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33 INSTITUTE NOTES
Running a war by computer: cyber warfare and its dilemmas

Stuart McMillan discusses a growing international security problem.

I will begin with a few stories. Then I will comment a little about how widespread and serious the issue is and then I will outline a few of the dilemmas associated with cyber warfare.

The first story comes from 2009. The Melbourne Film Festival included a film which was made by a Uighur leader regarded by China as a terrorist. The Uighur people are ethnically Turkic and many are Muslim. The website of the Melbourne Film Festival was blocked and people were not able to book through their computers. The website was clearly under attack.

The second story comes from 2007 when Israel bombed a partly constructed nuclear reactor in Syria. The puzzle for many people observing this was why the Syrian Air Force did not respond to the attack. The most probable explanation was that the Israelis were able to use a switch to turn off the Syrian radar system. The technology is believed to have been supplied to Israel by the United States.

The third story comes from 2008 and the war between Russia and Georgia. Georgian government websites were closed down by an attack. Georgia responded by getting servers, that is big computers in the United States, to host the government websites, apparently believing that the attackers would not dare mount further attacks. Georgia at the time was intent on involving the North Atlantic Treaty Organisation and the United States in the war with Russia.

A fourth story comes from attempts to stop Iran developing technology to enrich uranium. In 2010 the Israelis wanted to bomb the Iranian sites. The Americans did not want them to. Then a funny thing happened. The Iranians were not able to continue because a computer worm, that is a computer programme which reproduces itself and blocks systems, disabled the enrichment programme. This was the Stuxnet worm, which was a highly sophisticated programme, so sophisticated that computer experts believed that it would have taken huge resources to develop it, far beyond the capabilities of a single person or a small group.

It was eventually disclosed that the Israelis with American help — the Americans were not too keen on claiming authorship — had developed the programme and it had been introduced to the Iranian uranium enrichment programme. I think President Obama was caught in a bind. He was being criticised for not backing an Israeli air strike on the Iranian facilities so US help was given in developing the Stuxnet worm. I have never seen an explanation of how it was introduced into the Iranian computers. The point is important because it might have needed a human to do that — which would be an indication that the Israelis or the Americans had someone working in the Iranian facilities. Probably the Iranians wanted a programme or a piece of equipment and that was doctored before it got to Iran.

My last story is about the people who supported Julian Assange, the Australian who organised the release of all those confidential US documents, and founded the organisation Wikileaks. There was an appeal from Wikileaks for money to support Julian Assange and to keep the organisation going. Under US pressure a number of banks refused to process payments. The websites of Mastercard, Visa and a Swiss bank were brought down by a group known as Anonymous. That same group, incidentally, is threatening President Morsi of Egypt with cyber warfare unless he relinquishes the extra-judicial powers he has recently given himself.

Examples of cyber warfare are increasingly evident in the modern, digitised world — whether attacks on websites, interference with radar systems or compromising of nuclear programmes. These attacks vary greatly as to seriousness and consequences, but they highlight dangers confronting states that have infrastructures, including banks, hospitals and transport networks, that are run by computers. There is potential for a country to be brought to utter chaos through interference with its computer systems — and the perpetrators may not be confined to states. Criminals also use all sorts of cyber tricks to separate people from their money. Governments trying to combat these threats face a number of serious dilemmas.
There are, of course, some significant differences in the stories. Only a limited number of us would consider interfering with a film festival an act of war. But one of the principles at stake is freedom of speech. Another is the right to pursue one’s own cultural values.

There are big differences, too, about the types and the complexity of cyber-attacks. The attack on the film festival website was done by having the website bombarded by a number of computers. The website is not able to cope with the requests. In a way, that is rather like a crowd gathering outside a shop or bank and refusing to let customers through. There are variations of this method. The simplest way is to get all your friends to bombard the site. But if you get control over other people’s computers either with their knowledge or without it, you can command those computers and do what you want with them. What Anonymous does is ask sympathisers to download a specified programme on to their computers and then the Anonymous activists can command those computers from a central point. When a site is brought down, so that people cannot do their banking or book to go to a film, that is called denial of service.

How serious is the threat and the issue of cyber warfare? The situation is that all developed countries have their electrical and gas supply networks, their transport networks, their air traffic, their banks, their hospitals, much of their industries, and all their government services run by computers. The potential is there for a country to be brought to utter chaos through interference in its computer systems.

Criminal activity

It is not only a state that could do this. Criminals use all sorts of cyber tricks all the time to separate people from their money. Businesses have their computers broken into to steal information. Both Britain and the United States are concerned about the loss of intellectual property and fear that the losses are already starting to affect the competitive advantage they have in certain industries. It has been estimated that cyber crime is costing British businesses £10 billion a year.

Britain and the United States are trying to orientate themselves towards protection against cyber crime and cyber warfare. In October last year, the British Chancellor of the Exchequer is reported to have asked secret agency chiefs to consider spending on intelligence on cyber attacks instead of counter-terrorism.

MI5, MI6 and the Government Communications Headquarters (GCHQ) are all currently under pressure to do more to protect British interests against internet-based attacks. There has been a bit of a row in Britain about where their priorities should lie.

Attacks on Lockheed, the Pentagon, Google, Sony, Citibank and various British government departments, including the Treasury, have all occurred recently. In his first public speech as chief of defence staff, General David Richards said that the United Kingdom is more actively expanding its understanding and weaponry in the area of cyber warfare than in any other. He is reported to have said:

I often say to people, even today you might take out a country’s infrastructure by bombing the hell out of it, ‘Within no time at all you’ll do it through cyber attack. It’s a huge area of risk’.

The UK government has recently set aside £500 million to develop its cyber warfare capacity.

American concerns

Similar concerns have been expressed in the United States. In January 2012 Secretary of Defense Leon Panetta said that ‘the reality is that there is the cyber capability to basically bring down our power grid... to paralyse our financial system in this country to virtually paralyse our country’. Evgeny Morozov, author of The Net Delusion, a book which argues that the internet has failed to democratise the world successfully, believes the attacks are already viewed by Washington ‘as striking at the very heart of the global economy’.

When Mike McConnell, the former director of national intelligence, briefed President George W. Bush on the threat in May 2007, he argued that if a single large American bank were successfully attacked ‘it would have an order-of-magnitude greater impact on the global economy’ than the 11 September 2001 attacks. McConnell, who
left office a few months ago, warned last year that ‘the ability to threaten the U.S. money supply is the equivalent of today’s nuclear weapon’.

In thinking about and in dealing with cyber warfare there are some major dilemmas. I have sorted out seven. The first concerns the possibility of retaliation after a cyber-attack. One American military official, in what seemed to me to be a classical example of military thinking, said: ‘If you shut down our power grid, maybe we’ll put a missile down one of your smokestacks’. He was explaining to the Wall Street Journal how the United States might respond to a cyber-attack.

But it will not work like that. One of the major difficulties lies in knowing where an attack comes from. If, for example, Iran wanted to attack a major network in the United States, it might get control of a computer in the United States and do it through that. The United States might be able to identify the computer but the computer might be somewhere in the United States itself.

Further dilemmas
The second dilemma arises from the fact that you would never be absolutely sure that a foreign government was behind an attack. It might be a group, or even an individual. It might even be a very young person.

The third dilemma is related. I mentioned Anonymous. This is a group of highly computer literate individuals, who can get enough people together to carry out major cyber-attacks. In the case of Anonymous, they are running their own foreign policy and carrying out attacks as they see fit. Sometimes a group or an individual will carry out an attack because they think their government would like that. Sometimes a government has been accused of training people in hacking computers. There is some evidence that China does that, and it can never be said that the government of China is behind an attack. Was it Chinese government employees who mounted the attack on the Melbourne Film Festival or was it individuals or a group acting independently? Or was it a group acting on behalf of the Chinese government? But no-one will be able to prove that. In any case you cannot go to war because some kid on a computer has managed to find a way into your defence networks.

The fourth dilemma is that while the United States has a military force far more powerful than any other in the world, cyber warfare represents a direct challenge to US military domination. Once upon a time if planes attacked one of your cities you could tell where they came from. With cyber-attacks that is no longer the case.

A fifth dilemma is about the cost of defending say a power company. The power company does serve the citizens of a country, but it is probably a public company, paying dividends to its shareholders. So should taxpayer money be spent on protecting it from cyber-attack?

Offensive need
A sixth dilemma lies in the fact that to defend a country against cyber war probably the country has to engage in offensive, not purely defensive cyber technology.

A seventh dilemma lies in the fact that many of the people who are great at dealing with computers do not fit easily into the military or typical government service. The British occasionally recruit people who have made a nuisance of themselves as hackers to work for the government. Firms are offering prizes to hackers who can break their security systems. No doubt stretching military ways to accommodate these people is causing some distress here and there.

I did find an eighth dilemma: Eugene Kaspersky, who owns a major technology laboratory, wrote that entire nations could be plunged into darkness if cyber-criminals decided to target power plants. ‘It is possible’, he said, ‘that a computer worm doesn’t find its exact victim — and since many power plants are designed in a similar way [and often use the same systems], all of them could be attacked, around the world,’ he says. ‘If it happens, we would be taken 200 years back, to the pre-electricity era.’

Troubling report
In February of this year a United States cyber security firm, Mandiant, released a report on cyber spying by China. The report was very detailed and covered a long period. This appears to have lent it credibility. Among its findings were:

- The major cyber security threat came from China. The report identified the 2nd Bureau of the People’s Liberation Army (PLA) General Staff Department’s (GSD) 3rd Department, which is most commonly known by its military unit cover designator (MUCD) as Unit 61398.
- The identified group has systematically stolen hundreds of terabytes of data from at least 141 organisations.
- Mandiant called the group the APT1, meaning it was the major cyber threat. In more than 97 per cent of the 1905 times Mandiant observed intruders connecting to their attack infrastructure, the intruders used IP addresses registered in Shanghai and systems set to use the Simplified Chinese language.
- The size of APT1’s infrastructure implies a large organisation with at least dozens, but potentially hundreds of human operators.
- The identified group focuses on a broad range of industries in English speaking countries.
- Mandiant traced the IP addresses to a large building owned by the People’s Liberation Army, saying that if it did not come from that building it came from one nearby.

The Chinese government angrily rejected the Mandiant report, arguing that it was flawed in technical details. It said that hacking was against the law in China.

The Mandiant report, in this writer’s view, is likely to have four main effects. One is that it puts the US government in the position that if it does not accept the findings of the Mandiant report, then it has to carry out an investigation which is at least as rigorous as Mandiant’s. Secondly, and obviously, it will create tensions between China and the United States and confirm the suspicions that Americans have had about China stealing commercial and defence information. Thirdly, it will create demands within the United States for it to increase its own cyber warfare capacities. Fourthly, it will provide public justification for the United States to develop offensive as well as defensive cyber warfare capabilities.
Cyber security: the strategic challenge and New Zealand’s response

Joe Burton discusses an emerging problem with major implications.

‘The art of war is subjected to numerous modifications by industrial and scientific progress. But one thing does not change, the heart of man.’

(Ardent du Pic, 1828–70)

Cyber security is becoming a national security issue for New Zealand, with growing implications for our critical infrastructure, international partnerships, and overseas troop deployments. The government’s response so far has been promising, and rightly focused on the strategic challenges of this evolving security realm.

**Strategic challenge**

*Territory:* New Zealand’s security has always been influenced by its geographical isolation, and the New Zealand government has planned for the defence of our borders by focusing on air, sea and land operations. Cyber-attacks, however, can be launched against New Zealand targets from anywhere on the planet and in milliseconds. The distance between those instigating attacks and those on the receiving end, and the fact that attacks cross no physical borders, also makes it difficult to hold perpetrators to account. As FBI Director Robert Mueller has observed, borders and boundaries pose no obstacles for hackers. But they continue to pose obstacles for global law enforcement, with conflicting laws, different priorities, and diverse criminal justice systems.1

One way to re-establish territorial control of cyberspace is to place restrictions on incoming and outgoing internet traffic — placing a ‘firewall’ around a country’s internet — but such measures do not fit well with modern, democratic societies and may come with severe economic costs. The Syrian, Libyan and Egyptian governments all tried to shut down national internet access in order to re-establish territorial and political control during the events of the Arab Spring. These actions prompted widespread international condemnation and a retaliation by the hacker group Anonymous against the Syrian government’s embassy in China. China, too, places restrictions on its national internet, including denying Chinese citizens access to social media and closely monitoring certain sites for political dissent, particularly over Tibet and Taiwan. Just as the Great Wall of China guarded against military incursions, a new ‘great firewall’ has been built. Whether it can protect China from cyber-attacks, however, is debatable.

Another way to insulate risk is to take individual facilities off-line, but having government ministries unable to connect to the internet is not a viable long-term option. Neither is this a barrier for a determined cyber attacker. The infamous Stuxnet cyber-attack against Iran’s nuclear centrifuges occurred even though the facilities were ‘air gapped’ with no connection to the internet. A USB drive was apparently used to infect computers. Conflicts involving an array of actors are increasingly being played out in cyber territory as well as physical territory.

**Important advantage**

*Anonymity and a ‘low barrier to entry’:* Cyber-attackers also have the advantage of anonymity. Attributing attacks to particular individuals or groups is difficult. Attacks are often routed through IP addresses in multiple countries and regularly launched from ‘botnets’ — groups of compromised computers controlled remotely by a hacker. Recent advances in ‘cyber-forensics’ have allowed investigators to trace attacks to particular sources, but compared to fingerprints and other forms of physical DNA these capabilities are imprecise. ‘Honey pot’ software has also been developed, which lures attackers onto monitored websites, enabling security and law enforcement agencies to study the habits and tactics of hackers.

Those involved in instigating cyber-attacks also face a much lower ‘barrier to entry’ than in respect of conventional military capabilities. As international relations scholar Joseph Nye explains, ‘the barriers to entry in the cyber domain are so low that non-state

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Cyber-attacks are changing our traditional understanding of strategic issues, such as territory, asymmetry, and deterrence. New Zealand’s response has been promising. The government has established new institutions to enhance cyber security and has put in place a national strategy that emphasises the diversity of actors involved. New international partnerships are also being developed in this area, including a recent agreement with the UK government on cyber security collaboration. Although progress has been made, many challenges remain, including rising tensions between the United States and China over cyber-attacks and the widespread development of offensive cyber warfare capabilities.
actors and small states can play significant roles at low levels of cost. A person or group equipped with an inexpensive laptop and internet connection can deliver a cyber-attack with little in the way of personal consequence. As well as low cost the requisite expertise to conduct such attacks has become more widespread. This partly explains the rapid increase in the number of cyber-attacks. These low barriers to entry give individuals and groups that do not have the resources of nation states greater incentives to develop cyber capabilities, including terrorist organisations, separatist groups, insurgents, and 'hacktivists' (those involved in conducting cyber-attacks as political protest).

**Crucial element**

**Asymmetry and deterrence:** Dr Jamie Shea, head of NATO’s Emerging Security Challenges division, has called cyber security ‘the ultimate in asymmetrical warfare.’ This is another crucial element of the strategic challenge of cyber security and one of the defining features of the post-Cold War era. The anonymity and low cost of entry described above allows people and groups with very little power to attack and resist vastly more powerful targets. On 9/11, al-Qaeda hijackers attacked the heart of US power with box cutters; in Afghanistan, Taliban fighters have used sabotage, ambush, and IEDs against the combined forces of 49 nations; in Syria, rebels are fighting with light arms against the Assad regime’s attack helicopters. In Kosovo, in 1999, Serbian hackers directed cyber-attacks against NATO headquarters in response to NATO airstrikes. Cyber-attacks are a manifestation of an asymmetric security environment.

The connected issue of deterrence also poses a strategic conundrum. During the Cold War military doctrine was based on deterring the Soviet Union through the maintenance of conventional and nuclear weapons capabilities. Strategic planners aimed to:

- ‘punish’ their adversary in the event of an attack — through retaliation,
- ‘deny’ their enemy the ability to fulfil the objectives of a military strike — through dispersion of targets, for example, and/or
- ‘compel’ an enemy to desist from such attacks, through economic, political or military inducements.

It is very difficult, however, to deter an anonymous cyber attacker if you cannot retaliate against them, harder to disperse your strategic infrastructure if it is connected to the internet, and much more difficult to compel, incentivise or induce your enemy to desist from mounting such an attack in the first place.

**Security dilemmas**

**Offensive and defensive security dilemmas:** Does the old maxim ‘offence is the best defence’ hold true for cyber security? Certainly there is increasing evidence that states are developing offensive as well as defensive cyber capabilities. The US Army has officially acknowledged cyber warfare as an element of strategic doctrine and has a dedicated cyber brigade (the 780th Military Intelligence Brigade) tasked with counter-intelligence, protecting military facilities and ‘offensive operations’. The Chinese military also appear to be involved in developing offensive cyber capabilities.

Close links between the People’s Liberation Army and cyber-attacks were identified in February this year. According to a 2011 report by the US Centre for Strategic and International Studies, 33 states include cyber warfare in their military planning and organisation. It would be naïve to believe that these capabilities were based solely on defence.

These developments are indicative of a new ‘cyber security dilemma’. When one country sees another developing cyber capabilities it will naturally question whether they are for offensive or defensive purposes. Mistrust and uncertainty in the cyber realm may fuel cyber arms races and the militarisation of cyberspace, especially in countries where strategic culture is inclined towards militaristic solutions to problems and where the armed forces are tasked with developing policy. As W. Alexander Vacca notes, ‘given the cyber domain’s lack of structure, the cultural legacies brought by the military to the problems of cyber security will be especially important in imposing order, framing issues, and evaluating policy options’. There is also the danger of a new ‘cyber-industrial complex’, through which corporate interests exploit security dilemmas for profit.

**New Zealand context**

According to New Zealand’s Security Intelligence Service (SIS), the incidence of cyber-attacks in New Zealand is on the increase. In 2011 there were 90 attacks categorised as a significant threat to government and critical infrastructure, rising to 134 in 2012. The SIS 2012 annual report concluded that ‘New Zealand is subject to systematic cyber intrusion targeting both government and key economic and intellectual property generators’ and that ‘state sponsored’ actors posed the greatest threat to New Zealand. It also noted that foreign intelligence agencies were directly involved in cyber-espionage against government and private entities in New Zealand.

Cyber-attacks directed against the private sector and the New Zealand public are also a growing problem. A 2011 Symantec Security report identified New Zealand public are also a growing problem. A 2011 Symantec report identified...
survey of one hundred New Zealand companies found two-thirds experiencing a cyber-attack in the preceding twelve months, with 25 per cent losing corporate data and 25 per cent experiencing a financial loss of $70,000. Another survey rated New Zealand mobile phone ‘app’ users in the ten most vulnerable in the world to cyber-attacks. Given that 44 per cent of New Zealanders use smartphones, this is a significant vulnerability. As computer scientist Hossein Sarrafzadeh points out, ‘People often do not appreciate that their phones are mini personal computers, just as vulnerable to attacks as laptops or desktops.’ Recent high profile breaches of information security in New Zealand have also fuelled concern, including the leaking of ministerial emails and intrusions into the Work and Income New Zealand (WINZ) website. On an individual, corporate, and governmental level, cyber security is becoming a pressing issue in New Zealand.

The strengthening of New Zealand’s domestic capacity to respond to cyber security issues is a sign that these strategic challenges are being taken seriously. The government has produced a National Cyber Security Strategy and established a National Cyber Security Centre (NCSC) as part of the Government Communications Security Bureau (GCSB). The goal of the strategy is to improve cyber security across sectors in New Zealand and it emphasises the diversity of actors and threats involved, including cyber-crime, cyber-espionage, cyber-activism, and cyber-attacks by terrorist groups. Having a national hub is important in enhancing the security of the government’s own infrastructure; encouraging and facilitating co-ordination between private sector and government; and increasing public awareness of the issues involved. The establishment of a cyber-security research centre at Auckland’s Unitec Institute of Technology is also a step in the right direction. The centre operates in partnership with Japan’s National Institute of Information and Communications Technology (NICT) and the Nara Institute of Science and Technology (NAIST). The centre conducts decentralised monitoring of the number of malicious threats on New Zealand networks and their country of origin, and will be involved in developing and improving advanced information technologies in New Zealand. The centre has the potential to develop a new generation of cyber security experts with the skills and knowledge to plug New Zealand’s strategic vulnerabilities.

Broader challenges
There are a number of other broader international challenges for New Zealand in meeting the growing number and diversity of cyber threats. First, overseas military operations will require attention. Cyber-attacks are taking place in theatres of conflict where New Zealand troops are deployed. Even in poverty stricken Afghanistan cyber security has been a significant component of operations. As one senior member of the US military revealed last year:

I can tell you that as a commander in Afghanistan I was able to use my cyber operations against my adversary with great impact. I was able to get inside his nets, infect his command-and-control, and in fact defend myself against his almost constant incursions to get inside my wire, to affect my operations.

There have been numerous cyber-attacks directed at the Taliban aimed at disrupting their political and strategic communications, and the Taliban themselves are an increasingly tech-savvy operation. Former US Deputy Defense Secretary William Lynn has claimed cyber-warfare is ‘just as critical to military operations as land, sea, air, and space’. This will increasingly be the case for New Zealand.

Second, New Zealand’s cyber security cannot be separated from global geo-politics, and in particular the rise of China and America’s strategic pivot to the Asia–Pacific region. The signing of the Wellington and Washington declarations by the New Zealand and US governments ushered in a period of closer New Zealand/US security co-operation, including enhanced intelligence sharing and joint military exercises. There is an opportunity for New Zealand to improve its cyber security capabilities through this renewed partnership. At the same time, New Zealand is increasingly dependent on its economic relationship with China, and will not want to get caught in the middle of cyber security disputes between these two great powers.

Balancing act
Recent controversy over the expansion of Chinese company Huawei into the New Zealand broadband market is illustrative of this political balancing act. The Australian government blocked a similar contract on the basis of cyber security concerns, and the company was branded a ‘security threat’ by the US House Intelligence Committee, with questions raised about its relationship with the Chinese military and communist party. In February this year, moreover, the hacker group Anonymous mounted a denial of service attack against the US Department of Justice in response to the indictment of New Zealand based entrepreneur Kim Dotcom, founder of the controversial file sharing site ‘Megaupload’. With Dotcom’s possible extradition to the United States to face accusations of criminal copyright infringement, retaliatory attacks against the New Zealand government by sympathetic hacktivists are a possibility. The troubled handling of the Dotcom case, moreover, including the use of invalid warrants to search Dotcom’s home, demonstrates the pressures being placed on our criminal justice when dealing with international cyber security issues. New Zealand needs to be aware of the legal and political pitfalls of its
cyber security links to both the United States and China.

If anything, this points to the need for New Zealand to widen its international co-operation in this area, and there is some evidence that this is already happening. Foreign Minister Murray McCully recently announced a deal with the UK government that will allow New Zealand to benefit from research and development at a new global cyber security facility being built in the United Kingdom. The New Zealand branch of the Council for Security Cooperation in the Asia Pacific (CSCAP) has been involved in promoting non-governmental (track 2) dialogue on cyber security issues with partners in the region. New Zealand’s bid for a United Nations Security Council seat in 2015 could also be used to press for more robust international legal frameworks in this area of policy, such as the International Code of Conduct for Information Security, which contained some sensible provisions but ultimately fell flat due to US concerns over possible censoring of the internet.

Cyber-attacks are changing our understanding of strategy and posing significant challenges for governments throughout the world. New Zealand’s early response to this set of issues is promising. Our new territorial vulnerability is lessened through increased international co-operation on cyber issues, and the problem of anonymity and low barriers to entry are being addressed with new capabilities to track cyber-attacks. New Zealand also needs to work out how best to deter cyber-attacks. The concept of extended deterrence — where one state is protected by the capabilities of another — might be applied here, particularly in light of the recent reinvigoration of US/New Zealand security co-operation. In order to deter attacks and avoid security dilemmas international legal frameworks may ultimately be required, and New Zealand has an opportunity to promote such measures in the years ahead.

NOTES
Alone, alone, all, all, alone

Colin James reflects on some international economic and political developments against the background of major changes in global demography, inter-dependency and inter-connectedness.

A rather long time ago my French teacher in my modest provincial high school, a school baptised just in time for the baby-boom surge into the secondary system which I slightly predated, used to pronounce that my alleged facility with foreign languages destined me for the diplomatic service. I could never have got to her destination: I lacked a diplomatic manner; I lacked the requisite IQ; and I did not have the connections.

So instead of lying abroad for my country (a phrase with suggestive overtones), I hacked off into the underbrush of journalism, for much lower kudos and lucre. I did get an MA in languages, principally French — including a research paper on the concept of honour in 17th century French tragedy, a concept erased along with my youthful credulity by the French government’s cynical rhetoric over the Rainbow Warrior murder — which I broadened over the next two decades into political science, economics, Maori and most of a law degree, all relevant to a dilettantish lifetime of never needing to know very much, still less acquire an expertise — that is, to a lifetime as a journalist.

So my comments come not from an understanding of the mysterious semaphore of international affairs and foreign policy but from my occasional squints at the ‘wide, wide sea’ of international relations from my cave in Sir Peter Jackson’s New Hobbitland and from my musings on how this very small, displaced nation-state — ‘alone, alone, all, all, alone’ — might navigate these endlessly heaving waters. We have done not too badly till now, not least thanks to a foreign service which experts from other countries have repeatedly, until recently, told me has been as good as, and sometimes better than, larger foreign services, including, a number of Australians have told me, Australia’s.

On this count I note Stuart McMillan’s column of outrage late last year. Many of you will know Stuart as a careful, considered journalist not given to sensation or emotion. That he wrote as he did speaks loudly, to which I will add only that in my 39 years of covering politics, including the public service, I have never experienced anything remotely approaching such upset and anger among the staff of any government agency. The diplomatic deficit in the handling of the reconstruction of the ministry would have dismayed my French teacher. My fear is that the ministry’s capacity to do the job an independent foreign policy requires has been damaged — though I have been modestly encouraged by glimmerings of a recovery of morale in the past few months.

Politicians’ distaste for the foreign service is not new. Sir Keith Holyoake could not abide the pointyheads who knew more than he did. Sir Robert Muldoon did not like pointyheads fullstop (though the mercurial Tim Groser got on OK with him, Tim says — but Tim is a consummate actor). Helen Clark out-pointyheaded mere public servants. But the contempt evident in the current Cabinet’s treatment of the foreign service has been egregious.

Zero leverage

The point is that small countries, unlike large or even middle-sized countries, have zero leverage and therefore for influence must use other tools, including:

- First, being a co-operative player and honest broker demonstrating through action a genuine interest in promoting peace, goodwill and compromise in a rules-based world, as New Zealand has, for example, through its disproportionate contribution to peacekeeping and peacemaking and through its support of human rights, including the right of reasonable self-determination. Last year’s retreat on climate change — the quintessential candidate for global co-operation — risked some of that reputation, whatever the realpolitik of Kyoto 2’s value.
- Second, not taking sides between competing great powers or middling powers but always recognising the legitimate interests of those powers and arguing for balance and reason, as we have mostly done over the past quarter-century since we gave up imperial sycophancy. This government’s enthusiasm
for the United States has edged us back from independence but not yet divorced us from it. (I use ‘independence’ here in contrast with alliance, not as an absolute.)

● Third, taking responsibility for the well-being of even smaller states in its region, which New Zealand by and large does, though Oxfam would argue it leaves much to be desired.

● Fourth, investing judiciously in a skilled foreign service, which New Zealand has never really done but got creditable service nevertheless. Vangelis Vitalis, now ambassador in Brussels, has suggested we look for clues in Plataea’s conduct during the Peloponnesian wars. David Skilling, expatriated to Singapore, has argued that the potential small-economy states have to navigate difficult economic times better than large-economy states but finds us wanting by comparison with Singapore (though there is growing doubt about Singapore’s skill in the 2010s). I would value more analysis of these two propositions.

Arab spring

We do not live amidst recurrent war, as Plataea did. But we also do not live in Helen Clark’s ‘incredibly benign’ world. The Arab region tells us that. The alleged ‘Arab Spring’ seemed to me from the start to somewhat resemble 1848 in Europe: after 1848 the revolutionary fires were doused or fizzled out and it was decades, in some cases many decades, before liberal democracy prevailed. I acknowledge 1848 is a tenuous parallel at best, but there is little sign the Arab world has, or even individual countries have, switched from autocracy to democracy in the way we would understand democracy and which the excitable ‘spring’ hype suggested. I think that was well summed up by Hussein Agha and Robert Malley in a New York Review of Books article in November. ‘They found ascendant but potentially unstable ‘Islamism’ amidst chaos and uncertainty in which ‘liberal forces have a weak lineage, slim popular support and hardly any organisational weight’, which ‘leaves an assortment of nationalists, anti-imperialists, old-fashioned leftists and Nasserites’. They asked:

Was the last century an aberrant deviation from the Arab world’s inherent Islamic trajectory? Is today’s Islamist rebirth a fleeting, anomalous throwback to a long-outmoded past?

Which is the detour, which is the natural path?

Agha and Malley are not the last word. But few would now prophesy an imminent Arab summer of freedom, modernity and prosperity, even in trailblazing Tunisia. Syria bleeds and disintegrates — and illustrates why the ‘responsibility to protect’ doctrine can so far be applied only sparsely, as in Libya. Iraq hovers near a similar fate, while Saudi Arabia shuffles uneasily and backs Bahraini oppression. Turkey is reinventing itself as less a European hopeful and more a regional would-be leading state. Egypt lurches back towards autocracy. Extreme Islamists spread evil south into sub-Saharan Africa — just when there are glimmers of a modern future there in parts.

Turn north: Iran continued fluffing its feathers in 2012 but there are flickers of a ‘spring’ to come this or the next decade. Turn east into Wreckistan: Afghanistan, which in 2001 I thought a candidate for a ‘responsibility to protect’ intervention, is being abandoned to either Islamic extremist oppression or failed statehood; Pakistan, complicit in Taliban atrocities and host to bin Laden, has its own religious and cultural fraticiousness and a stuttering economy; spring has not yet sprung in the Central Asian stans. Fracking in the United States and Europe looks set to strip Russia of its gas bonanza and with that the slimming hopes of a better politics than demonstrated in the farcical repression of Pussy Riot for blasphemy (shades of Stalin). (Actually, their real offence was political than demonstrated in the farcical repression of Pussy Riot for blasphemy (shades of Stalin). (Actually, their real offence was crassness.)

Distant problems

All of those places — and Africa, a story in itself but not one of pressing interest here — are distant from New Hobbitland. By and large we have to leave them to the big boys and girls and hope the big boys and girls avert major conflict. Also distant is India, deceptively familiar but actually deeply foreign: how many of us know anything of India’s history, heritage, art and culture? Trade (with cricket) is the focus, but Tim Groser’s grand design for a free trade agreement is making as much progress as the Doha Round, which he might get to lay to rest if the job interviews go OK (if the European Union–United States free trade agreement does not do it). If we are to get close to India, it will be Indian migrants and their children who draw us in by keeping up their connections.

This simplistic approach, or lack of it, goes for China, too — with the important and urgent difference that China is much more proximate than India, despite not playing cricket (in all senses of that word). Migrants and investors are turning up, distantly evoking the British arrival in the 1830s that brought opportunity but also threat. Managing China’s management of us is our biggest foreign policy issue for the next ten and maybe 50 years (foreign beyond Australia, that is). I see shades of 1840, after which, ‘Iwi will remind you, came the 1860s. We do not try to get to grips with China’s history, heritage, art and culture any more than we do with India’s. Official policy essentially casts the relationship, in the prime minister’s word, as ‘commercial’. That is not how the Chinese see it.

And how the Chinese see the world is the world’s most challenging preoccupation: how it manages its economic transition as wages rise, the population ages and the pressures on its physical environment, ecosystems and water intensify; how it develops its administrative and legal systems and politics as its middle class expands...
and values the good life; how it manages its neighbourly relations as it recovers its sense of empire while pushing up against the established powers. We should assume China’s road from here will at times be bumpy and winding, to use non-threatening terms. One outcome of the Diayou/Senkaku standoff with Japan in 2012 — and others to come as territorial claims are pursued — has been a greater reflection in the international commentary I read of the Robert Kagan thesis that draws a parallel with rising Germany’s disruptive push up against the established powers in the late 19th/early 20th century. The United States and Japan of 2013 are the Britain and France of 1913. The technocrats in Beijing may rationally prize peace and trade, but technocrats do not always prevail and the sprawling Chinese system has many power-centres. And in the United States a debate is in full swing, post-Iraq and post-Afghanistan, on whether the United States should ‘pull back’ or ‘lean forward’. Too firm a ‘lean forward’ could tip the balance in Beijing towards a Kagan scenario.

**Cyber capacity**

One factor in this power play is that one of China’s power-centres is its military’s cyber capacity. Leon Panetta in June 2011 and again on 11 October 2012 conjured the spectre of a ‘cyber-Pearl Harbor’ that immobilises the United States banking and electricity systems. On 30 January the *New York Times* reported that government-backed Chinese hackers had ‘persistently attacked’ it, ‘infiltrating its computer systems and getting passwords for its reporters and other employees’. The *Wall Street Journal* in early February reported similar attacks. China denied official involvement, but on 18 February the *New York Times* reported on a detailed study by Mandiant, an American security firm, of individual hackers which traced the ‘overwhelming percentage of attacks on American corporations, organisations and government agencies’ to a white tower on the outskirts of Shanghai which houses People’s Liberation Army Unit 61398.

I have no way of verifying the Mandiant report, though United States intelligence officials backed it. But from a slow start a decade or so ago when my own musing on the topic was considered akin to science fiction by experts in Wellington, the media reports have multiplied, particularly last year and this, and we are likely to hear a great deal more — not just state-sponsored cyber-spying, cyber-aggro, cyber-terror and cyber warfare but cyber crime.

This is one element of a change in the context of international relations in recent years. Another trigger is the global financial crisis, which can be seen as one of history’s periodic disjunctive events after which things are distinctly different and there is no return to ‘business as usual’ (though, of course, there are many continuities). The First World War was a classic example: a short war to sort out the power balance turned into a new sort of war of attrition, which destroyed four empires and redrew the map of Europe, besides killing many millions. The global financial crisis has similarly marked the boundary between one era and the next. It has released economic, political, policy and social debate from the constraints of the neo-liberal era: the Friedman orthodoxy no longer holds even some of its disciples in thrall and fiscal and monetary authorities in old, rich countries are behaving in such unorthodox ways that it may not be possible to revive the orthodoxy when ‘recovery’ comes, whatever ‘recovery’ is. One reason the orthodoxy might not recover is that in those old, rich countries the global financial crisis has triggered a rise in populism — mystical folk-populism in the form of the Tea Party in the United States, left populism in Syriza in Greece and Five Star in Italy and right populism in the National Front in France — and elsewhere swings to left, including Green successes in Germany, and right, as in Japan. Here the Labour Party is rethinking economic policy outside the 1984–2008 box. Those are not the politics of a return to the status quo ante — though we cannot know yet what the status quo post will be.

**Asian giants**

And that is going on against the backdrop of the return of the Asian giants to the frame: as I have argued for a decade, after 500 years of ‘Western’ dominance of ideas — of political, social and economic organisation and science — that is, dominance by our kin, increasingly we will be challenged by, and have to accommodate to some extent, ideas from China and India and elsewhere in East Asia. One narrow example is China’s promulgation of a version of state-infused capitalism as more rational than the too-little-fettered neo-liberal market-economy.

Deeper down there are other major shifts in the way we deal with each other. The 2010s world is not the 2000s world — ‘to talk of the twenty-first century is so twenty-first century’, as someone put it recently.

Some discern a new phase of globalisation they call hyper-globalisation and others see within that a ‘new industrial revolution’. Digital technology in the form of, for example, multi-tasking robots and more sophisticated computer technology, including 3D printing, is only now being truly exploited in production of manufacturing and services after a long gestation. In a select range of activities firms in rich countries are reversing, or at least moderating, decades of ‘outsourcing’ and ‘offshoring’ and are ‘in-sourcing’ and ‘inshoring’ to shorten supply chains. ‘Cloud’ and ‘crowd’ design, funding and buying enable new mini-enterprises and give them global reach. These two developments pose some big 2020s issues for China and other rising economies. They reflect rapid changes in the speed, volume and character of digital inter-connectedness, qualitatively different from a decade ago and bringing with them serious issues of privacy, not least in the very recent techniques used to mine what is known in the trade as ‘big data’ to profile customers and win votes (*viz* the Barack Obama re-election campaign).
New phase

Thus, economic and other inter-dependency can be said to be in a new phase. The plethora of bilateral and plurilateral free trade agreements (and not-so-free ones) can be seen as a catchup to reality rather than fashioning a new reality. The Trans-Pacific Partnership is an example: the United States quaintly, quixotically hopes the TPP will embed its intellectual property advantage (and contest China's pre-eminence in Asia). There are to be trade talks between the United States (with a re-elected president pushing trade as one point of agreement with the dysfunctional Republicans) and the European Union (working its way through an existential re-examination, which, though a fascinating topic for political analysts, I shall pass over in the interests of space). Note also the OECD’s recent recalculations of trade flows incorporating into traded manufactured goods in-house and bought-in services, which substantially revalues the balances between economies. I think we are in a multi-decade transition from separate, sovereign national economies to a globalised economy. There is a very loose parallel with the transition during the first industrial revolution from small local economies to national economies. But there is one very big difference: then there were national governments that could, and eventually did, set national rules; now there is no comparable global government.

That will be a growing preoccupation of international relations over the next few decades. We do have a range of international regulatory bodies, some with binding regulation-making powers, and I expect more will be established over time, ranging from top-down treaty-based regulation-making bodies with which nations must comply if they are to carry on international commerce to bottom-up clubs of nations for specific purposes — climate change action is a candidate, as is the sustainability of the anthropocene, a huge foreign policy topic on its own, especially when coupled with the potential international friction this decade over access to water, fuel and resources. But national sovereignty, or, rather, the persuasive illusion of national sovereignty, is not yet on the way to the retirement village.

There is another important dimension to globalisation: that of people. Within countries populations are rapidly urbanising in pursuit of higher incomes. Some 300 million have extended that to bottom-up clubs of nations for specific purposes — climate change action is a candidate, as is the sustainability of the anthropocene, a huge foreign policy topic on its own, especially when coupled with the potential international friction this decade over access to water, fuel and resources. But national sovereignty, or, rather, the persuasive illusion of national sovereignty, is not yet on the way to the retirement village.

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Quasi-domestic relationship

Talking of people brings us back to the mundane: Australia, where half a million New Zealand-born people live (equal to 11 per cent of our population). Our relationship with Australia is certainly an international relationship but it is in many ways quasi-domestic, not least in the attempt to turn CER into a single economic market, which the two prime ministers made clear in Queenstown in February is on a very slow boat. That makes our management of Australia and our management of Australia’s management of us a prior issue, one to be dealt with before we turn to international relations proper. It does not help that Australians are prone to think of us as Hobbits and think underarm bowling to Hobbits is OK.

For New Zealand there is no option but to be close to Australia. We need the market and its companies own a lot of our economy. We are the closest rich democracies to the troubled societies of Melanesia, where Hillary Clinton spied a couple of years back ‘unbelievable competition’ between China and the United States for influence. But knowing we have no option but to be close to Australia does not take us inexorably to Vangelis Vitalis’s suggested customs union (which the Productivity Commissions ruled out in December). Nor does it take us back into Australia’s lockstep United States alliance. We were never as dedicated an ANZUS ally as Australia. Our distinct strategic perspective on the world dates back to 1908 and the anti-nuclear policy has etched it into our skins since 1985. Successfully combining that separateness with the necessary closeness is one of this country’s most critical policy management tasks.

Australia and the United States reacted angrily to the nuclear policy. Both have since calmed down because, after all, we are in pretty much the same values club. But why did the United States overreact — in effect kick us into our independent foreign policy, which was the opposite of what it seemed to want? The answer is in a recent article by Benjamin Schwartz in the Atlantic Monthly on John F. Kennedy’s belligerent conduct of the Cuban missile crisis in 1962 despite intelligence briefings that the missiles did not alter the nuclear balance and were a negligible threat to national security. Schwartz’s evidence from declassified documents is that Kennedy was driven by ‘Washington’s self-regard for its credibility’, convinced that ‘America’s foes would see Washington as pusillanimous’ and that ‘America’s friends would suddenly doubt that a country given to appeasement could be relied on to fulfil its obligations’, even though those friends told Kennedy otherwise. A half-century later there are overtones in the ‘lean forward’ argument I mentioned above. Halfway between Cuba and the ‘pull back’/‘lean forward’ debate Ronald Reagan and George Shultz fitted delinquent New Zealand in the Kennedy frame — which is how we came to be ‘all, all alone’ in this heaving ‘wide, wide’ global sea, which turned out to be a good thing, even if also requiring skill, intelligence and quick-footedness that for the moment is in question.

The Kennedys’ Camelot turns out in the Schwartz account to be just an Arthurian figment after all. Another bright star of my credulous youth has crashed out of the firmament, buried alongside the figment of fiction of a French concept of honour. But, then, I have been talking about international affairs.

NOTES

3 ‘US struggling to hold role as global leader, Clinton says’, Financial Times, 2 Mar 2011: ‘In an appearance before Congress, Mrs Clinton highlighted the “unbelievable” competition with China for influence over islands in the Pacific, with the development of Papua New Guinea’s “huge” energy reserves one of the key issues at stake... “let’s put aside the moral, humanitarian, do-good side of what we believe in and let’s just talk straight realpolitik”’.
In the recent past, both India and Pakistan have been accusing each other of ceasefire violations across the Line of Control in Kashmir, and both have denied the other’s accusations. While both claim such accusations to be baseless, the reality on the ground, the casualties, cannot be denied. The Kashmir dispute is the prime territorial dispute in the region. It is, in fact, one of the most prolonged and still unsettled disputes in the history of the United Nations. Could the recent aggression in the region lead to an all-out war? If so, should we consider the possibility of nuclear warfare? Is it possible that Pakistan’s army still takes some independent decisions in these matters? How does public sentiment shape the face of foreign policy in both the nations?

Although the issue dates back to 1947, the current tensions between the two ‘nuclear’ states can be attributed to the 1999 Kargil War. That conflict brought defining changes in the way that the world perceived both nations and the way they interacted with each other. It is also significant for providing a rare account of how nuclear capable states interact in a conflict situation.

The armies of both nations had an unspoken mutual understanding for years that they would withdraw to low altitudes in winter and return to their respective posts in spring. In the spring of 1999, local shepherds reported Pakistani intrusions in the vacated Indian posts in the Kargil area. Indian soldiers who went on patrol near the town of Kargil, about 8 kilometres on the Indian side of the Line of Control, were ambushed by assailants firing from undetectable positions high among the frozen peaks of the Himalayas. After several weeks of denial by Pakistani officials, the Indian authorities asserted that the intruders were not civil militants, but rather well trained and equipped troops of Pakistan’s Northern Light Infantry (NLI). With similar reports from the Dras, Kaksar and Mushkoh sectors, Indians became conscious that the infiltration was much larger and better organised than they had realised. India then mounted a significant military and diplomatic campaign to counter the intrusion, in what they later termed the ‘Kargil War’. After 55 days of intense fighting within the Kargil, Dras, Kaksar and Mushkoh sectors, during which both sides suffered several hundred casualties, Pakistan ordered its troops to retreat. The crisis ended and the status quo ante bellum was restored.

Research by the Centre for Contemporary Conflict subsequently confirmed India’s claim that the intruders were NLI troops rather than civilian militants. Later, Pervez Musharraf, the former president of Pakistan, admitted in his autobiography In the Line of Fire to using NLI troops in the fighting. Pakistan’s strategy to deceive India and the rest of the world into believing that the reported intrusions were carried out by civilian militants fighting to liberate Kashmir worked brilliantly in favour of Pakistan at the outset of the crisis. Pakistan clung to this deceit well after their troops’ direct involvement in the war was revealed. There are a number of explanations for Islamabad’s persistence in claiming that the conflict was completely civil in nature. Firstly, India’s initial response was hampered by the need to prepare units for its response, a requirement that favoured Pakistan militarily. Further, most of the world saw Kargil as an extension of the struggle to liberate Kashmir rather than a conflict with territorial aims. If Pakistan had agreed on NLI responsibility for the

Is Indo-Pakistan peace possible?

Aniket Aggarwal discusses efforts of India and Pakistan to reconcile their differences in light of violence in Kargil and Mumbai.

On 26 July 1999 Indian soldiers regained control of outposts that had been infiltrated by Pakistan. Tiger Hill, a mountain in the Kargi-Dras area of Jammu and Kashmir, was the most crucial point of the Kargil War. Its recapture played a key role in this war.

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The Indian and Pakistan governments are trying hard to prevent ceasefire violations that occur every year on their national borders from impacting on the on-going ‘Aman ki Asha’ peace talks. A loosening in Pakistan’s stance on the disputed territory of Kashmir has given room for confidence-building measures like trade, cricket and Bollywood diplomacy. Even so, there is still a lack of trust, arising from Pakistan’s Kargil aggression and the Mumbai terrorist attacks, which continue to plague the relationship. However, negotiations that are shielded from the military in Pakistan and the media in India could settle all disputes between the two states.
intrusion, it would have had to give an explanation to the international community for its unprovoked military aggression and its disrespect for the on-going Lahore peace process. Islamabad also recognised the fact that the international community would not tolerate its forceful occupation of India’s territory.

**Serious deterioration**

But Pakistan’s actions severed the Indo-Pakistan peace process, caused a severe deterioration in US–Pakistan relations and undermined Pakistan’s international credibility, leaving it labelled as an irresponsible aggressor capable of behaving irrationally. In a way, this also gave Indian Prime Minister Atal Bihari Vajpayee an opportunity to justify his much condemned 1998 nuclear tests.

The nuclear capabilities of India and Pakistan had both direct and indirect roles in the cause and course of the Kargil War. From Pakistan’s perspective, Islamabad expected that by the time India realised that regular Pakistani troops were involved in the occupation of the territory, the international community, spurred by the fear of nuclear escalation, would have forced India to agree to a ceasefire. This would allow Pakistan to hold on to the captured territory and cut India’s sole supply link to Siachen, national highway 1A. On the other side, India never suspected Pakistan of being capable of such adventurism and fell for their diversionary tactic. India’s response was, however, much stronger than Pakistan had calculated. Islamabad’s assumption that fear of a nuclear exchange would prompt international intervention proved to be misplaced. While Pakistan’s long-term ally China did not support the attack, the United States placed intense pressure on it to withdraw its troops.

During the fighting there were a dozen nuclear threats and counter threats. There were unverifiable reports of increased nuclear readiness on both sides. According to an Indian journalist, nuclear warheads were readied along with delivery systems, including Mirage-2000 aircraft, short-range Prithvi and long-range Agni missiles. He added that the weapons were kept in ‘Readiness state 3’ — ready to be mated with delivery systems. In testimony printed in the book *The Clinton Tapes*, Bruce Riedel, the then special assistant for South Asian affairs at the US National Security Council, stated that US intelligence on 3 July 1999 had detected that Pakistan was preparing its nuclear arsenals for an attack. Riedel noted that, in a meeting between Nawaz Sharif and President Bill Clinton at Washington, Clinton asked Sharif if he knew his military was preparing their nuclear tipped missiles. Taken aback, Sharif said only that India was probably doing the same.4

Before the Kargil crisis, India had expected that Pakistan would recognise the geo-strategic shift resulting from its nuclear capability and would curtail its anti-India policy. Pakistan, on the other hand, believed it could deter a conventional attack from India with its nascent nuclear capability. The simple conclusion is that possession of nuclear weapons had in no way achieved what either country thought it would.

**Mumbai attacks**

After coming to the brink of all-out war in 2002, the Indian and Pakistani armed forces on 26 November 2003 ended fourteen years of virtually daily artillery exchanges when they began a ‘general’ ceasefire — an arrangement that covered the international border between India and Pakistan and both the Line of Control and Siachen Glacier in the disputed Kashmir region. Subsequently, the two countries agreed to resume air and rail links, and took various other ‘confidence-building’ measures, including joint army patrols of the international border. Diplomatic ties, which were broken after the attack on the Indian Parliament on 13 December 2001, were revived.5

In 2008 these diplomatic relations were again severed following twelve co-ordinated shootings and bombings across the city of Mumbai, India’s business capital, by members of the Islamist organisation Lashkar-e-Taiba. The attacks took the lives of 156 people (both civilians and security personnel) including 28 foreign nationals from ten countries. The attacks drew widespread condemnation from the international community, especially Israel and the United States. The Indian government produced ev-
idence that the attackers had been trained in Pakistan and had come by sea. On 12 February 2009 Pakistan’s Interior Minister Rehman Malik conceded that parts of the attack had been planned in Pakistan. Police in Pakistan had arrested seven people, whose trial began on 3 October 2009 in Pakistan. Indian authorities protested that those prosecuted were well below the top Lashkar leadership. They maintained that Pakistan has not done sufficient to bring to justice the perpetrators of the Mumbai attacks, primarily Hafeez Saeed, the mastermind of the attacks. This incident reaffirmed the world’s belief that Pakistan continues to act as a safe haven for terrorist organisations like Lashkar-e-Taiba and Jaish-e-Mohammad. Following the attacks, India cut off all trade and diplomatic links with Pakistan. These were not revived until 2012 on the condition that Pakistan makes substantial progress in prosecuting the planners of the attack.

On 5 January 2013, following Pakistani Foreign Minister Rehman Malik’s Delhi visit, the Indian foreign minister reiterated that

The Indo-Pak dialogue will move smoothly, faster and in a right direction provided the wish list lying with Pakistan given by India as far as the Mumbai tragedy is concerned is responded to. That is a critical thing. He also stated that ‘India will do whatever needs to be done to persuade Pakistan into granting it the Most Favoured Nation (MFN) status’.7

Future relations

With recent media reports of the brutal beheading of two Indian soldiers on the Indian side of the Line of Control, a large element of the Indian public wants India to impose tougher terms in dealing with Pakistan. Many Indians are very distrustful of denials about the beheadings by Hina Khar, Pakistan’s foreign minister. This distrust originates in Indian suspicion of the civilian government’s lack of control over Pakistan’s military, as was evident during the Kargil War. Except for a few extremist groups, the majority of neither country has demanded military action in the present scenario.

Pakistan has lodged an official complaint with the UN Military Observer Group in India and Pakistan (UNMOGIP) regarding ceasefire violations and has said that they are open to investigation by UNMOGIP. India’s stance remains that the Kashmir dispute can only be solved by bilateral talks without third-party intervention. India’s finance minister responded to Pakistan’s complaint saying that ‘We do not believe in internationalising the issue or a UN inquiry. It has been outrightly rejected. The Pakistan commissioner was summoned and we registered our protest.’8

The firing across the Line of Control on 10 January 2013, which lasted 100 minutes, cannot be ignored. This tit-for-tat violence increases the possibility of largescale military action. The big concern remains that this could lead to a much dreaded nuclear war. However, although the possibility of war can never be completely dismissed, the chances of a nuclear war are negligible in present circumstances. There are a number of reasons why neither India nor Pakistan would strike the other. India clearly has superiority over Pakistan in conventional warfare. There is, therefore, less likelihood of a situation developing in conventional warfare in which India would consider the use of nuclear weapons. Even though India successfully tested its Agni-V intercontinental ballistic missile, which gives it the ability to strike Beijing, it knows that it has a limited number of nuclear missiles. If India engages in a nuclear war with Pakistan, it would use most of its stockpile, leaving very little retaliatory capability against China. Lastly, India has pledged a no first use policy, promising that India would never carry out a pre-emptive strike. On the other hand, in the light of successful ballistic missile defence tests by India, giving it the ability to defend its two major metropolitan areas from nuclear missiles, and its possession of submarines with nuclear capabilities, India clearly has the superior retaliatory capability. This is reason enough for Pakistan not wanting to engage in nuclear warfare.

Stark similarity

In order to understand the future relationship one should first take note of the stark similarity between Kargil and recent incidents. Violence broke out right after the peace process commenced. It is noteworthy that Kargil took place soon after the conciliatory Lahore Declaration, signed on 21 February 1999. It is widely asserted that the then top brass of Pakistan’s armed forces disapproved of the Indian prime minister’s Lahore visit and believed talks like these would jeopardise the prestige and honour of the Pakistani armed forces. When Nawaz Sharif ordered the NLI troops to retreat during the Kargil War, friction developed between him and Musharraf, the army’s chief of staff. In an interview Musharraf claimed that the Pakistani troops had suffered negligible casualties up to that point and could have defeated the Indian troops had Sharif not interfered. This friction led to a coup d’éat in which Musharraf and the army overthrew Sharif and his government. This to some extent supports the contention that Sharif was never fully aware of the
planned Kargil intrusion and that the occupation of Indian posts in the Kashmir region was solely planned by Musharraf and the army. There has been speculation that the recent violent occurrences are similar military tactics aimed at derailing the peace process. The question thus remains, if this is to happen every time the two nations begin a trust building process, is peace possible between them?

Smruti S. Pattanaik, a research fellow at the Institute for Defence Studies and Analyses, said that, ‘Since there is a divergence between what the civilian government thinks and what the Pakistani army thinks, it is inevitable that India has to live with... at one hand the peace process and on the other hand this problem on the border.’

Both countries should in future consider using bilateral multi-back-channel diplomacy, as it might be termed. This means both nations’ diplomats meeting secretly to discuss and solve all pending issues simultaneously without third-party intervention. There is an account of back-channel talks that took place in 1999. Following the signature of the Lahore Declaration in 1999, nine rounds of back-channel talks took place between emissaries R.K. Mishra (India) and Niaz A.Naik (Pakistan). The latter, in his account of these talks, mentions that after they rejected all the nine options outlined in talks at Neemrana, they began working on an innovative solution. Niaz proposed the so-called ‘Chenab formula’ — a redrawing of the international borders alongside the river Chenab, an identifiable geographic feature. Because of their lack of geographical knowledge, both diplomats agreed to meet in Islamabad to further discuss this proposal. The fact that Vajpayee suggested that Niaz prepare detailed maps of the ‘Chenab option’ before the next meeting indicates the interest on the Indian side. Later, when Mishra visited Islamabad, Lieutenant-General Ziauddin (the ISI’s director-general) and Musharraf were briefed about the proposal, which they both agreed was a good starting point. A few days after this meeting, Indian intelligence services started reporting the Pakistani intrusions across the Line of Control and the Kargil War followed. But this is as close as the nations ever came to solving the Kargil issue by diplomacy.  

**Important lessons**

There are a few lessons that should be taken from this episode. First, secrecy plays a crucial role in back-channel diplomacy, but it was completely lacking in this case. A leak reported by the Press Trust of India about the back-channel talks in the midst of Kargil War characterised the intrusion as an act of deceit and betrayal by Pakistan. This public exposure put Vajpayee in the line of fire. It closed off all possible avenues for peaceful resolution of the matter. Second, negotiations must be shielded from any disclosure to both armies and media until a concrete solution is reached on a diplomatic and political level. Thereafter, bilateral repositioning and de-escalation of the forces from the region under UN supervision should follow.

Any farsighted assessment reveals that even if a solution of the Kashmir issue is achieved, it is less likely to succeed if all the issues are not resolved simultaneously. Civil militancy and water issues are key issues that need to be resolved. Without such a settlement, any tension will bring the danger of violence in the volatile region of Kashmir.

On the bright side, this back-channel diplomacy is a ray of hope that in future, under suitable circumstances, the elected leaders of India and Pakistan are quite capable of engaging one another in dispassionate, innovative and constructive dialogue on the issue of Kashmir. With elections looming in both countries, it is possible that there will be a change of leadership in both — Pakistan to a stronger government and India to a more focused one. In these circumstances, this decade might conceivably be the decade when the two countries finally resolve the Kashmir issue along with other issues.

**NOTES**

India looks outward

Balaji Chandramohan discusses India’s maritime strategy in the 21st century.

As the geo-political shift increases the importance of Asia, countries such as India and China that have traditionally followed a continental oriented strategic approach can be expected to develop an active maritime strategy as a means of enhancing their military status.

For India, a continental regional power, this approach has been evident since 1991. Its ‘Look East’ policy is a reflection of great power ambitions that have grown since the end of the Cold War. ‘Look East’ is primarily designed to curtail India’s greatest security threat — China in South-east Asia. So far there has been consensus among India’s ruling elite about the policy, and other countries in the South-east Asian region, such as Vietnam, Brunei, Malaysia, Singapore and Indonesia, have accepted it.

Great powers by definition have tended to have both core and peripheral security dilemmas and to be competitive in both, especially when faced with a challenge or threat. India’s core security threat from nation states has been continental. It has fought four limited continental wars with Pakistan and one continental war with China. It is understood that India’s efforts to nullify the existing security dilemmas at the core could be enhanced by adopting an effective policy of naval expansion on its periphery. That periphery, it could be argued, stretches from the Gulf of Aden in the west to the Strait of Malacca in the east. This, of course, coincides with the strategic priorities of other great powers in the Asia-Pacific region, such as the United States and China.

The region between the Strait of Malacca and the Gulf of Aden is hailed as the ‘centre stage of the 21st century’, as suggested by Robert Kaplan in his book Monsoon. If India is to graduate from being a regional power in South Asia to a great power in the Asia-Pacific region, it needs to control these vital links in the Indian Ocean by both hard power and soft power. Since ancient times, navies have been instrumental in projecting a country’s soft power. India understands well that armies, by comparison, produce suspicion in host countries.

As a part of its overall strategic priorities, India has begun to be influenced in its naval thinking by Alfred Thayer Mahan’s famous maxim that whoever controls the world’s oceans controls the world. Even so, India has not so far emulated great powers of the 19th and 20th century in fully understanding the strategic dimensions of its 13,000-kilometre coastline. Naval powers like Great Britain, the United States and Japan and continental powers such as the Soviet Union, Germany and France maximised their geographic position to secure advantage in strategic manœuvring.

In reality India shows both continental and maritime country characteristics, with the former more important because New Delhi has to concentrate its diplomatic effort on dealings with Pakistan. But with India’s economy growing, it can re-link its historical maritime and cultural contacts politically through naval diplomacy. For example, India’s Look East policy has boosted its trade relations with South-east Asia. Naval diplomacy has played its part in this, with Indian naval officers making regular visits to South-east Asian countries. However, there is a need to extend India’s Look East policy to encompass the South Pacific. Historically India is inter-linked with countries such as Myanmar, Cambodia, Vietnam, Thailand and Indonesia. V.R. Ramachandra Dikshitar, in his book Origin and Spread of Tamils, records that Tamilian Chola kings had cultural and trade relations with the Polynesians in the South Pacific.

Important counter-weight

India has up to now failed to tap its long lost relationship with the South Pacific. However, it is now timely to revisit these cultural ties with the atolls and island nations from the western Indian Ocean to the South Pacific. They can act as a counter-weight to China’s ‘String of Pearls’ strategy, which involves building bases around India’s peninsula region. China started this by building a deep-sea port on the southern coast of Sri Lanka, in the town...
of Hambantota. Second, China has helped Pakistan to build a deep-sea port in the town of Gadara in Baluchistan. Third, China has started to court the littoral states in the Indian Ocean such as the Maldives, Mauritius and Seychelles through yuan diplomacy, offering these states aid in exchange for hosting naval bases.1

Historically, powers such as Portugal, the Netherlands, Great Britain, the United States, and the Soviet Union have sought bases in the Maldives. This is because Gan in that group, along with Antsiranana (Diego Suarez), Diego Garcia, Aldabra and Farquhar islands and le Desroches in the Seychelles, is one of the vital choke points in the Indian Ocean.

To counter China's encirclement in the Indian Ocean, India's naval diplomacy involves sending naval officers on routine trips to atoll states and having regular exchanges at the naval officers' level. India should initiate more bilateral trade pacts and multilateral initiatives in the Indian Ocean region by strengthening the regional multilateral organisations such as the South Asian Association of Regional Co-operation and Bay of Bengal Initiative for Multi Sectoral Technical and Economic Cooperation.

Despite having a continental strategic focus with land-based threats from China and Pakistan, India's strategic culture has been defensive so far. This defensive strategic orientation has been extended to its maritime dimension. This is about to change, however, as it develops robust maritime capabilities.

India's inability to delineate its geographic and cultural span has been one of the constraints on its ability to project power. Although India shows the characteristics of both a continental and a maritime country, Indian policy-makers have concentrated more on continental aspects, as New Delhi has had to give priority to its relationship with Pakistan since Independence in 1947. But with India's economy growing and with its place secured in the world affairs of the 21st century, India should now start re-linking its historical maritime and cultural contacts politically through cultural and naval diplomacy.

**Limited force**

India's strategic culture permits a limited use of force for political objectives. It has sent expeditionary forces to such countries as the Maldives in 1988, the Seychelles in 1986 and Sri Lanka in 1987. All were done with the active participation of the Indian Navy. India has also contributed to United Nations peacekeeping forces.2 It was prepared to send troops to Fiji following the 1987 coup but was unable to do so because of a lack of logistics to operate at that distance from India.

India is yet to develop a robust indigenous military-industrial complex befitting a great power. The army takes approximately 50 per cent of the defence budget, followed by the air force with 25 per cent and the navy 19 per cent. Defence research and development accounts for six per cent. It is noteworthy that the Indian Navy keeps increasing its share of the defence budget.

The Indian government in recent times has given much more priority to the jointness of the three services to counter the threat posed by China rather than relying primarily on its land forces. Tri-service commands have been established, such as the Andaman and Nicobar Command (2001) and the Strategic Forces Command (2006). Major joint exercises have been undertaken in an attempt to validate the joint doctrine. AMPHEx 07, a tri-service amphibious exercise, serves as a prime example. Defence procurement procedures emphasise ever more heavily the benefits of tri-service co-ordination.

**Important constraints**

The Indian Navy, which is the fifth largest in the world, forms the basis of India's power projection capabilities in South-east Asia. India still does not have the sophisticated capacity for joint amphibious operations, for which a greater synergy among the services is required. India, despite not being a traditional naval power like the United Kingdom, the United States, Australia or Japan, has invested considerable effort in increasing the operational capability of its navy. The Indian Navy has transformed itself from a coastal defence force to a 'blue-water' fleet.

In other words, from providing a protective shield for the defence and security of its home population, the Indian Navy is extending itself to provide a strategic shield for the neighbouring atolls in the Indian Ocean region. By doing so, it is becoming a partner for other major powers, such as the United States, in the Indo-Pacific region.

The Indian Navy conducts a theatre-level operational readiness exercise annually to test its readiness to respond to maritime challenges. These exercises involve elements of the Indian Army, the Indian Air Force and the Indian Coast Guard. The Indian Navy has three commands — the Western, Southern and Eastern. The Eastern Command, which is headquartered at Visakhapatnam in Andhra Pradesh state, is home to the Indian Navy's submarine arm. The eastern naval command has grown remarkably in recent years. In 2005, it had 30 warships under its command. Six years later, that number has grown to 50 — roughly a third of the Indian Navy's entire fleet strength. It is poised to expand further.

**Eastern force**

India's only aircraft-carrier, INS Viraat, is in the Eastern Command. All guided-missile destroyers (modified versions of Soviet Kashin-class destroyers), which were with the Western Command, have now joined the eastern fleet. The Indian Navy's only ship acquired from the Americans, the amphibious former USS Trenton, now renamed INS Jalashwa, has been put under the Eastern Command. The indigenously manufactured stealth frigates INS Shivalik, Satpura and Subhadr are also in that command, along with US-manufactured P-8I Poseidon long-range maritime patrol aircraft and the Italian-made new fleet tanker INS Shakti. India's nuclear submarine INS Arihant was constructed at Visakashapatnam. Two other nuclear submarines are being developed there.

The Eastern Command has bases at Visakhapatnam and Kol-

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1 See S N Yogeesh, "The Indian Navy and its Policy in the Indian Ocean Region," in India's Foreign Policy (ed.).

2 See the Navy's website for a list of its achievements.
kata. It will soon have a forward base at Tuticorin and an operational turnaround base at Paradeep. In addition to naval air stations at Dega and Rajali, the Eastern Command has got INS Parundu at Uchipuli, where unmanned aerial vehicles are being deployed. According to open sources, India is constructing a nuclear submarine naval base near Visakhapatnam, codenamed Varsha. The Indian Navy currently operates fourteen diesel-powered submarines, which are based at Visakhapatnam on the east coast and Mumbai on the west coast.

Annually, the Indian Navy conducts multilateral naval war games involving primarily the United States, Japan, Singapore and Australia (which participated in the 2007 exercise conducted near India’s Eastern Command). India and the United States have conducted more than 50 joint military exercises in the last seven years.

India’s Look East policy so far has not crossed the strategic Strait of Malacca. However, in the next five years it will, at least diplomatically, be extended to the South Pacific, for countries in the region such as Fiji have important political and cultural relations with India.

**Growing interest**

Diplomatically, India has shown an interest in South Pacific affairs by participating in the Pacific Islands Forum annually since 2002. India also has initiated support for the islands in the South Pacific by providing soft loans for development projects. But so far, it has no military presence. This could change in the next five years if India starts increasing the eastern fleet’s operational capabilities to allow the South Pacific to be encompassed. It remains to be seen whether that will find consensus among New Zealand, United States and Australia as an effective deterrent against China.

The United States has been concerned by China’s increased naval presence in the Indo-Pacific region and seeks partners to curtail that presence. There are several reasons for the recent increase in US–India naval co-operation. First, the Obama administration does not believe that unilateral solutions are available to deal with regional security challenges. Second, India’s importance in Washington’s eyes as a potential strategic partner has steadily increased because of New Delhi’s growing economic and military capabilities as well as its strong democratic credentials. Third, both the United States and India are concerned about the rising power of China in the Asia–Pacific region and beyond.

**Potential conflicts**

Although the United States and India want and actively seek strong co-operative relations with Beijing, both are conscious of potential conflicts of interest in bilateral relations with the Chinese. This recognition has cumulatively served to bolster US–Indian ties. Washington also now believes that US–Indian political and military co-operation is necessary to counter the very real challenges of international piracy and Islamist terrorism in the Horn of Africa.

From the United States’ point of view, there is a fear that China might intervene forcefully in the Spratly Islands in the South China Sea. Nearly 44 of the 51 small islands and reefs are claimed by China, the Philippines, Vietnam, Taiwan, Malaysia and Brunei. The conflict stems from overlapping sovereignty claims to various Spratly Islands, which potentially could produce natural resources such as oil, natural gas and seafood. China’s aggressive stance is motivated by its need to meet growing energy demands which are outstripping its supply capability. The United States might be forced to ‘intervene’ and would need India as a partner. India, for its part, would welcome US initiatives to counter China’s String of Pearls strategy in the Indian Ocean. In courting allies in South Asia and littoral states by providing funds and building ports, China seeks to make sure that the Indian Ocean is not India’s ocean.

**Significant acknowledgement**

The United States’ 2010 Quadrennial Defense Review acknowledged India’s rise as a military power in the Asia–Pacific region and the dominant role its navy could play in years to come. The review also mentioned that the US Navy would be deployed in forward positions in future.

From the United States’ point of view, its geo-strategy is based on the concept of the 20th century geo-strategist and the ‘godfather’ of the containment strategy Nicholas John Spykman, who declared: ‘who controls the rim land rules Eurasia; who rules Eurasia controls the destinies of the world’. The ‘rim land’ refers to the maritime fringes of the Eurasian continent.

Spykman also emphasised that the United States needs partners in the rim land to counter any rise of the heartland (Soviet Union) or the middle kingdom (China). There is no prize for
guessing why the 2010 US review implicitly refers to the importance of having India as a strategic partner to balance the power of China in Eurasia.

Every aspiring great power tries to project its own power outside its own sphere of influence using hard power military capacity. In that context, India offers a curious case as it aspires to graduate from being a regional power in South Asia with a continental strategic orientation to a great power in the Indo-Pacific adding a maritime dimension to its existing strategic culture. Central Asia falls slightly out of its radar logically. However, India’s only military base outside its territory, Ayni, is in Central Asia’s Tajikistan, which is in Russia’s backyard. India is Russia’s all-weather friend and vice-versa, despite the fact that India’s power-projection is not welcomed in Moscow. This Central Asia focus offers a good case study of India’s strategic culture and the compound-ing problems that it faces in graduating from being a regional power to being a great power.4 In that context, it can be argued that despite India’s ambition to project its power in the Indo-Pacific region, there is a lack of coherence within its ruling elite as to how that projection can be achieved.

In recent times India has begun a process of expanding its great power ambitions by giving more attention to contingency operations. It will be more focused on strengthening existing naval capabilities and integrating naval commands with other services. Although India’s power-projection approach has been received sympathetically by other countries, especially in South-east Asia, it remains to be seen whether such initiatives will find continuing support within the ruling elite in New Delhi.

NOTES
1. Iskander Rehman, ‘China’s String of Pearls and India’s Enduring Tactical Advantage’, Institute of Defence Studies and Analyses, 8 Jun 2010.
New Zealand’s South Pacific policy: current directions and approaches

Tetiana Starodub provides an Eastern European perspective on New Zealand’s regional role.

The increasing role that the so-called small states have begun to play in solving both global and regional problems is a characteristic of current international affairs. Under the bipolar system of international relations, the term ‘small state’ was usually interpreted as small countries with limited economic and human potential. Following the end of the decolonisation process and the collapse of the Soviet Union, this definition has been applied also to the numerous new countries that have emerged on the map of the world. Now the ‘small countries’ are usually divided into two groups — developing states with a population of a few thousand to three million people and economically developed countries with three to eight million people. According to Evan Luard’s theory of international stratification, countries of the second category, as assessed by the economic indicators and the level of influence on regional processes, gravitate towards the middle powers.1 In the South Pacific, the first category includes practically all the countries of Oceania except those that should be referred to as micro-states, that is, countries that are unable to protect their sovereignty with their own forces (Tuvalu, Nauru and others). New Zealand is in the second category.

New Zealand political scientists believe that in international relations the place of small states should be precisely correlated with their economic and military power. The characteristics of small states differ qualitatively from those of other countries and, undoubtedly, influence both the priorities of their home and foreign policy and the elaboration of mechanisms for the implementation of their national development strategies. Utilising the concept of a ‘small state’, David McCraw2 and John Henderson3 analyse the conceptual and practical aspects of New Zealand’s foreign policy strategy. Such states, in their opinion, should in their foreign policy proceed from their own economic interest to build friendly relations with all countries and to ensure national security not only by participation in military-political blocs but also by using global mechanisms, such as the United Nations and its related structures. New Zealand has the opportunity to, and certainly should, influence world affairs only through its moral example. Wellington should definitely try to play a leading role in the South Pacific region where, in contrast to Canberra, New Zealand relates well to the indigenous inhabitants of the states of Oceania. New Zealanders are themselves a special South Pacific nation, which leaves them with a sense of belonging to the South Pacific community.

New Zealand’s geographical location in the South Pacific naturally demands the development of closer relations with the islands states in the political, economic and socio-cultural spheres. Its fruitful co-operation with Australia, countries of the European continent, especially the United Kingdom, and the United States did not prevent it developing an intensive political dialogue with the Pacific Islands states, nor from becoming an active participant in the regionalisation process in the Pacific area. Geographical location, economic viability and availability of common interests of national and regional development all influenced the shaping of New Zealand’s foreign policy — one that identifies with the Pacific community. Wellington’s emphasis on New Zealand’s South Pacific identity is a conscious step by the government, an approach that has also been supported by a significant part of the New Zealand population. This regional Pacific identity may become a guarantee of future development of the state and lead to a strengthening of its position in the South Pacific. The main aim of New Zealand’s Pacific strategy is to strengthen its position in the struggle for zones of influence involving other regional and extra-regional actors in the South Pacific.

On-going difficulties

Differences among South Pacific states have caused difficulties for New Zealand in developing a unified approach on co-operation with them at bilateral and multilateral levels. Today New Zealand is doing what it takes to remain on the same equal competitive level with Australia and other middle and great powers in the Pacific region. With that direct purpose through the 1970s New Zealand made significant efforts to intensify co-operation with the countries of the South Pacific region and declared a new South Pacific direction of foreign policy. In practice, though, New Zealand prefers to focus more on co-operation with particular states than with the region as a whole. This may be seen in the unwillingness of

New Zealand’s current regional policy towards Pacific Islands countries is considered to be rather ambivalent. On the one hand, Wellington supports the political, economic and cultural development of the South Pacific states. On the other hand, it is seeking to influence the choices of models of development and determination of priorities of islands countries’ home and foreign policy. In its regional foreign policy Wellington reserves the right to represent the position of certain islands states on inter-regional and global forums and assumes responsibility for creating a positive image of the South Pacific in the international arena.
Wellington to join some regional initiatives of island states.

The main aim of New Zealand’s South Pacific policy is the strengthening of its leadership role inside the region, which was officially identified in the 2010 Defence white paper as an area of fragility. In accordance with that review, New Zealand considers the Pacific as one of the nation’s three top security priorities.4

New Zealand’s modern foreign policy is based on the principle of developing extensive co-operation with a view to concluding bilateral and multilateral treaties on free trade, encouraging nuclear arms control and conventional disarmament, promoting protection of the environment, protecting human rights and fundamental freedoms and safeguarding international peace and security. New Zealand adheres to the principles of non-belligerency and inviolability of borders and territorial integrity, as well as renunciation of the use of force in international politics.

Key direction
One of the key objectives of New Zealand’s current South Pacific policy is to foster the development of a common regional community spirit among islands countries. During the last 50 years Wellington has made significant efforts to shape the South Pacific regional identity, which is based first of all on the common economic, political and security interests of states inside the region.

New Zealand is also making significant efforts towards implementation of regional development programmes for islands nations. It is providing technical and financial assistance for both national and regional projects.

There is a clear common vision within the government on the format of relations between New Zealand and South Pacific states that stipulates the formation of special partnerships. Since the early 1970s Wellington has recognised a special responsibility for the development of the South Pacific. The islands countries have chosen for themselves the means of forming special partnerships with New Zealand, placing special value on co-operation with it.

By taking an active part in the process of shaping South Pacific regionalism, New Zealand is also participating in forming new forms of inter-state interaction. It is, in addition, seeking ways to improve the effectiveness of existing regional organisations and associations. It is considering the need for new groupings to support sustainable development of both islands countries and the region in general.

One of the key aspects of national development strategy is the monitoring of the modern traditional and non-traditional threats (regional and internal conflicts; international terrorism, illegal mig-
level of exporting and importing between New Zealand and islands states reflects the development of healthy bilateral trade relations, though there is an urgent need to intensify that co-operation. It should also be noted that New Zealand continues to accord significant employment assistance to migrants from the island countries.

To facilitate the implementation of key elements of its South Pacific strategy, Wellington looks to global and regional mechanisms of security and co-operation. Thus, on the regional level New Zealand uses its membership of the Pacific Islands Forum to promote its approach. The high level of trust between New Zealand and the islands states allows Wellington to act as a mediator during negotiations dedicated to important issues of national and regional development. This is evident in Wellington’s active participation in the settlement of internal problems within islands countries that slowdown the realisation of their foreign policy tasks. This approach reveals a clear attempt to create a solid platform to build a constructive dialogue mainly on issues of security.

**Effective mechanism**

Another effective mechanism for implementing New Zealand’s foreign regional policy is official development assistance to islands countries. The programme is aimed at encouraging economic and social development within the region. Projects designed to develop human skills and education are usually well-financed. Separately Wellington is co-financing important regional institutions like the University of South Pacific as well as supporting projects providing technical skills assistance that involve in-country training that will boost the island countries’ competitiveness on the regional level. In this case it is important to note that New Zealand actively lobbies in the interests of island states in the international arena within the global and regional organisations/forums.

Apart from the instruments of diplomatic influence, the New Zealand government uses security mechanisms of bilateral co-operation in the following formats: New Zealand—Australia, New Zealand–United States, New Zealand–China. Examples include the joint (New Zealand–Australia) security operations in East Timor, the Regional Assistance Mission to the Solomon Islands (RAMSI) and the combined Australia New Zealand task force to the Tonga. New Zealand has also taken an active part in peacekeeping operations (in the Pacific, in East Timor and Bougainville) and in co-ordinating counter-terrorism efforts in order to prevent, neutralise and eliminate threats and also provide the basis of post-crisis settlements.

Substantial actions are also taking place in the sphere of control of conventional arms directed at curtailing the production, selling and use of anti-personnel mines, cargo mortar bombs and light and small arms.

One of the key elements of New Zealand’s South Pacific policy is the spreading of the regional ‘Pacific’ brand in the global mass media in order to cultivate a positive image of the countries of the region and enhance the attractiveness of the recreational resources of the South Pacific, as well as drawing the attention of the world community towards the problems of sustainable development in Oceania.

**Improved legislation**

Improved New Zealand immigration laws aim to promote easy immigration for inhabitants of South Pacific countries and dependent territories and to make New Zealand for them ‘the land of economic opportunity’. Such immigration policy is used for all immigrants, but it is not applied to so-called ‘over-stayers’, visitors who have neglected to return to their own country at the end of their permitted stay. They are subject to immediate deportation.

In pursuing its South Pacific foreign policy strategy, New Zealand has come up against specific difficulties, mainly arising from a lack of unanimous support within the government for the South Pacific foreign policy identity. Those lobbying for active trade development with Asian countries enjoy most support. They want New Zealand to be part of the wider Asia-Pacific region. Despite this, some positive moves have been made on other important issues of regional/inter-regional interaction.

The promotion of certain foreign policy strategy schemes has been rendered more difficult by the unstable internal political situation in Fiji as well as secession crises in Bougainville. Today New Zealand is constantly searching for the right solution of the political crises in Fiji and Papua–New Guinea, an approach that seeks to promote political stability in these countries in a way that does not conflict with the principles of international law.

New Zealand’s implementation of its South Pacific strategy is rather affected by the actions of the great powers. Thus, the South Pacific is an area of conflict of interests of influential geo-political powers (China, the European Union, the United States and others) related to regional security and natural resources usage. For example, some of New Zealand’s security initiatives have in the past been strongly opposed by leading powers like the United States and France, especially in the context of the urgent issues of nuclear safety in the region.

**Migration strategy**

New Zealand’s regional policy has also been affected by difficulties arising from a steep increase in the number of migrants. There are calls for the government to develop a new migration strategy that will include more effective legal mechanisms to resolve issues related to over-stayers. Unfortunately there are some significant differences among both government and society on such issues, including the way ahead on immigration strategy matters. A co-ordinated vision on employment problems of migrants from the islands countries is essential.

In order to cope with existing problems in its South Pacific policy, the New Zealand government must take special measures to intensify regional co-operation schemes, both within the Pacific-
ic Islands Forum and in direct contacts with islands states.

It also may be feasible to intensify the dialogue with China about security issues in the South Pacific countries in order to resolve internal political conflicts inside potential failed states of the South Pacific, whose territorial integrity is threatened. Deepening economic co-operation between New Zealand and China is in accordance with New Zealand’s 2012 China strategy document Opening Doors to China: New Zealand’s 2015 Vision.5

Recent meetings

Recent meetings between Australian Prime Minister Julia Gillard and New Zealand Prime Minister John Key have re-emphasised the necessity to deepen trans-Tasman ties and develop a joint strategy and programme dedicated to dealing with non-traditional threats (trans-national crime, money laundering, arms trafficking, piracy, illegal immigration and terrorism) in the South Pacific. In the sphere of national development strategy, and migration policy in particular, New Zealand must develop a new migration strategy with more effective legal mechanisms in accordance with international law.

As a regional centre of power in the South Pacific, New Zealand will remain an active participant in the processes shaping South Pacific regional security in the immediate future. New schemes of regional interaction with influential geo-political actors such as China and European Union are to be expected. Additional New Zealand–China treaties on important issues of regional security in the South Pacific are likely. New Zealand’s security dialogue with Australia will be further institutionalised and New Zealand will adopt a more paternalistic approach to the islands countries.

NOTES


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New Zealand International Review

24
New Zealand and Mexico: strengthening a 40-year relationship

John Key comments on the advantages of closer ties between New Zealand and a key Latin American country.

New Zealand and Mexico are marking 40 years of diplomatic relations this year. It is a good time to reflect on what we have achieved together, and to focus on what we can do more of in the future. There is certainly plenty of room to grow our already broad relationship, given our history of close co-operation in trade and multilateral issues.

We share similar views in many areas, from the big foreign policy challenges confronting us at the United Nations, through to our excellent relationship at the World Trade Organisation in Geneva, and the OECD in Paris. We in New Zealand also welcome Mexico’s leadership in Latin America, and through forums like the G20 and APEC. Its joining the Trans-Pacific Partnership negotiations last year was enthusiastically received by New Zealand, and we were pleased to host Mexico’s representatives at the last round of negotiations in Auckland in December.

Before commenting more about the trade relationship shortly, particularly the Trans-Pacific Partnership negotiations, let me begin by making some reference to New Zealand. We are a small country of 4.4 million people. We are far away from major markets. Our closest neighbour and biggest trading partner, Australia, is about a three-hour flight away. So we are always looking outward — to new markets and new opportunities. Our geographic location and small population means our economic prosperity relies on taking what we do best to the rest of the world.

An example of that is agriculture. New Zealand is now the world’s largest exporter of dairy products. Our country exports 95 per cent of its dairy production, and we are now world-leading innovators in this field. We have a liberal, free market economy, which stems from reforms started around 25 years ago.

We realised back in the 1980s that we could not grow with a closed economy supported by subsidies. Reforms from the mid-1980s to the mid-1990s were wide-ranging, and set New Zealand on a pathway to play to our strengths and compete with the rest of the world. We continue to focus on economic reform. One of my government’s priorities during this term in office is to grow a more competitive and productive economy.

Strong commitment

New Zealand’s future lies in export-oriented growth — where we are competing with other exporters on a level playing field. That is why we are committed to top-quality, ambitious, comprehensive free trade agreements. We are also a great country to invest in, to form business partnerships or to expand operations in.

The World Bank ranks New Zealand third in its ‘Ease of Doing Business’ survey, after Singapore and Hong Kong, while Forbes places us at number one. We are also first equal on Transparency International’s index for measuring countries’ absence of corruption. New Zealand was the first country in the world to adopt inflation targeting. We have excellent institutions, and a stable banking system. We have a highly educated population, backed up by an excellent education system with world-recognised qualifications. We are a country with great universities, with strengths in courses covering agriculture, geology and a number of science disciplines.

We are becoming a destination favoured by adventurous, determined and bright young Latin Americans wanting a high-quality education at a hugely competitive price, relative to other English-speaking countries. We are also a sports-loving nation and we are home to the world champion rugby team, the All Blacks. I should add that New Zealand is a great place to visit — for the

It is 40 years since New Zealand and Mexico became diplomatic partners. Mexico has been New Zealand’s largest trading partner in Latin America for more than twenty years. This is a solid foundation for establishing even closer links, whether by means of a bilateral free trade agreement or through the auspices of the Trans-Pacific Partnership. New Zealand welcomed Mexico’s decision to join the TPP negotiations during 2012. New Zealand sees potential in both trade and investment. Working together New Zealand and Mexico can capitalise on opportunities that beckon, especially in meeting the growing demand for dairy products around the world.
both of the United States’ NAFTA partners is hugely significant, Partnership now provides our countries with the opportunity to we were never able to move to the next step. The Trans-Pacific about a bilateral free trade agreement but, for various reasons, most of that comprised different types of machinery and vehicles. New Zealand imported more than US$200 million dollars’ worth of goods from Mexico, and that being dairy and meat products. New Zealand has dramatically built up its links with Mexico has to offer, and they want our two countries to forge stronger economic links.

Mexico has so many advantages that it cannot fail to move forward. It is situated in a perfect space in the world, with privileged access over the northern border. It is benefiting from the growing integration of North American economies, and it is also a major exporter of manufactured products. It also has a young, dynamic population.

Asian focus
Although New Zealand and Mexico are countries of the Pacific Ocean, we have until recently each had a greater focus on other neighbours. New Zealand has dramatically built up its links with Asia. In 2008 we became the first developed country to sign a free trade agreement with China. It is now our second-largest export market, behind Australia but ahead of the United States. New Zealand now exports more than ten times the value of product to China every day than we did in the whole of 1972.

Mexico has reaped the benefits of closer ties in the Americas — NAFTA has been hugely positive. We need look no further than to compare the level of integration in North American economies before the 1990s, with now. New Zealand and Mexico have, however, retained strong bilateral trade ties for some time. Fonterra, the dairy exporter travelling with me, has had in its various forms a relationship with Mexico for over 50 years, for example.

Mexico has been our largest trading partner in Latin America for over 20 years. We exported more than US$230 million dollars’ worth of goods to Mexico in 2012, with the vast bulk of that being dairy and meat products. New Zealand imported more than US$200 million dollars’ worth of goods from Mexico, and most of that comprised different types of machinery and vehicles.

For some time, New Zealand and Mexico have been talking about a bilateral free trade agreement but, for various reasons, we were never able to move to the next step. The Trans-Pacific Partnership now provides our countries with the opportunity to negotiate a broad, high-quality multilateral agreement together with nine other economies. The expansion of the TPP to include both of the United States’ NAFTA partners is hugely significant, and adds considerable economic weight to what was already an impressive trade grouping.

Founding country
New Zealand was one of the founding countries of what have become the TPP negotiations. In 2005, New Zealand, Chile, Brunei and Singapore negotiated what was known as ‘P4’ — or the Trans-Pacific Strategic Economic Partnership Agreement. Further negotiations began to include more countries — the United States, Australia, Peru, Vietnam and Malaysia. We are now eleven economies, representing US$21 trillion in GDP and 600 million consumers.

Leaders have set a clear vision for negotiations to be concluded by October this year. It is ambitious, but we are all focused on locking in a high-quality, comprehensive agreement.

For New Zealand and Mexico, the benefits could be enormous. We have already seen just how liberating the removal of tariffs on key items can be. In 2011, Mexico lifted a 20 per cent tariff on New Zealand kiwifruit, saving our growers around US$800,000 a year and making our high-quality fruit cheaper for Mexican consumers.

A successful TPP can bring new opportunities. I see it as opening up more than just the increased flow of goods between our countries. Many of the New Zealand companies visiting Mexico with me want to be involved in this region for the long term, and make substantial investments.

Because of Mexico’s special relationship with the United States and Canada, more specialised manufacturers have taken the opportunity to invest in Mexico. For example, Avohealth is working with a Mexican partner to build a plant to extract avocado oil for export. Fisher & Paykel Healthcare invested US$15 million in a manufacturing facility in Tijuana in 2010, and the company is currently in the process of commissioning an additional manufacturing unit in Tijuana.

So our interest is to invest, not solely to export. With dairy demand growing around the world, particularly in the Asia-Pacific region, safe and efficient production will be vital. Working together, with New Zealand practices and technology, and Mexican land and location, we can capitalise on this opportunity.

Attractive option
That potential for greater collaboration goes both ways. New Zealand is also an attractive investment option for Mexican companies, especially those looking for a business-friendly hub from which to base operations into Asia. We have a network of free trade agreements with Asian countries, plus daily flights and regular shipping connections to major Asian cities. We have large resident populations from many countries in Asia, and cultural and economic ties with a variety of cities there. And, as I mentioned above, we are a business-friendly country, which welcomes overseas investment and collaboration. So we are a sensible choice for Mexico as it looks to grow its engagement with Asia ahead of a successful conclusion to the TPP negotiations.

New Zealand and Mexico, from the opposite sides of the Pacific Ocean, share a 40-year history of diplomatic relations. Over that time our relationship has deepened, despite the distance between our homes. But now is the right time to do even more with one another, to build on what we do have, because there is much to gain. We are ambitious, energetic and outward-looking nations. We want our businesses to succeed at home, and within the rest of the world, by being the best in their fields.


**Ideology versus practice: China’s growing problem**

Tao Peng urges Beijing to seek new political perspectives to remove the contradiction between its political ideologies and practices.

On 10 October 2012, Gong Fanbin, a professor at China’s University of National Defence, claimed in an article published on the official website of the *People’s Daily* that the reason for the repeatedly postponed political reforms in China is not a fear of the consequences on the part of the Communist Party of China (CCP). It is, rather, in large part because the party is reluctant to face up to the likely theoretical implications, given that the existing, obsolete theory conflicts with modern political, economic and social developments in the country. According to Gong Fanbin, the CCP’s political ideological attitude is not consistent with the ruling practice. China’s leaders have not worked out a modern or new political approach in the new political environment in the country.

On 6 October 2012, a newspaper of the CCP’s Central Committee, *Study Times*, published similar articles, which made it clear that the CCP’s leadership has not built an effective and compelling value system. The result is a kind of value confusion in political practice. This shows that some China’s intellectual elites and government think tanks have recognised that political values and political philosophy in China have changed over time and that Chinese politics lacks new theories or theoretical foundations. The views of Chinese reformers suggest that they will seek gradually to persuade the leadership to abandon the theories of Marxism, Leninism and Maoism and develop a new way of thinking for future political practice in order to reduce the huge gap between political theory and practice.

Several members of the CCP leadership have encouraged rumours of ‘political reform’, with the press representative of the state observing that: ‘If we do not reform the political system our politics would fall into an impasse.’ Some political advisers have appealed to the Chinese regime to abandon the old political concept in order to work out a new theory. This is a logical consequence of the year-long conflict between CCP’s political ideology and practice.

After Deng Xiaoping criticised the left ideology of Mao Zedong and promoted the emancipation of the spirit of the CCP and the implementation of an economic open door policy in 1978, the political practice of the CCP gradually deviated from Marxism, Leninism and Mao’s main idea. In 1992, Deng Xiaoping used his southern tour of Wuchang, Shenzhen, Zhuhai, Shanghai and other places to proclaim the so-called ‘second ideological emancipation’ of the CCP. Having recognised the liberal economic model of capitalism in China, the Chinese leadership said good-bye to Maoist socialism in some degree. Thereafter, the CCP demonstrated a political model of the so-called ‘socialism with Chinese characteristics’. Admittedly, this model shift was carried out in the name of Marxism, Leninism and Mao Zedong’s Thought, but it is anti-Marxist, anti-Leninist and anti-Maoist in practice. Apart from the one-party dictatorship, the CCP’s ‘socialism with Chinese characteristics’ does not conform with Mao’s ‘big pot of socialism’ at all. The system of public economy, or the planned economy, is broken (and has been replaced by the new crony capitalism); political power is now concentrated in the hands of a few magnates and interest groups; the gap between rich and poor in society is constantly increasing; government corruption is a daily occurrence and the relationship between the government and citizens goes steadily downhill.

In China a growing source of tension arises from the divergence in recent times of political ideology and practice. The theories of Marxism, Leninism and Maoism no longer reflect modern political realities. The obsolescence of the Communist Party’s political theory complicates the government’s efforts to justify its political decisions and performance. There have been calls from within the ruling elite for reform, though generally within the ambit of the existing system, which is characterised by a one-party dictatorship and a ban on all parties except the Communist Party. Outside critics are proclaiming the concept of constitutional democracy as a means of returning power to the people.
Complicating factor

The obsolescence of the CCP’s political theory complicates the Chinese government’s efforts to justify its political decisions and performance. This leaves the government with a substantial loss of legality, legitimacy and credibility and endangers the very existence of the regime. If the name is not correct, the words will not ring true. The theory must match the fact, otherwise political acts and practices cannot be justified. For the CCP, Marxism, Leninism and Mao’s Thought are only the cloak and a representation of its image. They have nothing to do with the political realities of China. Therefore, the CCP cannot convince the people of their on-going importance. The existing political theories of the CCP — Marxism, Leninism and Maoism plus Deng Xiaoping Theory, Jiang Zemin’s theory of three representations and Hu Jintao’s scientific concept of development — are full of contradictions and an inconclusive mess. They do not reflect the political actions of the Chinese government and misinterpret the political situation in China. Therefore, in the interests of logic and the CCP, it is necessary that the CCP turns away from its old ideologies of Marxism, Leninism and Maoism and works out new theories that will conform to deeds and convincing arguments to be put before Chinese citizens. It would be a ‘wise’ decision or initiative by the Chinese leadership to recognise the need to develop ‘a new political concept’ that would be useful for the implementation of ‘political reform’ of the CCP.

What kind of new political philosophy should the CCP develop? How should the current political model be defined? What kind of political reform could be implemented? According to Gong Fangbin, the CCP should change the political value system and political perspectives in a way that reinterprets the political persuasions of the CCP, and assembles the world with a ‘variety of criteria’. It should create a new political ethics that emphasises a government controlled indirectly by citizens and build a discourse system in accordance with this new political concept. Although mention has been made of the diversification of values and philosophies and the limitation of public power, the questions of how to explain the political convictions of the CCP in a new way and of how to define the current political mode have not been convincingly answered. Gong Fangbin’s statement reflects the old mindset of the CCP (namely the retention of one-party rule and adherence to the system of thought of Deng, Jiang and Hu). His announcement is contradictory and has basically offered nothing new. It seems that the Chinese government has not yet agreed on a final plan for the development of new political ideas, future rule models and the direction of political reforms. The questions whether the doctrine of the magnate (like the Singapore political model) should be maintained and expanded, whether the CCP would return to the concept of ‘New Democracy’, which the CCP had suggested before 1949 (that is, the rejection of the ‘dictatorship of through a political group, a class and a party’), or whether a new theory of ‘constitutional democracy’ will be developed are currently still hot topics in party leadership circles and expert panels.

Little chance

But from the perspective of critics outside the system, there seems little chance of the CCP’s political reform. The political philosophy of ‘socialism with Chinese characteristics’ is full of contradictions, fragmented and confused. It should not, and indeed cannot, direct the political performance of Chinese communists in the future. The ‘new crony capitalism’ (a sign of the political reality of the CCP) represents only the interests of a small number of rich and powerful rulers, who will not allow the people to limit their power and participate in policy-making. This unjust and unequal model works to the detriment of all Chinese. It has intensified the confrontation between the regime and the society.

The last remaining option for political reform in China is, therefore, the concept of constitutional democracy, which returns power to the people. The introduction of the democratic idea to the political system could help the Chinese government to get rid of the shackles of Marxism, Leninism and Maoism and to do away with the thinking and value system of the new crony capitalism. Only then will the CCP be able to free itself from the contradiction that exists between political theory and practice, so that people might accept the governance of the CCP.

Regardless of what political model is chosen by Chinese communists for the future, no matter whether it is ‘democratic socialism’ or ‘social democracy’ or the ‘new democracy’, the Chinese communist regime would have a good prospect of surviving, and could do so even if it cancelled the ban on political parties, allowed freedom of the press and implemented constitutional democracy in China.

One road

If the Chinese political elite wants to draft new political guiding principles and justify its political behaviour, it must abandon the authoritarian theory of one-party rule, and instead pursue the idea of freedom, human rights and democracy and the universal value system and transform China into a free and democratic state under the rule of law. Otherwise, Chinese communists will not be able to free themselves from the shackles of the old ideology and the contradiction between the current line of thinking and political practice. Failure to do so could jeopardise the rule of the CCP.

Consideration of changing the political ideology is a wise and brave step by the Chinese communists. But in order to devise new ways of thinking, they have to bid farewell to autocracy and should introduce democracy. Or they will make the same mistake as usual and await their own downfall. Currently, a silent political revolution in China is underway: it is creating an independent, public and moral authority in society. Everywhere there are mass protests that accumulate and expand in unprecedented fashion. The credibility of the government has suffered a sharp decline in the general public. Relations between the regime and the people have become increasingly strained. The costs of national stability and security are constantly increasing. This quiet revolution that threatens the long-term stability of Chinese communist rule is a real challenge for the authoritarian regime in Beijing. In fact, the current thinking about change and renewal among think tanks of the Chinese leadership is the result of the further development and the deepening of the revolution. The social transformations driven by political elites are mostly a result of social movements and grassroots initiatives. In other words: without political reforms, which move in the direction of democracy, there is no escape and no future for the CCP.

NOTES

Information technology is changing the way we view territory and having a far-reaching impact on global affairs. This book is a commendable and comprehensive attempt to map those changes and evaluate the increasingly dominant role technology plays in our political, economic, social and cultural lives. It also addresses some important questions, such as whether there is a growing divide between the global haves and have-nots in computer technology, whether the world is truly benefiting from technological change, and whether technology is enhancing or harming societal cohesion.

The book is well structured. Part I is a collection of chapters analysing cyber security and the military and strategic elements of technological change, including the growing threat of cyber warfare, the role of information technology in managing conflicts, cyber-crime and cyber-terrorism. Nat Katin-Borland’s contribution to this section is particularly intriguing. He posits the question: is an attack against Google an attack against the United States? As he points out, Google is a US company but with a truly global reach, providing not just a search engine, but global mapping, satellite imagery, mobile devices, video sharing (through youtube), email, advertising, and social networking services. Katin-Borland examines the December 2009 cyber-attacks against Google, and the US administration’s response, arguing that this was a pivotal moment when information systems were classified as ‘critical infrastructure’. The chapter brings home the reliance governments now have on the private sector, and the need for close co-operation between the two in enhancing cyber security.

Part II moves from security issues to social media and its impact on the relationship between individuals, groups and governments. The increasing use of social media in public diplomacy is examined by Hannes Richter, and there is an interesting chapter by Fabien Miard on the use of mobile phones in political activism. It is staggering to think that by 2007 half of the people on the planet owned a mobile phone! One of the most compelling chapters in this section is by Deborah Wheeler, who looks at the role of information technology in the Middle East, arguing that access to information may be a double-edged sword, allowing citizens new mechanisms and avenues for protest and dissent, but at the same time giving ‘durable’ authoritarian governments tools with which to maintain political control. The role of the internet and social media in the Arab Spring has been one of the most interesting and challenging developments in international politics in recent years and this chapter is a constructive contribution to the literature in this area. Wheeler argues that ‘new media networks in the Arab world have the potential to reshape relations between citizens and the state’, but also warns of the potential costs of that change. Arguably, in places like Egypt, Libya, Syria and Yemen, we are already seeing these costs played out in instability, political violence and a frustratingly slow transition towards democratic reform.

Part III examines growing challenges in the area of information technology. Natalya Sverjensky opens the section with a thoughtful analysis of the digital divide between the computer haves and have-nots, noting that while we should be concerned about lack of access to computers, many of the world’s population are much more concerned with access to food, water and arable land. However, there are some serious problems in this area of cyber politics too. Inequitable access to technology can contribute to a lack of societal cohesion; can have consequences for people’s access to health care and education; and can make government services less efficient. Erica Dingman’s chapter is one of the best in this section. She examines how information technology has influenced debates over environmental politics and climate change, noting that the internet is not just a mechanism for the dissemination of good information but can also spread misinformation and flawed analysis. This point is especially pertinent when applied to groups and individuals who utilise the internet to deny mankind climate change. As Dingman argues, ‘the American public has shown limited taste for the greater debate of climate change, in part because it is mired in conflicting information pouring along the highways and byways of an increasingly networked community’. Hannes Steen-Thornhammer makes another important contribution on privacy issues and the internet, claiming that ‘the invasion of privacy has only just begun’. The chapter highlights how the internet can be used by governments to keep tabs on their citizens and questions why there are a growing number of employment disputes over pictures and statements on social media. Thornhammer also looks at the vulnerability of personal information stored on-line, and chillingly asserts that ‘Everything on the internet is recorded, nothing is forgotten.’

The book has two main weaknesses. First, it pays only sporadic attention to theoretical issues and frameworks. Madeline Carr’s contribution in Chapter 11 is the best attempt at trying to evaluate the relationship between theory and technology. She argues that ‘existing international relations theories cannot pro-

**BOOKS**

**CYBERSPACES AND GLOBAL AFFAIRS**

*Edited by: Sean S. Costigan and Jake Perry*


Notes on reviewers

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Sean S. Costigan and Jake Perry

vide an adequate framework for comprehending the 'relationship between state power and new technology'. Other chapters in this section apply constructivist/identity-based frameworks, examine the relationship between democracy and the internet, and consider the 'anarchical' nature of cyberspace. However, if these conceptual approaches and issues had been brought together and analysed in an earlier introductory chapter, the book would have been more solidly anchored. Second, the book falls short in effectively bringing together the technical and political analysis. There are a number of chapters on technical issues — such as the development of IT infrastructure in India, China and Namibia — but they feel disconnected from the over-arching themes of the book. This an on-going challenge for the cyber security literature.

JOE BURTON

THE FINISH: The Killing of Osama Bin Laden

Author: Mark Bowden

In The Finish senior journalist Mark Bowden, with nine books already to his credit, including Blackhawk Down, constructs an engrossing account of how the Obama administration prioritised, strategised, debated, planned, and executed the long-distance assassination of al-Qaeda leader Osama bin Laden. A more informative analysis of the politics of an international manhunt would be hard to find.

Bowden draws on interviews, declassified documents, and other sources to introduce the reader to key actors in the president's entourage and to describe how they interacted as the manhunt unfolded from 2001 to 2011. As vividly as in a detective novel, Bowden sets out how bin Laden was pursued unsuccessfully for eight years, provisionally located in 2010, and targeted successfully in 2011.

Of particular interest to students of US policy-making will be the descriptions of what specific officials, all identified by name and role by Bowden, brought to Obama's search team, and whose views prevailed at key points in what the military called the 'find-fix-fire' sequence. For example, the 28 April 2011 meeting in the Situation Room found State's Hillary Clinton, CIA Director Leon Panetta, and Joint Chiefs Chairman Michael Mullen arguing for a helicopter-borne assault by a SEAL team. Opposed were Vice President Joe Biden, Secretary of Defense Robert Gates and Joint Chiefs Vice Chairman James Cartwright, who favoured a drone-borne missile strike. These three feared another disaster like the botched Tehran Embassy rescue mission in 1979 and the Blackhawk Down fiasco in Mogadishu in 1993. President Obama finally opted for the SEAL assault, but not before presiding over weeks of robust debate on alternate attack scenarios and evaluations of their potential political fallout.

Bowden concludes by dispelling several myths about the assault, including that
- President Bush had neglected the manhunt in favour of the Iraq War (he encouraged both);
- Osama bin Laden was an inactive and irrelevant figure retired in luxury in Abbottabad out of touch with al-Qaeda activists (from his shabby hideout he was ordering attacks to the end);
- Osama bin Laden fought back using his wives as human shields (he died without a weapon in his hands);
- The burial of the body at sea was hasty, unilateral and insensitive (US officials cleared it with Saudi officials and the Navy observed Muslim rituals).

On the vexed question of whether torture by US operatives provided the crucial intelligence, controversially asserted by Kathryn Bigelow's movie Zero Dark Thirty but denied by US officials, Bowden asserts: 'This effort [to identify the courier that led the United States to bin Laden's Abbottabad compound] did involve torture, or at the very least coercive interrogation methods'. He is more ambivalent on whether the SEALs were ordered to kill rather than capture bin Laden.

If the book has a shortcoming, it lies in the absence of an index, making checking specific facts, retrieving particular episodes, or finding specific actors difficult. The chapter titles are more whimsical than informative, although they are helpfully reinforced by dates. Documentation is limited to a cursory concluding two pages, with no source notes in the text.

In sum, The Finish is a worthy addition to official accounts and to interpretations such as Peter Bergen's 2011 book Manhunt. Serious readers will want to compare Bowden's account of decision-making not only with Bigelow's Zero Dark Thirty but also with the deliberations and decisions by the Kennedy administration's ExComm principals during the Cuban missile crisis, compellingly portrayed in Kevin Costner's movie Thirteen Days and lucidly analysed by Roger Hilsman in The Cuban Missile Crisis: The Struggle over Policy and Graham Allison in Essence of Decision.

STEPHEN HOADLEY

LOSING SMALL WARS: British military failure in Iraq and Afghanistan

Author: Frank Ledwidge

Ledwidge opens with potted histories of the Basra (Iraq) and Helmand (Afghanistan) campaigns. In Basra, after a copybook entry into the city using minimum force, the British Army, lacking local intelligence, any long-term plan and anything approaching sufficient boots on the ground, in effect handed over governance of the city to the predations of local criminal gangs. Unable to project power or security into the city, the British force withdrew into itself, prioritising its own protection (a 'self-licking lollipop') until finally relieved by US Marines and the new Iraqi Army. The Iraqi Army, having good local intelligence, was able to reinstate central government authority.

Having spectacularly failed in Basra, the British Army sought
redemption in US eyes by taking on full responsibility for Helmand. Here again, the British had poor (or no) local intelligence and insufficient boots on the ground to be able to provide security to the local population. As a consequence of force insufficiency, they were reduced to using massive firepower at the cost of alienating the population.

These two campaigns provide the foundation of the main body of the book, which is devoted to an analysis of the failures and to suggestions as to possible reforms that could prevent future repeats.

Ledwidge, while pointing out that the overall responsibility lay with the British government’s having no clearly stated goal (other than to impress the United States with the value of Britain as an ally), apportions the lion’s share of responsibility for failure to the military leadership. Senior officers failed to stand up and speak truth to political power. Rather than insisting on adequate manning levels, the generals chose to say ‘can do’ when clearly they could not. Stretched beyond the limit in Basra, they then agreed to take on the even heavier commitment of Helmand.

Ledwidge argues that all three of Britain’s armed forces have a hugely inflated cadre of senior officers, compared with the United States or Israeli armed forces. He argues that too many generals with too few combat posts to fill not only wastes resources but also leads to dysfunctional competition.

Continuing with Cold War doctrine, the British made the initial error in Helmand of rotating whole brigades rather than individual units. Every six months, just as the battalions and brigade HQ were starting to comprehend their environment, they were taken out of the combat zone and replaced by a new brigade. Each new brigadier had six months in which ‘to make his mark’ and enhance his prospects. When the local population required routine and peace and stability, every six months they were faced with a new major kinetic operation to stir the hornets’ nest. Though this policy has been changed, the initial alienation of the local population appears to have caused irreversible damage to the British cause.

This was not aided, in either theatre, by the memories of past British invasions. From the outset, the population tended to look upon the new generation of British ‘peacekeepers’ with, what proved to be, justifiably jaundiced eyes.

The author laments the absence of a body of political/intelligence officers embedded in the population whose cultural awareness and local knowledge the British Army of India had relied in previous North West Frontier campaigns. Today, the prior insertion of such a fount of knowledge being impossible, future campaigns conducted ‘among the people’ can only succeed if they are approached in a totally different manner — with the civil force being given greater responsibility than the military.

Ledwidge argues that British Army’s strategy in both these campaigns was based around the high kinetic operations envisaged for European Cold War operations. Why had British military thinking stagnated in the interim? Why had relevant lessons, theoretically learnt during the Ulster and Balkan campaigns, not been absorbed and adapted? Why were the British content to rest on their laurels as a result of two campaigns conducted under very different conditions, and believe that no new thought was required? While the British boasted to the United States on past successes, it was the Americans who proved to be the faster learners.

He answers the questions above by pointing to a failure of the education available to senior ranks, their professional ethos being far too inward-looking and self-satisfied. In contrast to other nation’s armed forces, the funding available for external sabbaticals and study in institutions, outside the closed shop of the British military, is negligible. Were this to change, the resultant exposure to new ideas and to other sections of society could seed the more dynamic and enlightened strategic thought that will be required in future crises.

As the introduction reveals, the author is exceptionally well-qualified to write on his chosen subject. This book has much to say not only to the military but also to non-governmental organisations, civil servants and politicians, who find themselves with responsibility for interventions in troubled countries overseas.

Hugh Steadm
projections for civilian nuclear activity are also being impacted by the global economic slow-down and a sharp fall in the price of competitive energy sources. This is particularly the case with natural gas, as a consequence of the development of fracking technology, but it also applies to coal, where the cost has been inflated by ‘carbon charges’, which are now on an apparently unstoppable slide.

Despite this, and one other example (to be discussed below) where political events in Australia overtook the substantive discussion, there is much in this book which will be of interest to students of these long-running controversies. Clearly, the supply of Australian uranium oxide to nuclear-weapon states could be seen as relevant to their weapons’ programme, even if, in most cases, they have alternative sources and, probably, little need for more warhead material. Supplying to states without a weapons’ programme could equally be seen as problematic. Such states may change their mind, or they might, anyway, intend to reserve the possibility of such a programme (‘hedging’). These are problems for Australian foreign policy, but they are not peculiar to Australia.

By contrast the middle chapters of the book (beginning with Chapter 5) provide detail of specifically Australian attitudes to uranium export policy and how that has played out in the political process. In the initial stages this was essentially bipartisan, and tied to compliance with the requirements of the Nuclear Non-Proliferation Treaty, under the supervision of the International Atomic Energy Agency (the ‘first wave’ of the political debate). This was then overtaken and dominated by the Australian response to French nuclear testing in the Pacific. As this passed, there was a ‘third wave’, in which the uranium export debate was then dominated by the issue of whether Australia should export to a non-NPT state, specifically India. In this context, author Michael Clarke notes the increasingly influential position of the Green Party in laying out three clear policy alternatives for Australia.

The first of these is what he calls ‘“National Interest” uber alles’. Uranium exports to India are in the strategic, economic and political interests of Australia, and that is all that needs to be said. The second policy he envisages is to continue ‘muddling through’. Finally, in a significant break with the more or less bipartisan consensus which has dominated to date, Clarke considers the prospects for ‘nuclear disengagement’. The political power of the Greens is significant here. Disengagement would entail not only a complete end to uranium mining and transportation but it would also close all Australian ports to nuclear-powered or nuclear-armed ships. This would be an interesting prospect, particularly from this side of the Tasman. However, the recent (October 2012) decision of the Australian government to supply uranium to India renders the discussion somewhat moot, at least for the present. This is the other area in which the discussion was overtaken by events.

Chapter 6 (authors Geordan Graetz and Haydon Manning) complements Chapter 5 by offering a comprehensive history of the politics of uranium mining, through recent decades and spread across the various political interests, including those of indigenous people. The overall dynamics of this debate are familiar. On the one hand, there are the anti-nuclear activists, with their supporters in Labour and in the increasingly significant Green Party. These persistently exaggerate the dangers of uranium mining and transportation (what the authors describe as ‘a culture of fear’) and demand an increasingly stringent regulatory regime, if the activity is not to cease altogether. On the other side, there is a more centrist consensus, which responds to arguments about economic and social advantage and accepts (with whatever degree of reservation) assurances about safety. Graetz and Manning cite noted Oxford professor of physics Wade Allison on this point.

The early part of this chapter also reviews the justification of civilian nuclear power in the context of global warming. To a degree this reflects a snapshot in time. It recalls a period when there were prominent persons from the ‘Green’ side of politics who argued that ‘nuclear’ was the only reliable and cost-effective power source to replace carbon-based technologies. But, again, events seem to have overtaken the argument. Temperatures are presently not rising as predicted and there seems to be a developing (if reluctant) acceptance that the underlying processes of climate change are not as well understood as they were thought to be, by even the most ardent proponents.

Overall, Australia’s Uranium Trade is very much the ‘curate’s egg’. The international scene is much changed since the papers, on which the book is based, were first conceived and written, but there is plenty of material here to feed a continuing debate.

RON SMITH

NOTE FOR CONTRIBUTORS

We welcome unsolicited articles, with or without illustrative material photographs, cartoons, etc. Text should be typed double spaced on one side of the sheet only. Text or ASCII files on disc or emailed are most welcome. Facsimiles are not acceptable. Copy length should not be more than 3000 words though longer pieces will be considered. Footnotes should be kept to a minimum, and only in exceptional circumstances will we print more than 15 with an article.

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On 17 December former Foreign Minister and Commonwealth Secretary-General Sir Don McKinnon launched Joanna Woods’s book *Diplomatic Ladies, New Zealand’s Unsung Envoys* at a reception at the National Library in Wellington.

Colin James (political journalist and analyst) spoke on ‘Alone, Alone, All, All, Alone’ at a meeting at Victoria University on 22 February. (The edited text of his address is to be found elsewhere in this issue.)

On 7 March the NZIIA joined with the Contemporary China Research Centre and the Centre for Strategic Studies to present a public lecture by Vice Minister Liu Jieyi of the International Department, Central Committee, Communist Party of China. His topic was ‘China and the World 2013’.

On 22 March Dr Serhat Guvenc, an associate professor at Kadir Has University, Istanbul, gave a presentation on ‘Ships, Submarines and Aircraft: Naval and Aerial Aspects of the Gallipoli War’.

**Auckland**

On 20 March Dr Tim Beal (a Wellington-based author, researcher and educator) addressed the branch on ‘An Insight into North Korean Crisis’.

**Christchurch**

The following meetings were held:

13 Nov Geoff Ward (former diplomat and director of the Ministry of Foreign Affairs and Trade’s Asian Division), ‘Asian Developments and Implications for New Zealand’.

6 Dec Stuart McMillan (*National Business Review* columnist and NZIIA life member), ‘Running a War by Computer: Cyber Warfare and its Dilemmas’. (The text of this address is included elsewhere in this issue.)

12 Feb Peter Kennedy (NZIIA director), ‘Europe: Who is in Charge?’

26 Feb Prof Stephen Goldston (Lincoln University), ‘Science, Diplomacy and Trade from the Perspective of a Small OECD Country’.

11 Mar Madame Tan Xiutian (Chinese consul-general in Christchurch), ‘China’s Interest in the South Island’.

**Hawke’s Bay**

Maritime researcher, writer and lecturer and former director of Victoria University’s Centre for Strategic Studies Peter Cozens addressed the branch on ‘The Crucial Role of Taiwan in Asian Security’ on 21 November.

**Wairarapa**

On 18 February Iranian-born Dr Negar Partow, a lecturer at Massey University’s Wellington campus and an expert on Middle East politics, religion, human rights, and global security, spoke on ‘Iran’s Foreign Policy: Pragmatic or Ideological’.

**Wellington**

The following meetings were held:

3 Dec Rear Admiral Neil Morisetti (the United Kingdom’s climate and energy security envoy), ‘Security Implications of Climate Change: Threats or Opportunities?’

12 Feb Benny Wenda (a West Papua independence leader, secretary-general of Demmak (The Koteka Tribal Assembly), and founder of the Free West Papua Campaign) and Jennifer Robinson (a human rights lawyer and the legal director for the Bertha Foundation in London), ‘West Papua — Human Rights and Self Determination, the Role of New Zealand’.

14 Feb Counsellor Cheng Lei (Chinese Embassy), ‘China’s Future Through the 18th National Congress of the Communist Party of China’.

19 Feb Ian Kennedy (former New Zealand ambassador to Japan), ‘New Zealand and Japan: Long-term Partners’.

20 Feb Dr Barbara Ischinger (director of education for the OECD), ‘OECD Skills Strategy’.

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