As a wicked problem, COVID-19 creates unique policy challenges which can be tamed through a meta-capability social resilience approach. Drawing on experience from Australia and New Zealand, we propose a meta-capability social resilience framework to inform policymakers. The framework examines the mobilization of various resources and the employment of specific capabilities across four stages of disruption.

Resilience has become an integral part of addressing the adverse effects of COVID-19 for individuals, organizations and collective society (Glynn, In press). Yet, we know far less about resilience in terms of specific ex ante capabilities than ex post outcomes (Obrist, Pfeiffer, & Henley, 2010). It is this capability-based understanding which explains how some “bounce beyond” adversity while others suffer permanent damage or merely bounce back (Hoegl & Hartmann, In press).

COVID-19 has obfuscated the challenges of how policymaking can effectively address complex and long-term societal challenges with unclear time frames, called wicked problems. Such problems relate to a class of complicated and often poorly formulated social problems with irreversible effects and ambiguous solutions, where competing priorities of various stakeholders clash against a diffusion of responsibility (Peters, 2017). Rather than being optimally solvable, they can be only tamed. Wicked problems are highly contextual, have myriad explanations and are often symptoms of other underlying problems (Peters, 2017). COVID-19 has highlighted the fragility and unsustainability of a highly leveraged globalization model (i.e., driven by system optimization and economic specialization) with zero degrees of freedom, which has made the world highly vulnerable to shocks. Taming COVID-19 should include rethinking our models of globalization and addressing sustainability more seriously. In both cases, resilience will play a central role, calling for collective action and social agency.

Social resilience is a meta-capability of the social system to anticipate, cope with, adapt and transform disruptive events, leading to the evolution of social systems (Duchek, 2020) and the ability to bounce beyond adversity (Hoegl & Hartmann, In press). We go beyond the ability to bounce back, which implies an easily identifiable status quo, a single desirable outcome and the possibility to backtrack (Darkow, 2018). COVID-19 challenges all three issues.

Our aim in this article is to present a social resilience framework for policymakers to help tame COVID-19. Australia and New Zealand have been quite successful in addressing COVID-19, according to the John Hopkins Coronavirus Research Center and others. Belonging to the “Global West”, Australia and New Zealand challenge the alleged antinomy between socio-economic freedom and strong state intervention often discussed in the context of collectivist Asian economies and their successful handling of COVID-19.

**SOCIAL RESILIENCE**

Our definition of social resilience underscores the importance of learning and sees resilience as the ability to bounce beyond adversity (Hoegl & Hartmann, In press). Its assumption is that disruptive events are not discrete events but waves of change (Obrist et al., 2010). Figure 1 depicts social resilience as a meta-capability drawing on various types of “capital” across four stages of disruption with corresponding capabilities. We have re-conceptualized these in an orthogonal manner by extending Duchek’s (2020) original three-stage linear view of disruption (i.e., anticipation, coping, adaptation) and have added a fourth stage of transformation. At the ex-ante stage, anticipatory capabilities relate to ongoing observation, rapid identification and scenario planning. Geographic and economic resources become important at this stage (Obrist et al., 2010). Once disruption occurs, coping (shock) and adaptive capabilities (solutions) become key. Cultural resources, such as values (i.e., institutional collectivism, humane and long-term orientation), norms (i.e., face mask wearing, strict social distancing) and schemas (i.e., elimination of the virus, we-are-all-a-family mindset) become very important, as do social resources (i.e., institutional trust, political leadership, social capital). The final stage includes the evolution of the system where both institutional and leadership resources mobilize community “buy in” and facilitate purposeful social agency which drives necessary social change, as per socio-cognitive theory.

Two other elements of the framework deserve special attention. First is the logic of social structuration, which relates to the social mechanisms of how existing institutions and social structures guide and constrain behavior of purposeful social actors who either enforce them or challenge them (i.e., leading to social change). An example of this would be how some societies strengthened their already existing norms of wearing face masks (i.e., to limit spread of illness, or tackle pollution), while others protested against wearing face masks (i.e., citing infringement of personal freedoms). Second, is a major distinction between proactive and reactive resilience (Darkow, 2018). Proactive resilience can safeguard a social system, much like a healthy immune system. It can help ensure its anti-fragility in the face of adversity. Proactive resilience requires strong anticipatory capabilities and agile responses, which develop gradually through experiential learning, ongoing self-reflection and
strong vicarious learning. Reactive resilience occurs when a system itself allows recovery from a disturbance/disaster, and is dependent on its strengths to survive through a situation.

THE SOCIAL RESILIENCE CASE FOR AUSTRALIA AND NEW ZEALAND

CAPITAL AND RESOURCES

One of the key characteristics of our framework is the importance of appropriate capital/resources for effective response to a crisis which need to be robust and be made accessible fast (Saja et al., 2019), represented by the five types of capital in Figure 1.

Geographical and Physical Capital: Both countries have strict biosecurity systems which “shield” against external threats. They are isolated island nations and are not international travel hubs. They implemented early travel bans from China. With low population densities, the majority of their populations live in suburban houses, limiting community transmission and making lockdown restrictions bearable. The capability to lockdown particular geographical areas has also been instrumental in slowing down community spread. While Australia was able to close state borders, New Zealand’s two main islands and mountainous terrain act as a natural barrier.

Social Capital: Social capital is a particularly vital resource for resilience, as people must be engaged meaningfully in every step of the mitigation process (Saja et al., 2019); for example, in regard to lockdown measures and social distancing. Australia and New Zealand both rank highly on social capital (#1 and #2 respectively), and also for the level of community/quality of social support networks according to the Organization for Economic Co-operation and Development’s Better Life Index. In Victoria, a state of Australia, the “buy in” started to wane, as draconian measures remained in place for many months in a second lockdown, which ended in October 2020. In New Zealand, where the indigenous Māori represent 16.5%, community spirit is reinforced by the values of Tikanga Māori: kotahitanga (one-ness), whanaungtanga (sense of belonging) and kaitiakitanga (guardianship). During the lockdown, the Māori proverb “He waka eke noa” (we are all in this together) reinforced the “team of 5 million” spirit invoked by Prime Minister Jacinda Ardern.

Cultural Capital: Cultural capital of Australians and New Zealanders also explain the ability to cope with lockdown restrictions. High levels of cultural capital are enforced by strong identity-based multiculturalism. Both countries also display above average levels of institutional collectivism and low levels of in-group collectivism. High levels of humane orientation, combined with high autonomy and conservation values, further explain how both countries balance personal freedom and agency, while maintaining solidarity. New Zealanders’ “Kiwi ingenuity” and Australians’ “give-it-a-go” attitude are further manifestation of distinct national characters. Both countries have deeply rooted middle-class and farming identities which foster equality and solidarity, also manifested through institutional collectivism and high social capital.

Leadership Capital: Leadership capital and effective political leadership are more symptoms than root causes of social and institutional trust. Political leaders in both countries received necessary popularity boosts. Jacinda Ardern’s 2020 parliamentary re-election landslide victory was less than certain before COVID-19 due to the mixed success of her coalition government, while Scott Morrison recovered from his low approval rating after his initial mishandling of the bushfires in Australia. An important part of effective leadership in both countries was clear and effective why-and-how-based communication focused on expectation management in terms of measures used to limit community spread.
Economic Capital: Low levels of government indebtedness and sound fiscal policy provided a safety net for “a rainy day”, according to Jacinda Ardern. Australia’s net government debt was 18% of GDP, whilst New Zealand’s was 19% before COVID-19. This gave the two countries the capacity to increase debt and fund coronavirus support packages – in Australia the Job Seeker/Job Keeper program and the wage subsidy scheme for 1.7 million New Zealanders. Both countries also had strong economies, with productive industry structures and robust exports of primary products.

META-CAPABILITIES

The following provides an explanation for how Australia and New Zealand display high social resilience according to our meta-capability framework, which relate to the four types of capabilities depicted with interlinked disruption stages in the middle of Figure 1. Anticipatory capabilities are related to how well we can foresee and plan for disruptions. Whilst both countries are prone to certain types of natural disasters (i.e., bush fires, floods, earthquakes, volcano eruptions), they have not experienced such large health pandemics in modern times. Yet, compared to the US or the UK, both Australians and New Zealanders are aware of constant looming natural disasters in their daily lives. They also had some level of preparedness given the countries’ proximity to the Asian region and were more closely following the SARs pandemic. There was also a degree of preparedness through a combination of strict bio-security customs processes, past experience from other natural disasters and being impacted by the pandemic at the end of summer (i.e., March). A critical event was when Chinese University students were not able to return to Australia and New Zealand due to border closures at the beginning of the academic year (i.e., March). This was a catalyst for thinking about various business scenarios across many industries.

Coping capabilities refer to the ability to deal effectively with adverse events and/or significant change (Duchek, 2020). Dealing with strict lockdown measures and tough social distancing requires social support and access to the outdoors. Significant catastrophic events over the past few years may have developed better personal coping skills for people and boosted their personal resilience in both countries, as did their housing arrangements. The fact that 29.7% of Australians and 27.4% of New Zealanders were born overseas could also mean higher levels of migrant population have better coping capabilities (i.e., greater tolerance of uncertainty and skills for handling of risks), as migration is often informed by uncertainty and risk (Williams & Báč, 2012).

Adaptive capabilities refer to the ability to adapt and self-renew through innovation (Hoegl & Hartmann, in press). An encouraging atmosphere fostering hands-on experimentation and “tinkering”, lack of hierarchy and a tolerance of failures have undoubtedly fostered positive adjustment under challenging conditions, allowing social systems in the two countries to lean into their resourcefulness.

Transformative capabilities refer to how we learn and transform behaviours after an initial disruptive shock by bouncing beyond adversity. In terms of COVID-19, there has been a large transformation in how things are done at the societal and institutional levels, heavily reliant on the pragmatic nature of the two countries’ national characters. The Aussie “let’s give it a go” and Kiwi “let’s roll up our sleeves and just get on with it” are two prime examples.

PROACTIVE AND REACTIVE SOCIAL RESILIENCE

Anticipatory capabilities most directly correspond to proactive resilience. They do not necessarily eliminate crises and failures, but can speed up response, scale up coordination and facilitate foresight of consequences (Duchek, 2020). In New Zealand, this was clearly visible by the government’s “go hard, go early” mantra. Recognition of early signals and critical events, as well as swift action can limit escalation and reduce failures. Australia and New Zealand’s geographic positions allowed them to learn from other countries impacted earlier (i.e., vicarious learning), while their embeddedness in the Asia Pacific made them more aware of relevant external environments. Their biosecurity and immigration systems provided strong “environmental feedback controls” while their prior experience with other types of natural disaster management prompted assessment of systems’ operating conditions (Duchek, 2020: 225). For example, every New Zealander knows to have 7-days-worth of water on hand for an earthquake, or what the necessary safety protocols are for various types of natural disasters. Due to significant shares of their population being born overseas, the constant pursuit of “outside knowledge” (Duchek, 2020: 226) was practiced also by citizens. The practice of such knowledge routines is an effective way of building proactive resilience.

Preparation is another important proactive resilience capability. While neither Australia or New Zealand were adequately prepared for COVID-19, their experience with other types of natural disasters and their specific disaster management approaches relied heavily on scenario planning. This, combined with an overarching disaster management institutional framework played an important part in the two countries’ anticipatory capabilities (Duchek, 2020).

Through reactive resilience, social systems are able to address and avoid unexpected adversities when they occur. This requires systems which help address unexpected problems through coping and adjustment mechanisms, also providing flexibility to deviate from plans (Darkow, 2018). Both Australia and New Zealand have displayed reactive resilience through response and changes made to policies, directives and behaviors at various levels of society.

RECOMMENDATIONS FOR POLICYMAKERS

While countries may be different in terms of their resource bases, contexts and COVID-19 circumstances, we offer some general recommendations to policymakers for building up social resilience based on lessons from Australia and New Zealand:

- Think of COVID-19 as a wicked problem and internalize the unique challenges such problems pose for policymaking (i.e., complicated social issues, competing priorities, long-term nature, unclear time frames, no optimal solutions, absence of clear criteria).
- Shift your thinking from “elimination” to “taming” the problem by taking into account long-term socioeconomic sustainability. Whilst short-term lockdown measures limit the spread of the virus, there may be a host of unintended long-term consequences, such as loss of employment, bankruptcy, mental health issues, domestic violence, failing marriages and civil disobedience.
- Implement greater scenario planning in the public sector and recommend it to the private sector and citizens to help share economic burden of such mea-
None of us were prepared for the waves of adversity COVID-19 has unleashed, regardless of how improbable the disruptive event actually was. Our highly leveraged and uber-optimized way of life globally, with few degrees of freedom, was vulnerable even before COVID-19 and ridden with wicked problems. Unlike risk management, the resilience literature does not preoccupy itself with the question of avoiding adversity and setbacks. Instead, it seeks to explain "why some entities positively adapt (i.e., bounce back) or even emerge stronger (i.e., bounce beyond), while others suffer from such events, sometimes permanently" (Hoegl & Hartmann, In press: 1). Australia and New Zealand have been at the forefront of effective responses to COVID-19, perhaps the most among countries in the Global West, which have for myriad reasons struggled compared to many Asian economies. We have illustrated why Australia and New Zealand seem to be better at adapting to COVID-19 (if not emerging stronger) by following a sense-making approach. While not empirically verified, we hope our capability-oriented policy framework focusing on social resilience can provide ideas for future international business research and help policymakers in various countries around the world deal with the wickedness of COVID-19.

CONCLUSION

None of us were prepared for the waves of adversity COVID-19 has unleashed, regardless of how improbable the disruptive event actually was. Our highly leveraged and uber-optimized way of life globally, with few degrees of freedom, was vulnerable even before COVID-19 and ridden with wicked problems. Unlike risk management, the resilience literature does not preoccupy itself with the question of avoiding adversity and setbacks. Instead, it seeks to explain "why some entities positively adapt (i.e., bounce back) or even emerge stronger (i.e., bounce beyond), while others suffer from such events, sometimes permanently" (Hoegl & Hartmann, In press: 1). Australia and New Zealand have been at the forefront of effective responses to COVID-19, perhaps the most among countries in the Global West, which have for myriad reasons struggled compared to many Asian economies. We have illustrated why Australia and New Zealand seem to be better at adapting to COVID-19 (if not emerging stronger) by following a sense-making approach. While not empirically verified, we hope our capability-oriented policy framework focusing on social resilience can provide ideas for future international business research and help policymakers in various countries around the world deal with the wickedness of COVID-19.

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