

Transforming New Zealand's prosperity: the remarkable opportunity for physics.

Paul Callaghan - Alan MacDiarmid Professor of Physical Sciences

New Zealand's economic performance continues to slide down the OECD rankings. We work hard, we are well-educated, but our per capita GDP is 30% below that of Australia. The fundamental cause of our misfortune is our dependence on "The Farm and the Theme park". Tourism is a fundamentally low wage sector, and however much we grow it, our per capita GDP will not grow correspondingly. Our resource based industries are price takers on a relentless downward slide, buffeted by protectionism and consumer religiosity about food miles.

To achieve an Australian level of prosperity we need to increase dairy exports by a factor of 5, or to generate 100 Fisher and Paykel Healthcares. The latter carries no environmental or sustainability downside. Unfortunately our science policy makers have been fixated on biotechnology as the solution, pushing most of our science investment in that direction. The outcomes have been dismal. Yet at the same time high tech businesses based on physics and engineering (F and P Healthcare, Tait Electronics, Rakon, Gallaghers, Humanware) have flourished, their contribution being between two and three orders of magnitude greater in export returns than anything achieved by the biotech sector. Amazingly, MoRST, FRST and Government are in denial, still believing that because we are good at farming, biology is best for us.

It's time to wake up physicists!. It's time to lead the way and save New Zealand from itself.