

Foreign Affairs Policy

National believes that New Zealand must chart its own course in international affairs, and exercise a free, independent foreign policy that reflects the best interests of New Zealand and of our part of the world.

The National Party has moved to embrace bipartisanship in foreign policy. Foreign policy does not belong to any individual political party. It does not belong to any Prime Minister or any government. Foreign policy belongs to the public of New Zealand and should, so far as possible, be driven by a considered evaluation of their evolving international interests and not by perceptions of narrow domestic political advantage.

Within this framework, National has accepted that the nuclear-free legislation will remain in place because of its iconic status in our emerging sense of national identity.

NEW ZEALAND INC.

A country of our size has limited resources in the world. We can't operate with different agencies in their own silos around the world. That is why a National Government will require agencies like the Ministry of Foreign Affairs & Trade, New Zealand Trade & Enterprise, and Tourism New Zealand to allow for effective co-operation in the effort to sell New Zealand to the world.

National will:

- Require the primary government agencies of MFAT, NZTE, and Tourism NZ to adopt a 'New Zealand Incorporated' partnership approach both in New Zealand and abroad. That will include a requirement for the agencies to co-locate and operate co-operatively in international markets.

KEY BILATERAL RELATIONSHIPS

Our common regional interests and our shared isolation at the end of the world's supply chain mean New Zealand's most important bilateral relationship is that with our nearest neighbour, Australia. The relationship continues to develop, particularly with respect to the economic relationship, in an increasingly sophisticated way.

We also share a similar strategic view of our place in the world. We are both a part of the Pacific, and on the cusp of Asia. This gives us a large, shared responsibility for ensuring stability in our part of the world.

National will ensure that all possible efforts continue to build our already strong relationship, and will strongly emphasise the relationship in Government.

In East Asia, considerable progress has been made over the past quarter of a century in forging relationships with countries such as Korea, Thailand, Japan, and China, where little was in place in New Zealand's more distant past. However, when we think of the potential importance of countries like Indonesia and India, in particular, we can see we how far we have to go.

New Zealand also has extremely positive relationships with Europe, and is increasingly working with the countries of Latin America. National strongly supports these relationships, and will work hard to ensure they are maintained and strengthened wherever possible.

While fully respecting United States policy positions that reflect its global interests, a future National-led Government will commit itself fully to further strengthening the relationship on the basis of now clearly stated policy positions of both countries, including New Zealand's antinuclear legislation.



To this end, we will seek an early opportunity to meet with the US Administration and consult informally with our friends in Congress to see how we might move forward on defence co-operation, intelligence arrangements, climate change, effective counter-terrorism strategies, and a wide range of other issues where there are common interests.

National has strongly supported the initiative of the US/NZ Partnership Forum, jointly chaired by a former National and a former Labour prime minister. However, in Government, National will want to explore which issues within this agenda are now ripe to advance to the more formal inter-governmental level.

Clearly, the idea of an FTA with the United States is just such an issue. This is likely to take the form, not of a direct bilateral negotiation, but through the participation of the United States in a broader trade negotiation involving all the countries of the existing p4 agreement (NZ, Chile, Singapore and Brunei) at a minimum. Further detail of National's policy is contained in our [trade policy](#).

National will:

- Continue to focus on and build our most important bilateral relationship – Australia
- Strengthen further the already better developed relationships in Asia such as China, Japan and Korea, while building a stronger basis with other key Asian countries, particularly India and Indonesia, where the relationship needs to develop stronger roots.
- Continue to work on our relationships with Latin America and Europe.
- Continue to support the US-NZ Partnership Forum, but move appropriate issues within that agenda as soon as is possible to a more formal intergovernmental dialogue.
- Put a high priority on liberalising trade with the US, through US participation in the P4, or 'Trans-Pacific Strategic Economic Partnership Agreement'.

THE SOUTH PACIFIC

New Zealanders today only need to pick up their newspapers to appreciate that our backyard can no longer be considered a quiet and peaceful part of the world. Indeed, for some 270,000 New Zealanders of Pacific origin, this is now a matter of personal concern to them and their families.

There is a positive role that countries other than Australia and New Zealand can play in the South Pacific, but some current activities have nothing to do with the developmental or political interests of the tiny South Pacific countries in which they are operating. Chequebook diplomacy has to be countered. National will increase the tempo and level of discussions with the countries concerned. This will also require much increased consultation and engagement with Pacific Islands Forum countries.

An incoming National Government will also work with Pacific nations to address the threats posed by climate change. This could include assisting Pacific nations to develop alternative energy sources. Almost every small Pacific state is now encountering serious balance of payments challenges driven by the rising cost of petroleum, with, to date, no concerted action to reduce dependence upon diesel-powered generating equipment.

National will:

- Increase the tempo and level of discussions with our neighbours in the South Pacific, with a particular focus on increased consultation and engagement with the Pacific Island Forum countries.
- Work with Pacific Island nations to address the threats and opportunities posed by climate change.

FOCUS ON ASIA

We face the immediate challenge of improving our economic performance to retain a greater share of our brightest and best, who are currently departing our shores in ever-increasing numbers. We must stop the relative decline in living standards between New Zealand and our OECD counterparts.

To do this, we must take full advantage of our greatest strategic asset: our location on the rim of the Asian Pacific region – the powerhouse for the world economy for as far ahead as we can reasonably see.

If New Zealand, sitting on the rim of the fastest growing region on the planet, cannot turn that geographical advantage into a significant economic success story, we have only ourselves to blame.

Ireland made much of its location on the edge of Europe to fuel the economic revolution we have seen there, and National believes New Zealand can do much the same in relation to its proximity to Asia.

As a starting point we must work to develop our bilateral and multilateral relations with the region. National is committed to doing that, as outlined above.

But where there are choices to be made about strengthening New Zealand representation with embassies and trade posts, we will look to Asia.

National will also review the network of our posts to ensure we are concentrating on key countries and key markets. Significant additional resources were recently allocated to the Ministry of Foreign Affairs & Trade. In the current economic climate, National will accept additional expenditure now part of the baseline, but will not be adding yet further spending as foreshadowed in the last Budget.

Looking forward, all expenditure needs to be assessed in terms of the priorities National has identified. Our strong focus

on economic diplomacy – which is broader than trade – is even more warranted, given that New Zealand is officially in recession already, with the implications of the recent international economic turmoil yet to unfold. Our representatives need to be more focused in places that matter to us and on tasks that are relevant to New Zealand's future and priorities.

National believes we must also make greater efforts to involve and consult the 10% of New Zealanders of Asian ethnic origin, a percentage that is projected to grow considerably in the next decade. This is an under-utilised resource. We need to think smarter and more flexibly about how to involve Asian New Zealanders more fully in this strategic endeavour.

National will:

- Make sure there is a focus on developing our bilateral relationships with Asia.
- Ensure that when there are choices to be made about strengthening New Zealand representation with embassies and trade posts, we concentrate on Asia.
- Review New Zealand's network of overseas posts to ensure there is a focus on key countries and key markets.
- Make sure New Zealanders of Asian ethnic origin are involved and consulted on developing our relationships with the region.

OVERSEAS DEVELOPMENT ASSISTANCE

Over many years and various governments, New Zealand aid has encouraged the growth of political structures and bureaucracy that are not sustainable. We will maintain current aid levels as set out in the 2008 Budget. This will see New Zealand's expenditure on ODA reach \$600 million by 2010. However, we are concerned that the significant increases have been put into



place with insufficient thinking done with respect to delivery mechanisms or the likely impact of the expenditure.

Not only have the major problems identified in the 2005 report by Professor Marilyn Waring been left unattended, but two additional and more recent reports from the Auditor-General similarly raise serious concerns about the process by which aid funding is currently distributed, and thus aid effectiveness. A National Government will review the operation of agencies that deliver aid to ensure that aid expenditure is effective and efficiently delivered.

More importantly, greater focus on the South Pacific is required. We understand this is already the main target area for development assistance – National simply wants to push existing logic further down this track. We will not renew certain aid projects in distant regions that are not grounded in any realistic appraisal of New Zealand's interests or our capacity to make a difference.

National will:

- Maintain the current and future aid spending levels laid out in Budget 2008.
- Review the operation of NZAid to ensure aid expenditure is effective, and to make sure problems identified in recent reports are rectified.
- Require an even greater focus of our aid effort on the South Pacific.

UNITED NATIONS

The National Party sees the United Nations as an extremely important body in world affairs and one that New Zealand, as a small nation with an independent mindset, must support. Our default setting, whenever there is a serious crisis in world or regional affairs, will be to base any New Zealand response firmly on international law and the decisions taken by the United Nations.

Debate continues about the need to modernise and reform the United Nations. New Zealand, as a nation with strong democratic credentials and a reputation as a good international citizen, is well placed to be at the forefront of that debate.

The current turmoil in international financial markets has already resulted in calls for a fundamental review of the Bretton Woods trade and payments system. Although a small player, New Zealand needs to participate actively. There are New Zealanders and New Zealand institutions with standing in such matters. National will ensure that we make best use of all our opportunities.

National will:

- Continue to recognise the importance of the United Nations to a small independent-minded nation like New Zealand
- Actively push for reform and modernisation of the United Nations.
- Participate actively in any review of the international trade and payments system architecture, in the wake of recent financial turmoil.

CURRENT CONFLICTS

The National Party supports all of the current deployments of New Zealand troops in various peace-keeping and humanitarian roles around the world. These deployments are part of New Zealand's responsibility as a good global citizen, and closer to home they are part of our responsibility to the Asia-Pacific region.

National does not support committing New Zealand combat troops to any existing conflicts that we are not currently involved in. In future, New Zealand troop commitments must be based on a close consideration of what is in New Zealand's best interests, and based on international law and the decisions taken by the United Nations.



COUNTER-TERRORISM

National will strengthen oversight of terrorist groups and their money-laundering activities. Under the current Government, we rely entirely on a list of such groups negotiated through the UN, pursuant to UN Resolution 1267. But Australia and other countries augment this UN list through their own procedures. This is specifically provided for under a complementary resolution, UN 1373. Yet not a single organisation has been designated by the New Zealand Government under the 2002 Terrorism Suppression Act using this provision. National does not want to make this a matter of domestic political debate but there is clearly a problem that needs to be addressed here.

We also recognise that the 'war on terrorism' is only one dimension of the problem. International terrorism also needs a co-ordinated international political response. National will work closely with those states, particularly Islamic states, at the front line on broader political and community dialogues aimed at reducing support for terrorists.

National will:

- Ensure that terrorist groups and their financing operations are properly identified and designated under New Zealand law.
- Work closely with those states, particularly Islamic states, at the front line on broader political and community dialogues aimed at reducing support for terrorists.