

The New Zealand Economic Miracle

- A View from the counselling room

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Dr McEwan trained at Auckland University, and has completed post graduate studies both in Auckland and overseas. He works as a stress and trauma counsellor at St Marks Breast Centre and in his private clinic at 130 Wheturangi Road. He assists people facing diagnosis of cancer and cardiac disease, as well as business people facing business and relationship related stressors. He consults to TVNZ and the film industry, and works with a number of major corporations assisting with stress management and corporate coaching for executives. He is founding president of the New Zealand Branch of the Australasian Critical Incident Stress Association, and a past Australasian President of the organisation, which brings together emergency services, defence forces, and private psychiatrists, psychologists, and counsellors with a special interest in Trauma and stress. He is a retired Lieutenant Commander in the RNZNVR, and is the author of the official naval history of the Naval volunteers of Auckland(1853-1995), published by the Naval Museum. He has served on the Avondale Ward Community Board of the Auckland City Council, and is a Justice of the Peace. Dr McEwan is Associate Professor of Pastoral Theology on the adjunct faculty of the New Covenant International University in Florida, USA, and lectures in the local branch of that college. He is also founding Dean of studies of the Evangelical Bible College of Western Australia, and is active in course preparation, and student thesis assessment for the two colleges. He travels internationally to speak on his specialist subjects of Stress, Trauma, and job related Burnout, and Pastoral Theology.

In his private clinic Dr McEwan spends on average thirty four hours per week with clients, in addition taking seminars for industry. The following observations are drawn from experiences with business executives and their families - the very group the government would have you believe have benefited from the so-called "reforms".

Observations from friends, colleagues and clients

The top earners are wealthier than they were twelve years ago, but they fall into two groups. The first is the "lucky" group who through good fortune, and preexisting capital wealth, were well placed to reap the rewards of de-regulation. The second group are high earners but are having to work far harder and longer for their rewards. In the clinic both groups are represented, mostly with relationship problems as the presenting issue, with burnout a major factor for the second group. Most are referred by their General

Practitioners, or by word of mouth from other professionals.

The middle income earners are struggling to hold their life style, as costs of all basic services have gone up with wages and salaries static or only slightly rising for most over the last ten years.

In 1988 the running costs for my own home were, power \$80-00 per month, phone

\$60-00 per month, Rates \$80-00 per month. In 1998 costs for these three items were;

power \$165-00 per month, phone \$90-00 per month, Rates \$178-00 per month plus an additional water charge(previously in the rates) of

\$60-00 per month. Food costs have gone from \$150-00 per week to \$350-00 per week. Costs have doubled, but wage and salary rates

for many have stayed the same. Economists will comment in this collection of papers about the financial cost of the reforms of services like power, phone and water, my concern is the human cost.

The most common referral from doctors comes because of what we now call "Burnout", a term barely known here before this decade. There appear to be three factors behind this phenomenon.

1. Excessive hours of work demanded. People who worked 45 to 50 hours a week in the 1980s are now required to work 50 - 70 hours to achieve the targets set for them. The 40 hour week has disappeared. For those at the top there are some financial rewards, although not the time to enjoy them, but for the wage worker hourly rates are lower than they were twelve years ago in many areas, and they work more for less just to stay ahead. The social problems at this end of the market tend to be with children "out of control" simply because their parents are never home. To keep the roof over their children's heads they have to forego the time required to parent properly! Increasing hours of work have meant an increase in marital discord for the higher income group in two areas. For some financial pressures create disputes which drive the couples apart. For others time together is minimal and energy low; sexual relationships suffer and couples simply drift apart. Paradoxically office "affairs" are a common source of referrals(between two and seven new cases a week) and executives often ask themselves why they got into destructive relationships. They find the answer is simple; two stressed people were thrown together without time for any of their normal recharge activities, and their morality broke down, with catastrophic results.

Long hours will steadily break down health and this is a common reason for the referral, with many clients suffering Irritable Bowel, blood pressure, heart attack, migraine, constant flu like symptoms, all of which can have stress as the key causative agent. In my work at the Breast Cancer centre I have seen a frightening number of young women(25 - 45) presenting with breast cancer. This was not heard of in the 1980s. All are executive women, with young children, still working at their jobs. The outcome for most is not good. While there is no scientific evidence that stress causes cancer, it is known that stress does suppress the Immune System and stressed people are not able to fight the disease as well as they could if they were not

overloaded.

The long hours of parental work has had a major impact on their children, with a significant increase in cases of disturbed children and teenagers who report directly that they “haven't seen much of mum or dad” for years. They know their parents are working to survive, but the childrens behaviours are still disturbed. Suicides have increased markedly through the years under study. Youth suicide being a particularly disturbing trend as these young people despair seeing their parents barely coping. Such intelligent and sensitive young people see their parents not coping, and see no real hope for themselves to have a life that gives satisfaction and fulfilment. At the other end of life older men are giving up the fight in increasing numbers. In my “worst” week four suicide cases were referred to me. The task that falls to me is to assist family deal with the suicide of their family member who had died, or to assist the persons who had attempted suicide but survived. Each case tends to be centred around the impact of financial pressures that had got too much; so that the individuals did not see that they could go on with any hope of success.

2. Job insecurity is another major area that has created the “Burnout” syndrome, or simple depression. What-ever we call the problem, SSRI(anti-depressant)medication use has increased markedly through the last twelve years. Many executives are surviving only on medication. Job insecurity has been a major tool of the “reformers”, who appear to delight in requiring their staff to reapply for their jobs(although fewer) on a regular timetable. This is a technique used to break the will of people, as it operates on fear, not performance. It has been known and used by psychologists and totalitarian states for many years. It is very successful in keeping people in a state of anxiety, which if managed cleverly ensures they exhaust themselves each working day, fearful that they will lose their job in the next round of cost cutting. People regularly use this phrase, “the next round of cost cutting”, and it has become an acceptable term. Many small employers select vulnerable people to ensure the success of this technique. In one firm the owner only hired solo parents, the recently divorced, those with debts, or the over fifties who felt too old. His reason; “they will work till they drop and wont complain to anyone, they're desperate”.

3. The third “tool” of the “economic experiment” could be termed, re-organisation mania. Redundancy being a major tool in the periodic reorganisations. These do not appear to be driven by business goals, simply the accountants desire to reduce costs. The result has been that many industries cannot do their real job, and fail further down track or are taken over by a corporate raider.

This “rule by accountants” has cost many industries(especially in the service area) dearly, as costs are cut without the right questions being asked. For example, the most obvious questions to ask when costs need to be cut are; what is our market/role now, how do we reach/achieve it, how can we expand it, how can we do things better

and grow profit/performance? When these issues are clear, then is the time to ask the question, 'how many people do we need to do the job when we are properly targeted'? One senior CEO when applying for a job with a government business was asked how good he was at restructuring a company. He replied by explaining how he would intelligently work through the process over a 12 - 18 month period to ensure the result was that they did their work more efficiently and cost effectively. He was cut short by one of the four accountants on the interviewing board. "We haven't time for that, we need to cut 200+ staff in the next six months". Doing the job the business existed for was not even an issue, the new CEO was to be judged by how well he/she cut costs. If the business could not even do its job in the end it did not seem to matter! We have recently seen a number of CEO's leave government businesses after all but destroying them, and they left with golden handshakes. Members of boards have publicly called for "higher body counts" of staff while awarding themselves increased allowances.

Examples of gross incompetence are not hard to find.

Re-organisations have led to the Police not having enough men on the ground to deal with serious crime at key times over the weekend in our major cities, but, hey, they would have come in under budget, if it hadn't been for their computer system fiasco! I have personally been apologised to by a Police Officer for the delay(25 minute) in responding to a 111 call; he noted that he and his partner were the, "only ones on at present", for the CBD in Auckland. The call was made from a phone box to get assistance for a woman who had been raped by a car load of drunken violent men; the offenders were still at the scene for 15 minutes after the call was made, but had gone by the time the police arrived. The Fire Service is still fighting for its life, with the drive to save money for the insurance council. We have been told over the last twelve years that costs to the public will fall(eg Fire Service Levies will fall and insurance policies will be cheaper!). No intelligent person believes this any more, having the evidence before them of power, phone, and rates price rises. No one trusts the insurance companies and banks at all, as they are mostly overseas owned and are intent under the present regime to make profits for export at the publics expense; why should they care, they have no interest in NZ except to take money from us, as much as they can. The Fire Service, under current proposals, intend to make many main city suburbs be covered by volunteer fire fighters(with a longer response time to emergencies), and possibly a reduction in crew size from four to three per truck. The Fire Service may not be able to cover the job any more but it will save money! This is the level of the intelligence that has ruled to date! Safety has become an anxiety issue over the last twelve years, as Police cover dwindles, dangerous psychiatric patients are left in the community without adequate support, no monitoring of their daily medication, and public hospitals struggle to cope. For the wealthy, private security firms and medical care enable a measure of security and fill the increasing gap.

The combined impact of longer hours, job insecurity, and constantly

having to face change and reorganisations has worn the physical and mental health of many down to dangerous levels. The keen and loyal are exploited while the venal who hold the power use the reorganisations to further their own financial advantage. Many companies paid bonuses to their managers for every staff member they made redundant. They increased their salaries while the surviving staff under them often were doing the work of two or three people. The redundancy industry, it has been called, is still the play ground for incompetent executives who have thrived and grown fat under the conditions in NZ through these years. Their management style, as above indicated involves using instability to instil fear, and set more and more unreachable targets. Captain Bligh would have been proud of these men and women. They have reaped great rewards for “cost savings” by producing the right “body count” yet they have often killed their industry in the years following, or left it for another to try to get it back on its feet. They tend to move every three years while the costs are still “saved” and before the costs of setting things right is known. They move up into a more powerful position and because their previous employer doesn’t want to appear foolish no one tells the truth about what they have actually done.

God defend New Zealand from the fools who have plagued us through these twelve years!