrase 'post-truth' into the conversation, imagining its actually helpful.

So, we've asked the Jersey Policy Forum to add some robust material to those crucial local debates – the point is not to provoke agreement or acquiescence; it is to provide reliable material on which others can build their views.



Gailina Liew, Director, Jersey Policy Forum

The changing social contract

How are you feeling now as we and the rest of the world start to tentatively emerge from many weeks of confinement? Have you changed your priorities and what you value about your life? What about commercial businesses? What about government? What about your island? What roles do they play? How does all of that fit with the bigger picture?

Perhaps one universal realization that is emerging from this pandemic experience is that the well-being and ability to thrive for every single person, family, society, business, economy, government and country is dependent on the relationships

and responsibilities each fulfills within a larger community .

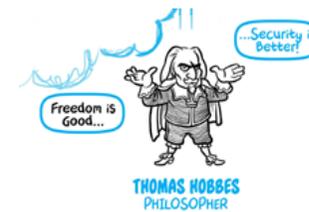
And that realisation prompts a question: what is the role of each of these actors that allows each to thrive, while also ensuring that the entire system is also thriving?

We were all children at one point and some of us now have children and grandchildren of our own, so let's say that we all have some understanding of how family dynamics work or don't work. In Jersey, communities came together and found new ways to support each other as the pandemic hit our shores. Government

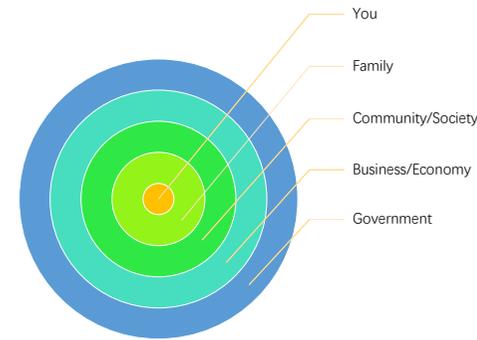
played and continues to play a significant role to ensure that essential services are available and by providing support for some of the most vulnerable people and businesses during these uncertain times. Why is government doing this?

Turns out that there is a thing called a social contract which is essentially an unspoken, but generally understood, bargain between a nation's people and their government. People collectively give up certain individual rights and freedoms to government so long as government keeps them safe and provides certain essential services, support and infrastructure.

Governments can be imposed, chosen by a few or elected by the people but the core essence of the social contract is about protecting the people.



The concept of the social contract in western societies has evolved over time, and goes back to the Greeks and Romans. It was further explored in the mid-1600's to the 1700's when it was mostly about trading individual freedom for security and protection (think Hobbes, Locke, Rousseau). The countries of the world took this concept further with the United Nations Universal Declaration of Human Rights in 1948 when they agreed upon a set of fundamental, inalienable human rights that must be respected and protected for everyone. This was followed in 2015 with the agreement and articulation of the 17 Sustainable Development Goals (SDGs) to reflect the common desire by member countries of the United Nations to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. The 17 SDGs are part of an integrated system to reflect the understanding that action in one area will affect outcomes in others, and that development must balance



social, economic and environmental sustainability.

Today, the social contract between the people and government in modern democracies is something that people often complain about. Is government doing too little, or too much? Who pays for our public services, infrastructure and safety nets for those less fortunate or able? Why should I pay for something I don't use or need? Can I trust government to do the right things? The pandemic has brought all of these questions and many more into sharp focus. Let's go back to the family unit. Sometimes, it's necessary to cede an individual right for the good of the family and vice versa. How does something like a pandemic change your understanding and expectations of the social contract? Do you think government has struck the right balance or not?

In parallel, the growing evidence and recognition of a climate emergency has led to the realization that our understanding of a social contract between a government and its people needs to sit within the broader context of ensuring that our planet's health is respected and protected.



This whirlwind tour brings us to another set of concentric rings to consider.

Classical economic theory does not place limits on the consumption of resources and does not assess the impact of the outputs. What if we looked at how an economic system actually functions in reality? A model to consider how an economic system might be constrained by ensuring the protection of basic human rights within the SDGs and the planet's needs was proposed by Oxford economist Kate Raworth in her book, Doughnut Economics, published in 2017. She defined the green 'doughnut' in the diagram as "the safe and just space for humanity." Any 'shortfalls' would result in people that were not thriving, and any 'overshoots' would result in negative impacts on the planet's health. Governments then have the responsibility to regulate the activity of commercial businesses to ensure that the balance is maintained. Does the concept of a social contract between government and its people need to evolve to include the planetary dimension? In April, Amsterdam decided that it does (see

<https://www.kateraworth.com/2020/04/08/amsterdam-city-doughnut/>).



As Jersey looks to the future, what opportunities are there for you, the community, business and government to ensure that the economy is operating within the 'safe and just' ring? As countries around the world grapple with rebuilding their economies, can we collectively ensure and hold governments to commit to a sustainable approach like the one that Kate Raworth's doughnut proposes? How would you define the social contract with the pandemic experience and implications still unfolding?