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VUW LT3 Old Government Buildings**

**“Where in the World are we?”**

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Tēnā koutou, tēnā koutou, tēnā koutou katoa

*Nga mihi nui ki a koutou katoa*

*Ki te atua-tēnā koe*

*Ki a papatuanuku – tēnā koe*

*Ki te whare– tēnā koe*

*Tēnā koutou katoa*

We all know, at the personal level, that our geographic location is important. It shapes our identity, our opportunities, our wealth, and our behavior.

We have learned a great deal from Maori about the importance of Papatuanuku, the land where we stand, of Te Moana Nui a Kiwa, the Pacific Ocean, of mana whenua and of kaitiakitanga.

We also know that geography shapes the identity of a nation, its resources, its level of economic development, its relative power, its risks and opportunities and its economic and foreign policies.

But the influences of geography are not deterministic. People can choose paths that are at odds with the realities of physical place. Sometimes peoples overcome geographic weaknesses. Sometimes nations squander geographic advantages due to poor leadership.

So, what does this mean for New Zealand? Where in the world are we? And how does this shape who we are and what we do?

The hemisphere comprising half of the whole planet, with NZ at the centre, shows that we are surrounded by vast blue oceans. One ocean, to the north and the east, is the Pacific. To the South is the huge Southern Ocean. And to the west is the large and turbulent Tasman Sea.



Australia, Antarctica and the Pacific Islands share this half of the planet with us. There is not a sign of the USA. Japan, Russia and North Asia do not appear, much less South Asia or the Middle East. The tip of South America edges into the picture in the east. And a small tip of Indonesia and the Philippines appear in the west.

This picture underlines just how strange it was not so long ago for many New Zealanders to be thinking and acting as if we were part of Europe. But this picture also demonstrates the geographic folly of those today who talk simplistically about New Zealand being in Asia.

New Zealand actually has a very remote geographic location. We are Oceanic. This can be both a major weakness and a profound asset.

In 1914, and again in 1939, simply because of its remoteness, New Zealand escaped the devastation and human suffering that the two World wars inflicted on most countries.

But we need to recall that 1500 years ago, the open ocean was for the Vikings an invitation to explore, invade and pillage. 500 years ago, the open oceans became the vehicle for international trade and commerce.

The wide oceans, and the transport routes they offer in all directions, are still fundamental to our economic prosperity and the diversity of our trade opportunities. And it would be a very rash analyst who gambled that the security risks presented by those same oceanic routes have disappeared.

I believe that ideas about “where we are” or “where we belong” are ephemeral. They can change. They do change. What does not change is the geography – the bundle comprising location, size, resources and the risks and opportunities that come with the bundle.

I want to focus on how we as a people have responded to our geography and in particular how this has influenced our choices in foreign and trade policy.

Back the 1800s, remoteness was a formidable obstacle. Even Australia, 1800 km away, was at least two weeks sailing on very rough seas. And to really develop the national economy, agricultural produce had to be shipped more than 18,000km to the UK.

New Zealanders confronted this geographical weakness through innovation and entrepreneurship. In February 1882 a converted passenger sailing ship, the Dunedin, left New Zealand carrying a cargo of 5000 frozen lambs. This pioneered long distance refrigerated shipping and fundamentally changed the economic outlook for New Zealand. And it also had an impact on who we were and how we saw our place in the world. For too long New Zealanders seemed to defy geography, acting almost as if we were islands somewhere near Cornwall.

New Zealand’s identity as a Pacific country has always been a geographic fact. But this started to become a political and social reality in 1901, when we assumed political responsibility for the administration of the Cook Island and Niue. Our Pacific identity was further strengthened in 1920 when the League of Nations allocated Samoa to New Zealand as a “Trust Territory”. And in 1926, New Zealand also assumed responsibility for Tokelau. This has had a major impact on who we are today and how we view ourselves. Auckland is the largest city of Pacific Islanders in the world. And I don’t need to elaborate on the impact Pacific Islanders have had on the All Blacks.

In 1968 another geographic reality was driven home to New Zealanders. The UK, without consultation or warning, withdrew from the Asia Pacific and the Middle East. They abandoned their pretensions to be an empire. Soon afterwards, in 1970 the UK began negotiations for entry to the EEC. In the space of two years both the British security blanket and the UK trade access blanket were tugged away. This was a troubling time for very many New Zealanders.

But it had been clear for more than 20 years, since the Japanese advance in the Pacific, that reliance on the UK was becoming a geographic impossibility.

Geography dictated a need for a new approach.

As World War II drew to a close, New Zealand officials and politicians recognised that the time was coming when we would need to stand on our own feet. Our location meant that we could not rely on others for our security and prosperity. The best hope for a country like ours was to build international rules-based structures to oversee the international environment, and then develop diverse trade and security relationships to underpin our position.

This fundamental recognition of our geographic situation led New Zealand to be an ardent advocate in 1945 for the United Nations and in 1947 for the GATT, which in 1995 became the WTO.

We negotiated new mechanisms to constrain the arbitrary mercantilist trade behavior of larger states and to promote free trade. We championed the United Nations as new binding legal framework to disincentivise military adventurism and help spread economic and social freedoms and human rights.

In 1965 New Zealand and Australia broke ranks with the old Imperial trade system and negotiated a bilateral trade agreement called NAFTA, later CER.

By 1969 plans were well afoot to manage the risks of UK entry to the EEC. New Zealand negotiated a backstop trading deal – that became known as Protocol 18 - allowing NZ trade access to the UK and the EEC.

On the security front, it was clear that the preeminent power in the Pacific was the United States. It was the US which had saved New Zealand and Australia from Japanese occupation. And the security relationship with the USA was a natural corollary of this combination of history and geographic realities.

This was also the beginning of a wider connection with Australia and the newly independent states in Asia. After British withdrawal from East of Suez, New Zealand and Australia made a major commitment to Singapore and Malaysia, the foundation of the excellent relations with both of those countries today.

In the wider Asian region, the Colombo Plan began an era of New Zealand economic development assistance in the region. We saw Asian students in New Zealand schools and universities – the beginning of what is now an industry worth around 5 billion per year.

In the Pacific, New Zealand's geographic location became a major driver in its foreign policy. Concerns about colonial policy had been expressed by New Zealand in the League of Nations. But in the 1960s the independent New Zealand voice on self-determination and decolonization became more forceful in the United Nations. And New Zealand practiced what it preached, with independence for Samoa and full self-government for the Cook Island and Niue. New Zealand led the development of Pacific regional multilateral institutions such as the Pacific Forum.

In 1962 France began nuclear testing in the Pacific. New Zealanders reacted strongly to the geo significance of this. It was seen as an assault on our Pacific location, a risk to our oceans and atmosphere. It strengthened empathy with Pacific Island neighbours and led to New Zealand becoming nuclear free and a global leader on disarmament. The consequential French actions over the Rainbow Warrior affair and the US response to us being nuclear free, resulted in New Zealand adopting a determined and principled independent foreign policy. It is now part of who we are and what we stand for.

Looking to the south, New Zealand recognised the geographical significance of Antarctica. Sovereignty over the Ross Dependency and a leading role in diplomacy for the governance of Antarctica is a stake in the ground to protect our independent interests. The Government's recent announcement of a major funding increase to futureproof our place on the ice is another example of a nation fully adapting to its place in the world.

In the 1970s one of our geographic weaknesses was highlighted when we saw predatory foreign fishing vessels sitting at the 3-mile limit depleting our fish stocks. At night their lights could be seen from the beach. Part of our geographic reality was a huge coastline to police (one of the largest in the world.) Our response was to aggressively pursue diplomacy for extended maritime jurisdiction. Driven by its geographic realities, New Zealand became a leader in securing control not only over fisheries, but also the hugely valuable resources of the continental shelf. In a stroke the area of New Zealand sovereignty more than doubled and New Zealand acquired the fourth largest maritime zone in the world. In 1972 we exported nothing from our oceanic space. Today fish exports are worth more than \$1.5 billion and petroleum exports are about the same.

I want to leave you with the thought that geography is a bit like DNA. It is your inheritance. You can't change it. But your future is all about how you respond to the challenges and opportunities of those inheritances.

I believe that since 1945 New Zealand has been nimble and innovative in adapting its foreign and trade policy to best manage the changing risks and opportunities presented by our difficult but interesting location in the world.

We have a widely admired and respected independent foreign policy while also retaining the benefits of traditional alliances. We focus on the Pacific and its peoples. We are a leader in maintaining the rules-based structures of global cooperation. We champion multilateral approaches to systemic problems like climate change and the sometimes-pernicious impacts of the social media giants. We are a major leader on Antarctica.

We have been alert to changing risks. We have, as a result, one of the more diverse trade profiles. We have big stakes in Australia, the principal neighbor in our half of the planet, but also all in all the parts of the world that are not on our map, including Europe, the USA, China, Japan, the Middle East and Latin America.

We have large and active interests right across Asia – not because we are located in Asia. But because it makes sense from a practical point of view.

In conclusion, a word about size. Too often we hear some people and the media saying that New Zealand is a small country. This is nonsense. Beware of anyone who talks us down in this way. New Zealand is not a small country. It is larger than Japan, larger than the UK, larger than Italy. UN statistics show that NZ is actually a medium size country. Very often New Zealand outperforms larger countries and not only in sport. In foreign policy and in trade policy, in the skill and performance of our armed forces and the achievements of many of our innovative businesses New Zealand consistently demonstrates that is both grounded in geographic reality and highly effective in adapting to the changing risks and opportunities that come our way.

But as always the risks and opportunities are constantly changing. New forces of disruption are threatening the global situation. Past settings on trade and security seem to be increasingly fragile. My friend and former colleague Vangelis will explain in more detail.