

Business



Ex-PM: 5 Eyes claim a 'slur'

Clark and Key push back against Aussie and British talk that NZ has turned back its on its traditional partners in favour of China

Liam Dann

Former Prime Ministers Sir John Key and Helen Clark have pushed back against anti-China rhetoric coming out of Australia and Britain, at the China Business Summit in Auckland. Last month Foreign Minister Nanaia Mahuta provoked a strong reaction in Britain and Australia when she said New Zealand was uncomfortable using the Five Eyes intelligence network (Australia, Canada, NZ, US and UK) for messaging around human rights and China.

Speaking at the summit – presented by NZ Inc and the Auckland Chamber of Commerce – Key said the world's stance on China had "hardened, deteriorated and worsened" and cautioned New Zealand not to blindly follow that path.

Clark described commentary out of Australia and Britain, which suggested New Zealand had turned its back on its traditional partners –

as an "uninformed" and "a slur".

Clark noted that the Five Eyes partnership was designed solely as an

"under the radar intelligence sharing co-operative". "In fact when I was Prime Minister its existence was never actually openly acknowledged." Any expectation that it came with an obligation to formulate a co-ordinated foreign policy position was a "huge leap" and would be "a significant infringement of New Zealand's sovereignty".

Earlier at the summit, Prime Minister Jacinda Ardern reiterated that New Zealand's position on foreign policy would remain independent and consistent but that we would continue to raise issues.

"We need to acknowledge that there are some things on which China and New Zealand do not, cannot, and will not agree," Ardern said, echoing comments earlier made by Mahuta.

"We have commented publicly about our grave concerns regarding the human rights situation of Uighurs in Xinjiang," she said. "I have raised these concerns with senior Chinese leaders on a number of occasions.

"It is how we navigate [differences] that will define the relationship."

Key questioned whether New Zealand should be "blindly" following the

direction of Australian and United States foreign policy.

"By any objective measure, if you sit back today and look at the global position on China, you would say that it has hardened, deteriorated and worsened."

A large part of that was due to the politics of Donald Trump and the US, Key said.

"Trump wanted to measure his relationship with other countries via trade ... he wanted a bogeyman he could hold up as to why things were

wrong and [why] for his voters in the flyover states life wasn't as good.

"So his argument was: 'China didn't play fairly and I'm going to change that'. He actually never did change things and from a trade perspective things actually got worse."

But that anti-China narrative had taken hold globally and was a backdrop for foreign affairs briefings produced in Wellington, he said.

Ultimately we would have much more success in raising issues we were concerned about with China if our relationship was strong and friendly, Key told the summit.

The reality was that China was likely to become more important to New Zealand in the future, not less, because the economy was going to continue to grow rapidly.

Economist Rodney Jones of Wigram Capital followed with a warning to businesses not to get caught up in high-level foreign policy issues.

"Businesses trade, not countries."

Jones noted that even though Australian wine and barley exports had been hit by Chinese trade sanctions, Australia as a whole had lifted its percentage of exports to China more than New Zealand had in the past year.

Responding to questions about NZ's over-reliance on China as an export market, he said he didn't necessarily see diversification away from China as crucial for Kiwis.

The economic opportunity there remained strong, said Jones.

Speaking after Ardern, China's ambassador to New Zealand, Wu Xi, told the summit that Xinjiang and Hong Kong issues were China's internal issues.

Talk of "so-called forced labour or genocide are totally lies" and were fabricated by outside forces to destabilise China's progress.

She said China remained committed to a green, open economy and to multilateral trade and globalisation.



Jacinda Ardern said that New Zealand's position on foreign policy would remain independent and consistent.

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