Abstract

In March 2021, the New Zealand Security Intelligence Service (SIS) launched a remarkable campaign to inform the New Zealand public on the risk of foreign interference. In New Zealand, reference to ‘foreign interference’ almost always relates to the foreign interference activities of the Chinese Communist Party (CCP) government. New Zealand has been severely affected by CCP foreign interference. For the Ardern government it was never a matter of ‘whether’ New Zealand would address this issue, but ‘how’. The SIS’s unprecedented public information campaign is part of a significant readjustment in New Zealand–China relations since 2018. This article documents some of those changes.

Keywords New Zealand–China relations, foreign interference, united front work

In March 2021, New Zealand’s most secret of agencies, the New Zealand Security and Intelligence Service (SIS), launched a remarkable campaign to inform the New Zealand public on the risk of foreign interference (Protective Security Requirements, n.d.). The SIS released a deluge of documents for the campaign. Buried among them was the startling revelation that it had discovered a New Zealander ‘working on behalf of a foreign state intelligence service’, collecting information for that foreign government against New Zealand-based dissidents, and that another individual ‘closely connected to a foreign state’s interference apparatus’ was trying to co-opt New Zealand political and economic elites on behalf of a foreign government (New Zealand Security Intelligence Service, 2021).

The SIS’s unprecedented public information campaign is part of a significant readjustment in New Zealand’s policy towards its major trading partner, the People’s Republic of China (PRC). The readjustment did not happen overnight; it is a result of a series of changes made in the last four years. This article documents some of those changes. New Zealand has been the canary in the coal mine for many
other small states that are also trying to defend themselves against China’s political interference activities without being punished economically for doing so.

How it started
The PRC’s political interference activities in New Zealand first hit the headlines in September 2017, when Newsroom and the Financial Times broke the news that a New Zealand government MP, Yang Jian, had worked in Chinese military intelligence for 15 years (Jennings and Reid, 2017; Anderlini, 2017). Soon after, I released my research paper ‘Magic weapons: China’s political influence activities under Xi Jinping’ (Brady, 2017). Until the ‘Magic weapons’ paper came out, Chinese Communist Party (CCP) political interference activities had not been a priority for the SIS, which for much of the previous decade had focused on counter-terrorism, and they had not been publicly discussed in New Zealand. The ‘Magic weapons’ paper broke new ground by tracing the connection of what the CCP refers to as ‘united front work’ to espionage and political subversion. It outlined how, under Xi Jinping, united front work had become a core activity – a magic weapon – of the CCP. The paper used New Zealand as a case study to explain a wider global phenomenon.

The revelations of the ‘Magic weapons’ paper had an immediate impact, both in New Zealand and internationally (Congressional-Executive Commission on China, 2017). Commentators described it as ‘devastating’, a ‘bombshell’, ‘essential reading’, ‘a weighty academic report’, ‘an exemplar study’, a ‘sputnik moment’ (Field, 2017; Walker, 2017a; Barmé, 2017; Fisher, 2017; Gitter, 2017; Diamond, 2017). It was cited as a factor in the 2017 New Zealand general election and in the post-election coalition talks (Walker, 2017b). In 2017, the US National Endowment for Democracy drew on the paper to create their concept of ‘sharp power’ (Cardenal et al., 2017).

The ‘Magic weapons’ paper outlined the corrupting influence of CCP political interference activities on the New Zealand political system through the blurring of personal, political and economic interests, and how they have curtailed freedom of speech, religion and association for the New Zealand ethnic Chinese community.

In New Zealand, reference to ‘foreign interference’ almost always relates to the foreign interference activities of the CCP government.

The March 2021 SIS public statements matched this assessment, though avoiding attribution (New Zealand Security Intelligence Service, 2021). Part of the response of the New Zealand government to CCP political interference has been to follow strict discipline on public discussion of the issue.

The ‘Magic weapons’ paper began as a draft chapter for a book edited by Canadian academic J. Michael Cole, and presented at an authors’ workshop in Arlington, Virginia in September 2017. I had been asked by Cole to look at New Zealand’s experience of CCP interference operations and assess their impact on democratic institutions, but I found a lot more than either he or I had expected. New Zealand appears to have been a test zone for many of the CCP’s foreign interference efforts.

Under Xi Jinping, foreign interference activities – the CCP’s ‘united front work’ – have gone on the offensive. United front work is a task of all party and state agencies, as well as of every CCP member. Three quarters of the chief executives of China’s major corporations are now CCP members; all large Chinese companies and foreign companies working in China have a CCP cell. In my paper I wrote of the party–state–military–market nexus which was amplifying CCP political interference activities.

In late August 2017, when I had a final draft of my paper and was sure of its conclusions, I reached out to the SIS, as well as to senior staff at the Ministry of Foreign Affairs and Trade, to alert them to my findings. I got no response. I was very disconcerted by this. I then sent my paper to academic peers overseas and university colleagues to get their thoughts on it and ask what I should do next. The day before the authors’ workshop began, I decided I had to go public. I knew it would be years before the edited book would be published,1 and in the meantime the situation in New Zealand could have worsened. On 18 September I released my paper on the website of the Woodrow Wilson International Center for Scholars in Washington, DC, where I am a global fellow. The information in my paper was of public interest and New Zealanders had a right to know about the seriousness of the situation. Foreign interference activities only thrive if public opinion in the affected nation tolerates or condones it.

On 23 September 2017 New Zealand held national elections. After six weeks of negotiation, a coalition Labour–New Zealand First–Green Party government was formed. The new government showed an early awareness of the challenges New Zealand was facing in its foreign policy. Foreign Minister Winston Peters stated that under the new government, ‘New Zealand is no longer for sale’ (1 News, 2017). Prime Minister Jacinda Ardern indicated a concern that New Zealand maintain its reputation as corruption-free. She stated that New Zealand would remain outward-facing, while still looking after its own interests (Scoop, 2017). The new government’s national security briefings were released to the public, with the section on espionage featuring discussion about hacking attacks and ‘attempts to unduly influence expatriate communities’. The SIS recommended that the prime minister ‘openly provide information about public security issues to the public’ (New Zealand Security Intelligence Service, 2017, p.10; Department of the Prime Minister and Cabinet, 2017, p.7).

In New Zealand, reference to ‘foreign interference’ almost always relates to the foreign interference activities of the CCP government. ‘China is New Zealand’s
In January 2018 the findings in the 'Magic weapons' paper were incorporated into the US government’s Indo-Pacific strategy (Allen-Ebrahimian and Dorfman, 2021). New Zealand’s closest strategic partners were very concerned about the revelations of the paper, not just for New Zealand, but because of what it told them about the extent of CCP political interference in their own societies.

From late 2017 to mid-2018, New Zealand government agencies debated how to deal with CCP political interference. A core question of the analysis was the cost of confronting China. The basic question the agencies had to answer was: should New Zealand protect its national security, or economic security? China is New Zealand’s largest overall trading partner; 27% of exports go there. New Zealand is strategically dependent on China for imports of 513 categories of goods, and 144 of them have applications in critical national infrastructures (Rogers et al., 2020). New Zealand is also a ‘strategic partner’ of China, having signed a comprehensive cooperative relationship agreement in 2003, and in 2014 a comprehensive strategic partnership agreement. New Zealand by then had expanded relations with China beyond trade to finance, telecommunications, forestry, food safety and security, education, science and technology, tourism, climate change and Antarctic cooperation, and even to military cooperation.

The internal debate concluded in favour of national security. Without national security, New Zealand has no economic security. In the end, it was not a matter of whether New Zealand dealt with the issue, but how. Beginning in 2018, the Ardern government managed a cautious, case-by-case recalibration of the New Zealand–China relationship, passing new legislation and making quiet policy adjustments, all the while stating that any changes are ‘country agnostic’ (Harrison, 2019a), or else avoiding mentioning that a change has occurred at all. The problem with the Ardern government following such a quiet strategy on dealing with CCP foreign interference is that it has been perhaps a bit too subtle, and the actions the government has taken tend to be overlooked or underreported.

Unfolding a resilience strategy, 2018–21
Unlike the Australian government, the Ardern government has made no statements specifically acknowledging China’s political interference activities. However, in February 2018 Prime Minister Ardern acknowledged that New Zealand ‘must not be naïve’ and that New Zealand was indeed experiencing ‘foreign interference activities’ (RNZ, 2018). In March 2018 the SIS released its 2017 annual report, which, for the first time, mentioned the word ‘foreign interference’ in a New Zealand public document. In May 2018 the minister of foreign affairs, Winston Peters, announced a major new foreign policy direction, the ‘Pacific reset’, focused on regaining New Zealand’s influence in the South West Pacific, which was being undermined in part by the PRC’s growing activities in the region (Peters, 2018b). Ardern’s foreign policy speeches highlighted New Zealand’s ‘independent foreign policy’ (Small, 2018; I News, 2019), a phrase invoked whenever New Zealand plans to disagree with a great power. Coalition government foreign policy statements repetitively emphasised the importance of the international rules-based order and supporting regional architecture, and stressed the need for trade diversification – code for rebalancing the China relationship (Peters, 2018a).

In June 2018 the New Zealand government released the Strategic Defence Policy Statement 2018, outlining challenges in the security environment, including the return of ‘spheres of influence’ and ‘might is right’ (Ministry of Defence, 2018). In August New Zealand joined other Five Eyes partners in a communiqué on sharing information to combat foreign interference (Department of Home Affairs, 2018). In September 2018 New Zealand joined with Pacific Island Forum nations in signing the Boe Declaration on regional security, which highlighted signatories’ determination to be ‘free of external interference and coercion’ (Pacific Islands Forum Secretariat, 2018).

In October 2018, the then minister of justice and minister responsible for the SIS and GCSB (Government Communications Security Bureau), Andrew Little, sent a letter to the justice select committee requesting that it add an inquiry into foreign interference in New Zealand into its just-concluded evaluation of the administration of the 2017 general election and 2016 local body elections. Initially the inquiry was not open to the public, but after much behind the scenes discussion, as well as some controversy, it was opened to public submissions. In December 2018, Cabinet signed off on New Zealand’s new national security and intelligence priorities. Foreign interference appeared for the first time ever as a priority. From that date, addressing foreign interference activities in New Zealand became the SIS’s top task – although...
the public would not be informed of this until March 2021 (New Zealand Security Intelligence Service, 2019).

Also in December 2018, the GCSB blocked PRC telecommunications company Huawei from being involved in the 5G set-up for New Zealand’s biggest telecommunications company, Spark, citing national security concerns. Huawei has close links to the People’s Liberation Army (PLA) and the Chinese Ministry of State Security. Its ownership structure links it into the CCP United Front Work Department (Henry Jackson Society, 2019; Balding and Clarke, 2019). Jacinda Ardern strenuously emphasised that the decision on 5G was the GCSB’s to make, working within the Telecommunications (Interception Capability and Security) Act 2013. In 2011 Huawei had established a major stake in the New Zealand telecommunications market as the main financial backer of start-up company 2degrees (Pullar-Strecker, 2013). Huawei also pitched to build New Zealand’s 3G and 4G networks for the country’s other main telecommunications providers. But in 2013, the National–Māori Party coalition government passed the Telecommunications (Interception Capability and Security) Act to remove security risks from public telecommunications. Under the Act, Huawei was restricted to peripheral activities and excluded from the core of New Zealand’s 3G and 4G set-up. Since the December 2018 ruling, only 2degrees has been permitted to use Huawei for 5G.

Huawei has been very active in trying to shape public opinion in New Zealand. It is a major sponsor and advertiser in the New Zealand media and offers significant funding to New Zealand universities and think tanks (Harrison, 2019b). However, in 2019 Huawei’s sponsorship of New Zealand’s annual television awards ended; the awards’ main sponsor is now New Zealand government agency NZ On Air. Huawei sponsored economics think tank Motu to do telecommunications research from 2017 to 2020, but this grant appears not to have been renewed (Motu, 2020).

In January 2019 the SIS website listed foreign interference as one of New Zealand’s top national security concerns (New Zealand Security Intelligence Service, n.d.). The service’s 2018 annual report, released in early 2019, provided a useful definition of the difference between foreign influence and foreign interference. In July 2019 Andrew Little attended a Five Country ministerial in London which defined foreign interference as:

- coercive, deceptive, and clandestine activities of foreign governments, actors, and their proxies, to sow discord, manipulate public discourse, bias the development of policy, or disrupt markets for the purpose of undermining our nation and our allies. (Little, 2019, p.9)

From February to December 2019, the New Zealand Parliament held its first inquiry into foreign interference in New Zealand. It was obvious that the inquiry’s focus was the covert actions of the CCP government, although politicians and officials strenuously avoided naming China (Kitteridge, 2019b). In an extraordinary move, security agencies gave several detailed public as well as closed-door briefings to the inquiry (Kitteridge, 2019a, 2019d). The SIS discussed various vectors for foreign interference: cyber-enabled threats to the New Zealand general election; the use of social and traditional media to spread disinformation; building covert influence and leverage over politicians and political parties, including through electoral financing; and foreign control of diaspora communities (Kitteridge, 2019b). SIS director-general Rebecca Kitteridge highlighted foreign interference through ‘relationship building and donation activity by state actors and their proxies. This activity spans the political spectrum and occurs at a central and local government level.” Without directly commenting on any political party, Kitteridge said that in future the SIS would be willing to help parties vet their candidates for national security concerns (Kitteridge, 2019c).

Also in 2019, the Ardern government updated the Overseas Investment Act to prevent foreign buying of residential property in New Zealand, over concerns this was being used for politically related money laundering (among other issues). In 2016 the Panama Papers had described New Zealand as the ‘heart of global money laundering’. The Ardern government updated anti-money laundering legislation (the Anti-Money Laundering and Countering Financing of Terrorism Act 2009) to strengthen oversight of transfer of funds in and out of New Zealand. The SIS’s 2019 annual report stated that the SIS continued to be concerned about the global rise in the scale and aggression of foreign interference and espionage, and noted that it was briefing a range of sectors on foreign interference and its impact on New Zealand’s economy, democracy and international reputation.

In November 2019, New Zealand diplomats had their last-ever official discussion with China about Xi Jinping’s signature project, the Belt and Road Initiative (Sachdeva, 2020b). The Belt and Road Initiative is a China-centred political and economic bloc aimed at reshaping the global order (Rolland, 2015; Pang, 2015). In 2015 New Zealand was the first Western country to set up a body to promote the Belt and Road Initiative locally, the New Zealand One Belt One Road (OBOR) Council. In March 2017 it was the first Western country to sign an agreement on the Belt and Road Initiative, though it was only a memorandum of arrangement – an agreement to discuss the issue for the next five years (Ministry of Foreign Affairs and Trade, 2017a). At the same time, the Oceania Silk Road Network,
the New Zealand OBOR Foundation and the New Zealand OBOR Think Tank were launched, all led by present and former New Zealand political leaders (Harman, 2016; Ge, 2017). However, the last public mention of the New Zealand OBOR Council was in November 2017 (Maude, 2017), and none of the other above organisations appear to exist anymore either. The New Zealand government’s involvement in the Belt and Road Initiative had never developed beyond diplomatic talks and conferences; by 2019 even these had ceased (Ministry of Foreign Affairs and Trade, 2017b).

Non-action – the lack of further questionable activities – has been a noticeable trend in New Zealand-China relations during the term of the Ardern government. From 2015 the Chinese People’s Association for Friendship with Foreign Countries (CPAFFC), one of China’s leading united front organisations, had facilitated an annual China–New Zealand mayoral forum, but there were no further such forums after 2017 (Invercargill City Council, 2017). In 2012 a Chinese property developer with close connections to the CCP government donated 1 million yuan (NZ$211,000) to the New Zealand China Friendship Society, n.d.; in the same year, the CPAFFC donated a further 1 million yuan (New Zealand China Friendship Society, 2012). The society used the donations to subsidise activities that promote a non-critical view of China in New Zealand. The funds ran out in 2017 and have not been renewed.

The ‘Magic weapons’ paper documented how many former senior National Party politicians had taken up well-paid directorships in Chinese companies and banks. All appear to still be in those roles in 2021. However, neither former prime ministers Bill English nor John Key have taken on any Chinese company directorships since retiring from politics. In 2020 the associate minister for ethnic affairs, Aupito William Sio, was the only MP to attend the Chinese Embassy’s annual Lunar New Year event held at Te Papa, which featured a propaganda exhibition on Xinjiang. In the past, scores of politicians had attended such events organised by the embassy. In an apparent symbolic gesture of solidarity, Jacinda Ardern and many other MPs attended the 2020 Lunar New Year event organised by the New Zealand Chinese Association, a New Zealand–focused cultural organisation founded in the 1930s.

In December 2019, the New Zealand Parliament passed under urgency new legislation to restrict foreign political donations, by a vote of 119 to 1 (New Zealand Parliament, 2019), a rare act of cross-party unity; the only dissenting voice said the legislation did not go far enough. The need for this legislation was documented in the ‘Magic weapons’ paper. Between 2007 and 2017 the New Zealand National Party received NZ$1.36 million of its publicly declared donations from proxies of the CCP, either Chinese entrepreneurs with close political connections to the CCP, or CCP united front organisations. The New Zealand Labour Party received NZ$83,000 from such sources, but only in 2017 when it was in government. Since the ‘Magic weapons’ paper was released, neither the National Party nor the Labour Party have recorded any further large donations from CCP-connected individuals (Electoral Commission, 2019, 2020b). However, in the same time period, both parties reported that they had received hundreds of thousands of dollars in amounts which do not require the donor’s name to be publicly disclosed (Electoral Commission, 2020a). In 2020 the Serious Fraud Office began investigating a case of $100,000 in donations in amounts under $15,000 received by the National Party from the Chaoshan Association, one of the CCP’s leading proxy groups. Charging documents allege that a ‘fraudulent device, trick, or stratagem’ was used to divide the donations into sums of less than $15,000 to hide the donor’s identity (Hurley, 2020). In 2019 the Serious Fraud Office also investigated CCP united front-connected anonymous donations received by Labour leaders Phil Goff and Lianne Dalziel in the Auckland and Christchurch mayoral elections. In 2017 New Zealand media conglomerate Stuff called for transparency in political funding, with a requirement that the identity of all donors be disclosed to the Electoral Commission (Owen, 2017), but political will is lacking to achieve this.

In 2020 Parliament conducted a further inquiry into foreign interference, focused on local government. The inquiry lasted for eight months, but was unable to make any legislative recommendations before the 2020 election. Andrew Little promised that his government, if re-elected, would pass further legislation to deal with foreign interference. In July 2020 New Zealand introduced national security considerations into overseas investment assessments. In September New Zealand signed an anti-trust investigations cooperation agreement with Five Eyes partners, to facilitate sharing of confidential information and cross-border evidence (Shukla, 2020). In October 2020 the New Zealand government tightened the Strategic Goods List to include catch-all restrictions on the export of items or know-how not on the list but that could be used by a police force, militia or armed forces in weaponry (Ministry of Foreign Affairs and Trade, 2019). As documented in the ‘Magic weapons’ paper, and detailed in my 2020 submission to the parliamentary inquiry into foreign interference in local government (Brady, 2020), the CCP government has attempted to access military technology and know-how from...
New Zealand companies and university researchers, via mergers and acquisitions, research funding and student exchanges. This potentially breaches New Zealand’s legal obligations around strategic goods under the Wassenaar Arrangement (a multilateral export control regime). From 2019 the government was in discussion with Universities New Zealand on how to deal with this issue. In March 2021, the SIS and Universities New Zealand issued advice for academics and researchers on how to protect themselves against foreign interference activities, including efforts to access military and police-related technologies (Protective Security Requirements, n.d.).

The outbreak of the Covid-19 pandemic hastened New Zealand’s gradual, case-by-case readjustment of the China relationship into a more fundamental shift. The Chinese ambassador to New Zealand threatened that New Zealand’s Covid border closures would affect New Zealand–China trade, tourism and ‘people’s sentiments’ (1 News, 2020). In March 2020 China restricted New Zealand’s purchase of personal protective equipment (PPE), when a few ‘weeks’ worth’ of supply was available locally (Strang, 2020; Clark, 2020). The PRC government and Huawei pointedly sent bulk supplies of PPE to countries that had not made a final decision on Huawei in their 5G system (Free America Network, 2020).

In June 2020, the trade minister, David Parker, announced a long-term trade recovery strategy highlighting non-China market opportunities (Parker, 2020). New Zealand joined an informal group of countries that have succeeded in suppressing Covid-19 to swap notes on reopening. China was not included (Gerrard and Chiaroni-Clarke, 2020). New Zealand partnered with Australia to offer practical assistance to help Pacific small island nations deal effectively with Covid-19, in part to counter China’s efforts to use access to Covid vaccines and PPE as a means to influence Pacific politics (RNZ, 2020).

In July 2020, Ardern broke diplomatic protocol by using her speech at the New Zealand–China Business Forum to express criticism of China’s policies towards the Uyghurs, Hong Kong and Taiwan. Predictably, her words provoked pushback from the Chinese ambassador (Burrows, 2020). The government has continued to speak up against the CCP government’s repression in Xinjiang and Hong Kong. While it has been insufficient for some, it is the most outspoken any New Zealand government has been on human rights issues in the PRC since the events of 4 June 1989. Ardern’s and her ministers’ public comments on the CCP government’s human rights abuses sent the signal that New Zealand is not afraid to speak up publicly on matters of concern in the relationship, and that New Zealand–China relations were about more than trade.

Magic weapons, but no magic fix

Passing new legislation can only go so far in dealing with foreign interference; what is needed is broad public awareness of the risk. Moreover, some foreign interference activities are not currently illegal, yet public opinion agrees that they are, as Ardern put it, ‘outside the spirit of the law’ (O’Brien, 2020). Some aspects of CCP foreign interference activities are proving difficult to fix.

The CCP adopts a carrot-and-stick approach to the Chinese diaspora: financial opportunities and honours for those who cooperate; harassment, denial of passport or visa rights and detention for family members living in China for those who do not.

The leading Auckland Chinese-language paper, the Chinese Herald, reputedly has close personnel inks to the PRC consulate and works with the All-China Federation of Returned Overseas Chinese (Chinese Herald, 2017). The online version of the Chinese Herald was a joint venture with NZME, parent company of the New Zealand Herald. In 2019 this business relationship was ended after concerns were raised about the Chinese Herald’s apparent censorship of politically sensitive stories on China (Walters, 2019). In 2016, the CCP English-language paper, China Daily, signed a deal with Fairfax Media to have six pages of paid content published in Fairfax newspapers in Australia and New Zealand (Rose, 2016). The Dominion Post and the Press both published this content. This business relationship ended in 2020, following international criticism of free media republishing CCP propaganda. However, the New Zealand Herald continues to have a business relationship with CCP paper the People’s Daily (Kinetz, 2021).

In the hardest-to-fix basket is CCP united front work against the New Zealand Chinese community. In 2021 a leading New Zealand Chinese activist said that CCP activity against this community is ‘rampant’, at levels much greater than in Australia or the United States (Yu, 2021). New Zealand has a population of around 247,000 citizens and permanent residents who identify as Han Chinese, as well as smaller numbers of other ethnic groups within China, such as Tibetans and Uyghurs. The CCP adopts a carrot-and-stick approach to the Chinese diaspora: financial opportunities and honours for those who cooperate; harassment, denial of passport or visa rights and detention for family members living in China for those who do not. New Zealand Chinese activists spoke up at the two parliamentary inquiries into foreign interference about feeling unsafe in New Zealand due to harassment from CCP authorities. They have repeatedly raised concerns about New Zealand’s biased Chinese-language media and CCP censorship in New Zealand’s Chinese-language WeChat social media. Yet so far nothing has been done to change this. New Zealand’s media laws are strong on issues of economic monopoly, but weak on matters to do with political monopoly.
CCP supervision of the New Zealand Chinese community through proxies also continues unchanged. However, in 2018 the New Zealand Values Alliance, a pro-democracy grouping of New Zealand Chinese opposed to CCP political interference in New Zealand, was launched. Since 2018, several New Zealand Uyghurs have spoken to the media about the CCP government’s repressive policies and about how unsafe they feel in New Zealand. New Zealand Hongkongers have also been very politically active in the last two years, demonstrating in support of democracy activists in Hong Kong and lobbying the New Zealand government to speak up about what is happening there. In 2020 NZ On Air announced a programme to better express the diversity in New Zealand’s Asian communities (NZ On Air, 2021). In 2020 the Asia New Zealand Foundation launched a similar effort to support Asian artists and creatives. In 2021 the New Zealand government launched an ethnic graduate programme to attract a more diverse workforce into the public sector (Office of Ethnic Communities, 2021). All of these initiatives are connected to New Zealand’s new overall social cohesion and resilience strategy to enhance national security (Royal Commission of Inquiry, 2020).

The CCP government manages overseas students via organisations such as the Chinese Students and Scholars Association (CSSA). The English name of the New Zealand branch of this organisation is the New Zealand Chinese Students’ Association, but the Chinese version of its name is the same as that of the parent organisation in China, CSSA. This is important, as the organisation has tried to obscure its connection to the CCP in its public profile and statements of its leaders. Chinese sources say the New Zealand Chinese Students’ Association is ‘under the correct guidance’ of PRC representatives in New Zealand (China News, 2012). A former Chinese diplomat who defected to Australia says the CCP uses the CSSA for intelligence purposes (Chen, 2020). In 2017 there were 40,000 students from China studying in New Zealand. Until Covid-19 struck, Chinese students made up almost half the total number of foreign students studying in New Zealand, raising concerns about dependence on one market and fears this could be used as a lever to pressure New Zealand. New Zealand universities have made efforts to diversify. At the same time, the total number of Chinese students studying abroad has fallen. In 2021 there were only 11,000 international students from the PRC studying in New Zealand. The New Zealand Chinese Students’ Association has rebranded itself as a ‘charitable society’, whose main purpose is to promote Chinese culture and ‘act as a bridge’ between New Zealand Chinese students and the ‘New Zealand mainstream community’ (New Zealand Chinese Students’ Association, n.d.). However, members on some New Zealand campuses have allegedly been involved in harassing and intimidating political dissidents; yet police and the SIS seem unable to do anything about it (RNZ, 2021).

The ‘Magic weapons’ paper looked at how it started, how it’s going and where to next?

New Zealand’s efforts to signal an independent foreign policy and maintain a positive relationship with China at the same time as quietly readjusting policies has been too subtle for many commentators, and New Zealand’s international image has suffered a hit.

Yang Jian and Labour’s Raymond Huo, and their involvement with CCP united front activities. Yang Jian worked for PLA military intelligence for 15 years. He admitted concealing this history on his New Zealand permanent residency application and job applications in New Zealand, as well as his public profile in New Zealand (Jones, 2017; Jennings and Reid, 2017; Anderlini, 2017; Sachdeva, 2017; Huanqiu Renu, 2013). Yang has been central in shaping the National Party’s China strategy and leading engagement with the New Zealand Chinese community, as well as in fundraising from it. In 2020 both Yang and Huo retired from Parliament. However, Yang’s National Party successor, Nancy Lu, also has united front connections (Sachdeva, 2020a). Lu was not elected in the 2020 election, but continues as the National Party’s Chinese diaspora representative. Huo’s successor in Parliament, Chen Naisi, also has united front links. In 2016 Chen was president of the New Zealand Chinese Students and Scholars Association and co-president of its Auckland branch. Chen has refused to disavow the association, or acknowledge that it is a CCP government-sponsored organisation. She avoids public commentary on CCP-sensitive matters, such as the Uyghurs, Hong Kong or Taiwan.
and steers the way for balancing economic versus security risks.

The second-term Ardern government has made a few missteps in signalling its China policy to like-minded partners, including comments of the minister for trade, Damien O’Connor, that Australia should follow New Zealand ‘and show some respect’ to China (Dziedzic, 2021), and the foreign minister, Nanaia Mahuta, proposing that New Zealand act as an intermediary between Australia and China (Guardian, 2020) (both countries rebuffed this offer). New Zealand has attracted unfavourable notice from like-minded partners by only selectively joining international statements criticising China’s aggressive foreign and domestic policy. New Zealand’s efforts to signal an independent foreign policy and maintain a positive relationship with China at the same time as quietly readjusting policies has been too subtle for many commentators, and New Zealand’s international image has suffered a hit. New Zealand has set the goal of reducing economic dependency on China. However, more efforts need to be made to help exporters familiarise themselves with alternative markets, as the government once did to help exporters get into the China market from the late 1980s.

Under the Ardern government, New Zealand’s approach to China has been one of passive defence, of quiet acts to boost resilience and resistance. Nearly four years after the ‘Magic weapons’ paper was released, significant progress has been made on a resilience strategy, yet still more needs to be done.

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