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Introduction

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INTRODUCTION

*“Whaia e koe te iti kahurangi;
Ki tuoho koe, me mounga teitei.”*

*“Seek you the little treasure of your heart;
If you bow your head, let it be to a lofty mountain.”*

In 2006 the New Zealand Embassy in Washington, D.C. was introduced to the Martindale Center program through an earlier edition of this journal — *Perspectives on Business and Economics*. We wrote to the publishers suggesting that the Martindale Center might like to consider a future visit to New Zealand. Two years later, students, staff, and alumni from Lehigh University visited New Zealand in May 2008, calling at the Embassy for a short briefing before their departure. The student papers contained in this volume are those resulting from their visit and their research in their final undergraduate year.

The Martindale students had plenty of opportunities to meet with senior politicians, senior officials from government departments, business leaders, university academics, and commentators while in New Zealand. They travelled throughout the North Island, from Auckland, representing New Zealand’s dominant business centre, to Wellington, the centre of government. They also squeezed in a little time to see something of our smaller towns and tourist highlights. Some of the faculty were fortunate enough to cross Cook Strait and tour the South Island including making a visit to Christchurch.

There are many similarities between New Zealand and the United States. We are “New World” countries not too distant from our pioneering origins. We share common values of democracy, respect for human rights, and the rule of law. We are both immigrant societies. But there are also differences: some obvious, such as those of geographic size and economic weight. And our public policy responses to what are often common problems also have significant variations. These themes are evident in the research essays which follow.

New Zealand was settled by Maori from neighbouring Pacific islands by no later than the fourteenth century. Discovered in the eigh-

teenth century by Europeans, the country was later widely settled by Europeans, following the 1840 Treaty of Waitangi between Maori and the English Crown. At the time New Zealand was unique amongst British colonies in having a treaty between the colonizers and the indigenous people. That founding document is still important today.

New Zealand’s comparative economic advantage has always been as an efficient producer of pastoral agricultural products. For 150 years the country grew wealthy sending agricultural goods to Britain. All of this changed overnight when the United Kingdom joined the European Economic Community. From the late 1970s through the early 1990s, New Zealand had a difficult time in adjusting to the new realities of the marketplace. Major changes were made to deregulate and remove subsidies so as to become more competitive. New Zealand embraced free trade and adjusted to the economic rise of Asia.

The Martindale students have outlined the economic challenges facing New Zealand as a small open economy in the twenty-first century. New Zealand remains reliant on its exports of primary products, even while it encourages more high technology businesses. Sustainability is a key concern manifested in the quota management system for fisheries, a commitment to sustainable production in the rapidly growing wine industry, and an electricity generation system that is already 70 percent based on renewable sources. All these topics are explored in more detail in the research papers that follow.

The papers highlight some of the challenges New Zealand faces as a mobile society in a globalised world. New Zealand has an expatriate community abroad that approaches a million New Zealanders, or a fifth of the total population. Almost one person in four in the workforce was born outside New Zealand, and

the significant influx of immigrants can pose challenges. Like many countries, New Zealand faces social issues that affect children and older people. New Zealand's immediate neighbourhood, the South Pacific, also faces challenges, as seen in the constitutional instability in Fiji and the conflicts in Timor-Leste and the Solomon Islands. All these topics have been tackled by the Martindale students. New Zealanders may not agree with all of their conclusions, but they will find the papers provide a fascinating insight into their society.

The Martindale Programme is very unique. By taking a group of handpicked undergraduate students at the end of their third

year of studies and placing them in a very different geographic and cultural context, it is remarkable how their investigative and report writing skills can be honed.

We learn by being open to new experiences and new ways of doing things. I congratulate Lehigh University for organizing this visit and hope it will encourage others to embark on similar exchanges.

Ka kite ano.

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Washington, D.C.