

**NEW ZEALAND  
ASIA INSTITUTE  
Te Roopu Aotearoa Ahia**

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Annual Report

2007



**COMMITTED TO ASIAN KNOWLEDGE CREATION AND DISSEMINATION AND  
BRIDGE-BUILDING AND NETWORKING BETWEEN NEW ZEALAND AND ASIA**

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## MISSION STATEMENT

The mission of the Institute is to:

- Initiate and develop a multidisciplinary research program addressing issues concerning Asia and New Zealand;
- Provide a forum for discussion and debate on policy issues and disseminate the output from these activities;
- Develop relationships with external constituencies in New Zealand and the Asian region;
- Serve as the point of access by external constituencies to the University and to its expertise on Asia.

## ACKNOWLEDGEMENTS

The Institute acknowledges with gratitude the generous financial support from the Japan Foundation, the Academy of Koran Studies, the Asia-New Zealand Foundation, the Korean Foundation, and the Ministry of Foreign Affairs and Trade, without which the successful completion of research and policy briefing projects initiated by the Institute in 2007 would not have been possible.

The Institute would also like to thank the following institutional collaborators for their cooperation and support for the activities of the Institute throughout 2007: The Ministry of Foreign Affairs and Trade, the Asia-New Zealand Foundation, The Chinese Consulate-General in Auckland, The Indonesian Embassy in Wellington, the Japanese Consulate-General in Auckland, The Consular Agency of Korea in Auckland, The ASEAN-New Zealand Combined Business Council, The New Zealand Institute of International Affairs (Auckland Branch), Swinburne University of Technology (Sarawak Campus), the Asian Studies Institute and the Chair of Malay Studies both at the Victoria University of Wellington, and the following at the University of Auckland: The School of Asian Studies, Development Studies Centre, Department of Political Studies, New Zealand APEC Studies Centre, and the University of Auckland Business School.

The Institute is grateful for the administrative and web services support provided by the Faculty of Arts.

Finally, the Institute wishes to thank members of the Advisory Board for providing guidance and advice in the Institute's strategic repositioning and institutional development in 2007.

## 1. OVERVIEW OF STRATEGIC AND INSTITUTIONAL DEVELOPMENT

1.1 The most significant strategic development concerning the Institute in 2007 is the endorsement by the Advisory Board of the Institute's *Strategic plan, 2007-2010*. The Strategic Plan clearly articulates that the Institute aspires to become **a leading research centre on Asia in the Pacific Rim**, which focuses on developing, nationally and internationally, collaborative research projects addressing and serving the needs of both the public and the private sectors in New Zealand. In so doing, it seeks to contribute to national strategic, social and economic policy development in New Zealand's engagement with the Asia-Pacific region and to enhance the international standing of the University of Auckland.

To realize this ambitious goal, the Institute is to embark on a strategic transition to re-orient towards and to engage in forward-looking policy related research. It also identifies two major challenges for this strategic transition, namely, institutional repositioning and infrastructure and research capability building.

More specifically, the Strategic Plan spells out that in order to complete this transition successfully within the specified time framework, the Institute will need to

- Build up the Institute's key function of **knowledge creation and research capability** through restructuring, innovation and networking, taking advantage of The University of Auckland's leading position in the country as well as in the region;
- Develop multiple channels for **knowledge dissemination** and creative delivery of a broad range of services, making full use of the revolution in information and communication technology;
- Actively seek **national and international partnerships** in both the public and the private sectors and expand the Institute's **global and regional networks** with research institutes and think-tanks on Asia
- Be diligent and innovative in **resourcing** for the quality and viability of the Institute's research programs and ensuring the value and excellence of the delivery of services

The endorsement of the Institute's Strategic Plan by the Advisory Board has already begun to shape the construction of the programme of activities, research capability building, national and international collaboration and profiling of the Institute and other initiatives taken and engaged by the Institute in 2007, as reported below.

1.2 The most exciting institutional development in 2007 that will facilitate the Institute's international collaboration as well as its strategic transition is the establishment of the New Zealand Centre at Peking University, which

was formally launched on 21 May by Rt. Hon. Winston Peters, New Zealand Foreign Minister together with Prof. Xu Zhihong, President of Peking University and Prof. Stuart McCutcheon, Vice-Chancellor of Auckland.



Rt. Hon. Winston Peters, Prof. Xu Zhihong, and Prof. Stuart McCutcheon at the launch

While The University of Auckland presents an institutional face on the New Zealand part for the newly established centre, a number of government agencies are firmly behind this initiative. The Ministry of Economic Development (MED), the Ministry of Foreign Affairs and Trade (MFAT), and the Ministry of Education (MOE) not only provided initial funding support. The Advisory and Coordinating Group for the New Zealand Centre, which has membership from these ministries, has already helped define the objectives and shape the agenda of the Centre. The New Zealand Inc. approach aims to make the Centre a valuable national platform for New Zealand engagement with China.

The launch culminated a series of negotiations between The University of Auckland and Peking University over a three-year period and constitutes a significant part of the China strategy of The University of Auckland.

The objectives of the Centre as agreed and stated are

- Promote the study of New Zealand through undergraduate courses, occasional lectures, conferences and workshops;
- Promote scholarly exchanges of staff and students;
- Undertake special projects to enhance New Zealand-China understanding and cooperation in research, teaching and publication;
- Provide a forum for China-New Zealand dialogue and policy development among different sectors (government, academia and business) in economic transformation, innovation, national growth strategies and other topics of mutual interest.

The institute strands ready to explore institutional opportunities provided by this new platform, as Prof. Yongjin Zhang, Director of the Institute, has been designated as the co-director of the New Zealand Centre and is member of the Advisory and Coordinating Group of the Centre. In May and October, Prof. Zhang made two visits to Peking University and discussed the initiation and implementation of academic collaboration and student exchange programmes with Prof. Liu Shusen, Director of New Zealand Centre and staff members of the International Office of Peking University.

**1.3** The Institute completed its planned staff reconfiguration and outsourced its account management and website maintenance service to the Faculty of Arts.

## **2. HIGHLIGHTS OF THE YEAR<sup>1</sup>**

### *2.1 ASEAN at Forty Marked*

On 25 May, the Institute hosted an evening reception at the Fale Pasifika to commemorate the 40th anniversary of the founding of the Association of Southeast Asian Nations (ASEAN). Acting Vice-Chancellor, Prof. Raewyn Dalziel addressed the reception, reflecting on the University of Auckland's long standing relationship with Southeast Asia. Hon. Phil Goff, Minister of Trade, spoke on behalf of the government on the maturing relationship between New Zealand and ASEAN. In the capacity of Chairman of the ASEAN Committee in Wellington, H.E. Mr. Oum Maolanon, Ambassador of Thailand, responded with a speech tracing the evolution of bilateral relationship between ASEAN and New Zealand over the forty years.



H.E. Mr. Oum Maolanon, Ambassador of Thailand,



Mr. Goff speaking at the reception

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<sup>1</sup> PROGRAM OF ACTIVITIES in the following section provides more details descriptions of activities listed here.

More than 80 visiting dignitaries and guests from the government, business sector, diplomatic corps, as well as academia attended the celebration at the Fale Pasifika. The evening reception was followed by a one-day international conference *ASEAN at Forth: Reflections and Visions* on 26 May.



In celebratory mood (from left to right): Mr. Ali Alatas, Dr. Xin Chen, Mr. Phil Goff, Prof. Yongjin Zhang, Mr. Hermono, and Mr. Tim Groser

## 2.2 *China Update 2007*

In collaboration with the visiting delegation from the Shanghai Academy of Social Sciences, NZAI held *China Update 2007: Politics, Economy and Security* on 28 June, which briefed the audience about political, economic and security challenges faced by China on the eve of the 17th National Congress of the Chinese Communist Party.



Speakers and audiences at *China Update 2007*



### 2.3 *NZAI Bulletin Launched*

In July, the Institute published the first edition of *NZAI Bulletin*. It replaced *Asia Info* as the Institute's regular newsletter published twice a year. The improved format and richer content provides the Institute with a better tool to serve the purpose of its outreach to stakeholders and wider community.

### 2.4 *Business breakfast with Geoff Dangerfield*

On 19 July, the Institute held a business breakfast, where Mr. Geoff Dangerfield, CEO of the Ministry of Economic Development, gave a talk on 'Opportunities and Challenges in Developing Economic Relations with Asia', focusing on New Zealand-China economic relations.



Mr. Dangerfield speaking at the business breakfast, 19 July

### 2.5 *NZAI Advisory Board Endorsing the Institute's Strategic Plan (2007-2010)*

On 28 September, NZAI Advisory Board held a meeting, at which the Institute's draft Strategic Plan (2007-2010) was endorsed.

### 2.6 *International Conference on China-Korean Relations Held in Auckland*

In collaboration with Asian Studies Institute, Victoria University of Wellington, the Institute hosted an international conference on 19-20 November at the University of Auckland to discuss and debate issues in the relations between China and two Koreas in contemporary settings. The conference was supported financially by the Academy of Korean Studies and the Korean Foundation.



Participants at the international conference, 19-20 November, on *China and Korea: Competing Images and Contending Issues*

## 2.7 *Strategic Briefing for Visiting Indonesian Officials*

Upon the request of the Indonesian Embassy in Wellington, NZAI, in collaboration with Development of Political Studies, held a *Strategic Briefing* on 17 September for 25 visiting Indonesian officials attending the Indonesian National Resilience Courses.



Prof. Nicholas Tarling, Prof. Barry Gustafson, and Prof. Yongjin Zhang (1st, 2nd and 3rd from left) at the Strategic Briefing, 17 September

## 2.8 *NZAI Hosting an International Conference in Kuching, Malaysia*

Supported by the Japan Foundation, the Institute hosted, in collaboration with the Swinburne University of Technology (Sarawak), and international conference on *Maritime Cooperation in East Asia: Competing understandings of Human Security* in Kuching, Malaysia on 7-8 December.



Participants at the international conference on *Maritime Cooperation in East Asia*  
Kuching, Malaysia, 7-8 December

### **3. PROGRAM OF ACTIVITIES**

Throughout 2007, the Institute has engaged in a rich variety of activities. They include, among others, three international conferences, a number of strategic/business briefings, and a range of seminars and public lectures. Wherever possible, these activities have been organised and hosted in collaboration with local, national and international partners. There has been a clear emphasis on policy thrusts, national relevance and regional focus. Taken together, they constitute a significant step that the Institute has taken in its strategic repositioning.

The program of activities reported here also signifies a tentative, but also purposive, move on the part of the Institute to programmatic research, aimed at establishing a clear inter-disciplinary research agenda of national relevance, with a view to improving the national knowledge base on Asia. They also aim at enhancing the Institute's national and international networks and projecting the profile of the University of Auckland as the nation's leading university in Asia, contributing to the internationalization strategy of the University.

#### **3.1 International Conferences**

##### **3.1.1 *ASEAN at Forty: Reflections and Visions***

2007 marks the 40th anniversary of the founding of the Association of Southeast Asia Nations (ASEAN). With the support of a grant from the Ministry of Foreign Affairs and Trade, a full-day international conference on

*ASEAN at Forty: Reflections and Visions* was held in Auckland with the participation of eminent analysts and practitioners from key ASEAN countries, including Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam, as well as from New Zealand.



Prof. Yongjin Zhang, Prof. Myrna Austria, Mr. Ali Alatas, & Prof. Nicholas Tarling as panellists at the ASEAN conference, 26 May

Prof. Nicholas Tarling spoke first on the precursors of ASEAN. Prof. Dato' Zakaria Haji Ahmad of Malaysia pointed to its somewhat unexpected success and considered the conditions under which that could be sustained. Mr. Tim Groser MP put its existence in the larger context of the past four decades. Dr. John MacArthur, Deputy Secretary of MFAT, outlined New Zealand's interest in ASEAN throughout the period. Dr. Mark Rolls from the University of Waikato outlined some of its achievements and challenges. Prof. Thitinan Pongsudhirak of Chulalongkorn University in Thailand argued that ASEAN had lost much of its confidence at the time of its 30<sup>th</sup> birthday, when it was confronted by the economic crisis of 1997-8, and that it now lack leadership, confronted by a rising China. Prof. Le Dang Doan from Hanoi commented on China's role in the survival of Vietnamese manufacturing sector. Dr. Denis Hew of ISEAS in Singapore looked for more integration in ASEAN containing countries at very different levels of development. Dr. Malcolm Cook of the Lowy Institute in Australia pointed to the attractiveness of bilateral agreements with outside powers and doubted ASEAN's capacity to negotiate as an organization. H.E. Ali Alatas, former Indonesian Foreign Minister, considered ASEAN's attempts to formalise its commitments and processes through adopting the draft ASEAN Charter. Prof. Myrna Austria from De La Salle University in the Philippines offered some proposals for developing the ASEAN Economic Community. Prof. Yongjin Zhang's presentation, 'ASEAN and Future Regional Constructs' discussed whether the world of nations was to be succeeded by a 'world of regions'.

What about the future of ASEAN? Is ASEAN's goal to build simultaneously a political-security community, an economic community and a social-cultural community in the next decade too ambitious? There were sceptics. Given the track-record of ASEAN's achievements in the last forty years, however, there was a general sense of optimism about the future of regionalism embodied in ASEAN.

### 3.1.2 *China and Korea: Competing Images and Contending Issues*

The Institute, in collaboration with the Asia Studies Institute at the Victoria University of Wellington, hosted this international conference on 19-20 November in Auckland. It attracted an eminent group of Korea and China specialists from Australia, China, England, Germany, Hong Kong, Korea, United States as well as New Zealand. A generous grant from the Academy of Korean Studies in Seoul provided the core funding for this project.

The conference was interdisciplinary by nature, involving scholars from the fields of anthropology, sociology, international business, literature, political science, and cultural and media studies. The key issues examined included: the historical background of the current interactions between the PRC and South Korea on the one hand and the PRC and North Korea on the other; the influence of a divided Korea on these relationship; the underlying tropes and metaphors that coloured the mutual perceptions of China and Korea; impacts of the internet and globalization on political, economic, socio-cultural interactions.



China and Korea conference in session

Dr. Xiaoming Huang from the Victoria University of Wellington examined the Sino-South Korea relations in the past 20 years through the prisms of Realism, Institutionalism and Constructivism. Dr. Tim Beal, also from the Victoria University of Wellington, discussed the importance of the wider context in which the bilateral relations between China and North Korea has evolved most recently. Prof. Han Feng from the Chinese Academy of Social Sciences detailed the Chinese perception of China's role at the Six-Party Talks and conjectured how this multilateral forum might evolve into a long-term regional security mechanism. Mr. Peter Beck of the U.S. Committee on Human Rights in North Korea looked at the ever intense rivalry between China and South Korea in their attempts to shape North Korea's destiny. Dr. Yonson Ahn from the University of Leipzig in Germany focused her discussion on the territorial disputes between China and the two Koreas over Mt. Changbai, or Mt. Paekdu, which was of great cultural importance to the inhabitants on both sides of the boarder. Prof. Brian Bridges from Lingnan University in Hong Kong presented a comparative study of the legacies of the

1998 Seoul Olympics for South Korea and the potential impact of the 2008 Beijing Olympics in China.

A number of conference presentations focused on people-to-people relations. Prof. Soo Hyun Jang of Kwangwoon University in Korea, on the other hand, elaborated on how the lives of the seventy thousand South Korean sojourners in China's Qingdao city had been conditioned by economic globalisation and the discourse of the globalising world. Drawing on television news, cyberspace commentary, advertisements, and books aimed at the popular market, Dr. Stephen Epstein from the Victoria University of Wellington analysed images of China in contemporary South Korea and how the springtime sand storms blowing over Korea from the Gobi desert in China had come to function as an implicit metaphor for Korean understanding of China: an unstoppable juggernaut on its doorstep that brought pollution and posed a challenge to the livelihood and well-being of South Koreans. Dr. Rowan Pease from the University of London described how the governments of South Korea and China had tried to maintain fragile equilibrium in the export and the protection of their respective popular music industries, and what strategies music entertainment companies had developed to strike a similar equilibrium as they attempted to create transnational idols and bands. Dr. Roald Maliangkay of the Australia National University examined the soft power allegedly produced by the recent 'Korean Wave' in China and measures taken by the Chinese and Koreans in protecting Korea's pop culture in China. Dr. Changzoo Song from the University of Auckland examined how ethnic Koreans in China, who in recent years became an important source of labour for South Korea, had carefully coped with the clashing interests of the two nation-states while developing their own transnational lifestyles and identities.

The conference was well-attended. Lively discussions followed each presentation, and the speakers valued the opportunity to receive high quality feedback. Supported by the new information technology, one engaging session was conducted over interest, connecting Dr. Rowan Pease of the School of Oriental and African Studies in London with the conference in both her presentation and subsequent discussions.

The papers presented at the conference are anticipated to be published in an edited volume by Dr. Stephen Epstein and Prof. Yongjin Zhang.

### 3.1.3 *Maritime Cooperation in East Asia: Competing Understandings of Human Security*

Funded by a grant from the Japan Foundation, NZAI and Swinburne University of Technology (Sarawak Campus) jointly organised this conference in Kuching, Malaysia on 7- 8 December. Twelve internationally selected experts and academics from nine countries presented case studies on

Malaysia, Indonesia, Thailand, Singapore, the Philippines, Japan, China, Korea and India. Unlike most other research projects on maritime cooperation issues in the Asian waters, these case studies focused on domestic definitions of threats in these countries and impacts of the definitions on their responses to and prospects of regional cooperation arrangements for maritime safety in the international waterways of Asia.

In his opening speech, Prof. Nicholas Tarling provided a historical overview of the issue of piracy in Asia. He argued that maintaining maritime security, as in the nineteenth century, provoked questions of jurisdiction and sovereignty. Yet the means of a wider cooperation did seem at hand as the ASEAN countries, while predicated on the acceptance of the sovereignty and integrity of the states in the region, were seeking to play down their differences and make the region less open to the intervention of outside powers. Prof. Yongjin Zhang outlined the contestations of major schools of thought on the issue of human security and built a broad conceptual framework for the case studies included in this project.



Prof. Nicholas Tarling, Prof. Yongjin Zhang and Dr. Xin Chen at the Kuching conference

Prof. James Chin from the Swinburne University of Technology (Sarawak) discussed the daunting task faced by Malaysia to find the delicate balance between managing international pressures over the use of the Malacca Straits and appeasing domestic constituents troubled by a perceived over-use of the sea lane by the international community. Dr. Xu Ke of the National University of Singapore detailed Singaporeans' concerns over the security of the Malacca Straits and their preference of building a multilateral security management mechanism involving not only regional players but also those beyond. Profs Kosum Saichan and Ekamol Saichan from Chiangmai University analysed leading Thai scholars' and government officials' perceptions of the Islamic insurgencies and separatist movements in south Thailand in the context of Asia waterways, and argued that the elitist responses overlooked the root causes of terrorism, i.e., poverty, social injustice, and abuse of power.

Mr. Begi Hersutanto from the Centre for Strategic and International Studies in Jakarta emphasised that patrolling the sea was not enough to maintain the security of the Malacca Straits, because the actual threat source emanated from

the land. In other words, the alleged pirates were people who lived on islands surrounding the Straits even though they committed crimes on the sea. Thus, in the case of Indonesia, the sea patrols should seek the support of and be coordinated with the local police. Prof. Antonio Contreras of De La Salle University in the Philippines compared the ordinary versus state discourses on human security in his country. He pointed out that many fishermen in the archipelago worried more about the negative impact of the rapidly increasing sea-borne trade on the water quality and maritime traffic safety where they fished than on potential terrorist attacks. Prof. Syongsoo Lho from the Seoul National University, on the other hand, indicated that many Koreans were seriously concerned about terrorist attacks and believed that any defensive measures and decisive response taken by the government should be visible and send a strong message of deterrence.

Prof. Yoichiro Sato from the Asia-Pacific Centre for Security Studies in Honolulu argued that while Japan supported counter-terrorism efforts in Southeast Asia and while there were appeals from the region for Japan's more militarily-oriented involvement in safeguarding the Malacca Straits, Tokyo continued to emphasise its civilian cooperation with Malaysia, Indonesia and Singapore. The Japanese government was obviously hesitant to risk the positive images it had cultivated through economic cooperation and preferred not to divert its defence resources to what it considered a secondary security concern. Dr. Xin Chen from Auckland examined the on-going debates among the Chinese on 'China threat' and 'threat to China'. She thought that the lack of consensus within China fed into a worldwide tendency to politicise economic issues involving China and its security precautions, routine or else. This, in turn, fuelled further debates within China on how the continued traditional threat embedded in the 'China threat' rhetoric might impact China's pursuit of a conciliating course in handling non-traditional threats. Commander Gurpreet Khurana from Institute for Defence Studies and Analyses in New Delhi focused his study on India's concerns over the security of the Andaman and Nicobar (A&N) islands in the southern reaches of the Bay of Bengal, which conferred a vast Exclusive Economic Zones, acted as a frontier for sea-line security and extended India's security perimeter by more than 700nm.

Held in Kuching, Malaysia, the conference not only accomplished its academic goals but also strengthened NZAI's network in Asia. Several new joint collaborative research projects were proposed to the NZAI delegation by the participants from the Seoul National University of Korea, Chiangmai University of Thailand and De La Salle University of the Philippines. The conference was publicised in the local newspaper, *Eastern Times*, which helped project both the profile of both the University of Auckland and the New Zealand Asia Institute in Malaysia.



The papers presented at the conference are expected to be published in a volume edited by Prof. Nicholas Tarling from the University of Auckland and Prof. James Chin from Swinburne University of Technology (Sarawak).

## **3.2 Business Briefing/Breakfast**

3.2.1 With New Zealand's FTA negotiation with ASEAN and China reached the crucial and substantive stage in 2007 respectively, the Institute organised two forums to channel public inputs from interested academics, business people and other stakeholders into the government policy-making and administration. The first one was a business briefing, jointly sponsored by the Auckland Chamber of Commerce and the New Zealand/ ASEAN Combined Business Council on 20 February. Mr. Martin Harvey, New Zealand lead negotiator, updated the audience of about 45 people on the negotiations for a sub-regional multilateral FTA between Australia/New Zealand and ASEAN. He briefed on the overarching framework that all 12 countries involved had agreed to for making tariff reduction offers for goods. He emphasised that the following rounds of negotiations would focus on the specifics of the frameworks, in particular, the timeframes, initial tariff offers and rules of origin. He urged the New Zealand public to continue sending to the negotiation team their feedbacks on barriers to trade which they wanted this FTA to address.



Networking at Business Breakfast, 19 July

3.2.2 On 19 July, 35 participants from the academia, local City Councils, the business sector, and the general public attended the Institute's Business Breakfast with Mr. Geoff Dangerfield, CEO of the Ministry of Economic Development. Mr. Dangerfield focused much of his talk, entitled "Opportunities and Challenges in Developing Economic Relations with Asia",

on New Zealand-China relations. He emphasised that being a small economy, New Zealand had to trade effectively internationally. He highlighted possibilities and successful cases of New Zealand businesses taking advantage of China's rapid economic growth and harvesting win-win outcomes. He also outlined measures that the New Zealand government would take to help interested SMEs across sectors enter the game as well. He revealed that under the umbrella of the New Zealand-China FTA, the regulatory agencies in both countries would work together to reduce trade barriers. Mr. Dangerfield encouraged the New Zealand Centre in Peking coordinated by the Institute to help New Zealand stay actively engaged with the rapidly changing China and Asia.

### 3.3 Strategic Briefing

3.3.1 Responding to a request from the Indonesian Embassy in Wellington, NZAI held a Strategic Briefing on 17 September for a visiting Indonesian delegation, which consists of 25 members attending National Resilience Courses. This update session focused on New Zealand's security management in the Asia-Pacific region. Prof. Nicholas Tarling from NZAI began the briefing with a historical review of the average Kiwi's interest in Southeast Asia and in New Zealand-ASEAN cooperation on regional security issues. Associate Prof. Steve Hoadley from Politics focused his talk on New Zealand's long-term leading role in the South Pacific. He elaborated on challenges facing the region, political instabilities and economic volatilities in some Island countries, the geo-strategic importance of the region in terms of air and sea lanes, as well as New Zealand-Australia policy coordination. Prof. Barry Gustason, also from Politics, talked about the political, economic and security challenges faced by the New Zealand government, past and present, in the South Pacific. Adding to the complication was China's rapidly growing presence in the region. Prof. Yongjin Zhang then elaborated on the topic of China as a Pacific power. The visitors, most of whom were senior military officers in Indonesia, were captured by the four presentations and responded with quite a few thought-provoking questions.



A group photo with visiting Indonesian National Resilience Course members

### 3.4 Country-Update

3.4.1 On 28 June, the Shanghai Academy of Social Sciences (SASS) sent a senior delegation of four scholars to Auckland and joined NZAI in presenting “China Update 2007: Politics, Economy and Security”. Prof. Hu Jian from SASS examined dominating Chinese perceptions on both traditional and non-traditional security issues in Asia. His colleague, Prof. Huang Kaifeng discussed new political and economic initiatives proposed by the Chinese government in pursuit of social cohesion during China’s economic transformation. Prof. Yongjin Zhang’s presentation attracted great interest from the audience as he analysed the political and policy agendas of the

forthcoming Party congress in October and asserted that that congress would see the virtual transition from the fourth to the fifth generation leadership within the Chinese Communist Party.



Prof. Yongjin Zhang and Prof. Liu Ming at *China Update 2007*

### 3.5 Roundtables

3.5.1 On 21 February, the Institute organised a roundtable discussion with a visiting delegation led by Mr. Suprpto Martosetomo from the Policy Analysis and Development Agency of the Indonesian Foreign Ministry. Nine university academics from Asian Studies, Politics, NZAI as well as the Auckland University of Technology participated in the roundtable. The guests and hosts exchanged views on a number of regional security issues as well as the 2006 East Asia Summit held in the Philippines and on policy changes facing ASEAN+3 and ASEAN+6.



A ASEAN roundtable on regional security issues at the Council Room with the visiting delegation from the Indonesian Foreign Ministry, 21 February.

3.5.2 Taking advantage of the visit of Prof. Luis Riveros, Director of the Asia-Latin America Centre at the Universidad de Chile, the Institute, in association with the New Zealand Centre for Latin America Studies, hosted a roundtable discussion on 7 May with the participation from for interested the Business School, Development Studies, Asian Studies and APEC Studies to learn about the latest development in Asia-related research and collaboration programmes in the tertiary education institutions in Chile. Prof.'s brief inspired a lively discussion on the potential for inter-disciplinary collaboration between area-focused institutes and for Auckland-de Chile joint research projects on Asia.



Dr. Chris Tremewan and Prof. Luis Riveros (third and fourth from left) at the roundtable

3.5.3 On 7 June, the Institute hosted a roundtable with Prof. Zainal Abidin Bagir, Director of the Centre for Religious & Cross-Cultural Studies (CRCS) at the University of Gadjah Mada of Indonesia. The roundtable discussed challenges and issues in cross-cultural communication and understanding. NZAI and CRCS agreed in principle to explore opportunities for collaborative research on these issues, together with the Mira Szaszy Research Centre for Maori and Pacific Economic Development at the University of Auckland Business School.



Dr. Manuka Henare, Prof. Zainal Abidin Bagir and Prof. Yongjin Zhang at the roundtable

### 3.6 Postgraduate Research Workshop

3.6.1 In collaboration with the Asia: New Zealand Foundation, the Institute, together with the Department of Political Studies, organised a postgraduate research workshop on *Rising Asia in a Globalised World: Research and Funding Opportunities* on 23 October. Dr. Andrew Butcher from the Asia: New Zealand Foundation and Prof. Yongjin Zhang and Prof. Nicholas Tarling of the Institute spoke to interested postgraduate students, junior researchers and supervisors from across the faculties on topics of importance for Asia-related research. Dr. Butcher gave a briefing about the Foundation and its grant application review process, while Prof. Tarling

and Prof. Zhang offered advices on research topic selection, qualitative research methods, and manuscript preparation and publication.



Dr. Andrew Butcher at the workshop

### 3.7 Public Lectures and Seminars

As its regular program, the Institute continued to hold public lectures and seminars on issues that are of topical importance to New Zealand and Asia. This constitutes the Institute's important outreach to academic and policy communities as well as business sectors. Through these activities, the Institute seek to engage in informed policy debates and in Asian knowledge creation and dissemination.

3.7.1 On 28 March, Prof. Shigeru Yonekura from Saga University, Japan, gave a seminar on 'Dollar Crisis, the Renminbi and an Asian Currency' hosted by the Institute in collaboration with Development Studies Centre, the Faculty of Arts.



3.7.2 On 23 May, Prof. Pan Guang, Director, Institute of European and Asian Studies, Shanghai Academy of Social Sciences, gave a seminar talk on 'China's Anti- terror Strategy and China's Role in the Global Anti-

terror Cooperation’. This seminar was jointly held by the Institute and New Zealand Institute of International Affairs (Auckland Branch).

3.7.3 On 16 August, Prof. Dato’ Dr. Kay Kim Khoo of the University of Malaya, gave a public lecture on ‘Malaya/ Malaysia since 1957’. This event was jointly sponsored with the Chair of Malay Studies at the Victoria University of Wellington and UMNO Auckland to mark the fiftieth anniversary of the independence of Malaysia.



Prof. Dato’ Dr. Othman Yatim, the Chair of Malay Studies (Right) visiting the Institute

3.7.4 On 31 August, the Institute hosted two seminars in collaboration with the Japan Society for New Zealand Studies. Prof. Yoshinori Okada from Daito Bunka University of Japan presented a paper on ‘Japanese Companies’ Investment and Trade in New Zealand: Case Study for Paper and Aluminum Companies’; and Dr. Steven Lim from University of Waikato and Prof. Michio Yamaoka from Waseda University of Japan presented a paper on ‘Economics Literacy of University Students in New Zealand and Japan’.



NZAI academic staff with members of the Japan Society for New Zealand Studies at the residence of the Japanese Consul-General in Auckland

- 3.7.5 On 18 September, Prof. Yongjin Zhang gave his inaugural lecture entitled 'Professing International Relations in the 21st Century' at the Conference Centre of the University.
- 3.7.6 On 23 October, Dr. Milton Osborne from Lowy Institute for International Policy in Sydney, Australia gave a seminar on 'China and Southeast Asia: Why China is now the region's Paramount Power', hosted by the Institute in collaboration with New Zealand Institute of International Affairs (Auckland Branch).

3.7.7



Prof. Stephen Chan at the seminar

On 1 November, Prof. Stephen Chan from the School of Oriental and African Studies, University of London, gave a seminar talk on 'Vexatious Virtue or Shallow Opportunism: China and Africa'. This seminar was co-sponsored by Political Studies, the Faculty of Arts. Prof. Chan was visiting the University of Auckland as a Hood Fellow.

#### 4. NZAI OFFSHORE

In its strategic repositioning, the Institute attaches great importance to its overseas activities and regards them as an integral thrust in fulfilling the Institute's mission. These activities are important because they project the Institute's profile beyond New Zealand and help the Institute's networking in Asia. Through such networking, the Institute seeks to engage regional academic Institutions and think-tanks in an effort to enhance its capability of research and of knowledge creation. Throughout 2007, members of the Institute have engaged in a rich variety of such activities. In addition to the international conference on *Maritime Security in East Asia* that the Institute organised in Kuching, Malaysia in December, as already reported above, the following are worth nothing.

4.1 At the invitation of the Institute of International Strategic Studies at Ritsumeikan Asia-Pacific University in Japan, Prof. Yongjin Zhang and NZAI visiting Fellow Michael Powles both attended an international conference on *China in Oceania: Towards a New Regional Order?* in Beppu, Japan on 27-8 March. Prof. Zhang presented a paper on 'A Regional Power by Default: China in the South Pacific'. While the presentation by Mr. Powles is entitled 'China and the Pacific: Confrontation or Cooperation?'

4.2 In March and April, Prof. Paul Clark was a Lee Hysan Visiting Fellow at the Universities Service Centre for China Studies, Chinese University of Hong Kong. He was researching Chinese youth cultures and identity 1968-2008 for a Marsden Fund book project.

4.3 While participating in a workshop in Singapore on '*Regional Perceptions of Asian Powers for Global Change*' on 26-27 April 2007 sponsored by Friedrich-Ebert-Stiftung Office for Regional Cooperation in Southeast Asia, Prof. Yongjin Zhang gave a seminar on 'East Asian Community: The Pursuit of an Ideal' on 25 April at the Institute of Southeast Asian Studies (ISEAS) at the invitation of Ambassador Kesavapany, Director of ISEAS. He also held discussions with the ISEAS publishing programme for collaboration in joint publication of research of mutual interest.

4.4 At the invitation of the Centre for International Studies at Jilin University in China, Prof. Yongjin Zhang attended an international conference on *Historical Studies and International Relations: Perspectives of the 'English School'* on 16 April and presented a paper on 'Moral Choices in World Politics and the Transformation of Global International Society'.

4.5 Prof. Nicholas Tarling attended the *International Convention of Asia Scholars* in Kuala Lumpur (ICAS5) on 5 August 2007 and presented a paper on 'From ASA to ASEAN'.

4.6 Prof. Nicholas Tarling attended the Second International APRU Conference, *Independence and after in Southeast Asia: Old and New Interpretation* in Penang, Malaysia on 7 August 2007 and presented a paper on 'From SACSEA to ASEAN'.

4.7 Prof. Nicholas Tarling visited Chulalongkorn University in Bangkok, Thailand on 9 August 2007 and gave a public lecture at the Institute of Security and International Studies on 'ASEAN at 40: Its Birth and Character'.

4.8 Prof. Nicholas Tarling gave a public lecture on 'The Frontiers of Southeast Asian Studies' at the History Department, Thammasat University in Bangkok, Thailand on 10 August 2007.

4.9 At the invitation of S. Rajaratnam School of International Studies (RSIS) of the Nanyang Technological University in Singapore, Prof. Yongjin Zhang attended an international conference on *The rise of China and Its Soft Power*, October 2007. His paper presented is entitled 'The Discourse of China's Soft Power and Its Discontents'.

4.10 Prof. Nicholas Tarling was Visiting Professor at the Asia-Europe Institute at the University of Malaya between 11 and 18 November, during which period he gave a total of 12 lectures, including one public lecture on 'Malaysia and the Early Years of ZOPFAN'.



4.11 Taking advantage of their visit to Malaysia to attend the international conference in Kuching organised by the Institute, Prof. Yongjin Zhang, Prof. Nicholas Tarling and Dr. Xin Chen visited the University of Malaya in Kuala Lumpur on 9 December and held talks with Dr. Bernardine R. Wong, Deputy Director, International & Corporate Relations Office and a number of leading academics from Arts and Social Science Faculties (See photo below) to explore collaboration opportunities between the University of Auckland and the University of Malaya, noting in particular that both universities belong to the Asia-Pacific Rim Universities (APRU).



4.12 While at the University of Malaya, Prof. Yongjin Zhang, Prof. Nicholas Tarling and Dr. Xin Chen also visited the Asia-Europe Institute of the University of Malaya and met the core researchers there.



Group photo with Asia-Europe Institute researchers

4.13 During her stay in Beijing in December, Dr. Xin Chen visited the China Foreign Affairs University (CFAU) and met with Prof. Qin Yaqing, Executive Vice-President of CFAU, to explore the possibility of NZAI joining the North East Asia Think-Tank (NEAT), a network of research institutes and think-tanks from ASEAN plus 3 countries.

4.14 Michael Powles attended the inaugural China/ New Zealand Fudan Roundtable on 8 December at Fudan University in Shanghai and was the lead speaker on *China/New Zealand and Regional Issues*.

## 5. FINANCIAL PERFORMANCE REPORT<sup>2</sup>

This financial performance report consists of four parts. The first part provides a consolidated account of NZAI as a PAC Centre of the University, incorporating the University budgets for both NZAI and the Confucius Institute.

The rest of the report includes a consolidated report and then breaks into three activity centres-1335, 1356 and 1357 respectively- under NZAI as a PAC. 1355 details the account for NZAI's operating and people costs. 1356 is an externally funded project account; while 1357 provides information about the fund the University made available for the Confucius Institute.

### *NZAI as a PAC (Consolidated)*

	<b>Budget</b>	<b>Actual</b>	<b>Forecast</b>
<b>Revenue</b>	119,347	70,854	81,019
People costs	320,065	356,390	313,185
Operating cost	73,136	105,934	137,521
Leases	-	-	-
Depreciation	1,380	10,528	7,207
Occupancy costs	83,772	76,133	69,105
<b>Total expense</b>	478,353	548,985	527,018
<b>Contribution</b>	<b>(359,006)</b>	<b>(478,131)</b>	<b>(445,999)</b>

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<sup>2</sup> I am grateful to Rachel Fong of the Faculty of Arts for preparing the account for this report.

## 1355

	<b>Budget</b>	<b>Actual</b>	<b>Forecast</b>
<b>Revenue</b>	41,347	21,345	21,436
People costs	259,924	256,459	252,443
Operating cost	49,060	45,897	47,307
Leases	-	-	-
Depreciation	1,200	7,142	7,027
Occupancy costs	60,772	45,630	46,105
<b>Total expense</b>	370,956	355,128	352,882
<b>Contribution</b>	<b>(329,609)</b>	<b>(333,783)</b>	<b>(331,446)</b>

## 1356

	<b>Budget</b>	<b>Actual</b>	<b>Forecast</b>
<b>Revenue</b>	78,000	48,062	59,583
People costs	-	601	601
Operating cost	-	54,488	66,138
Leases	-	-	-
Depreciation	-	-	-
Occupancy costs	-	-	-
<b>Total expense</b>	-	55,089	66,739
<b>Contribution</b>	<b>(78,000)</b>	<b>(7,027)</b>	<b>(7,156)</b>

## 1357

	<b>Budget</b>	<b>Actual</b>	<b>Forecast</b>
<b>Revenue</b>	-	1,447	-
People costs	60,141	99,330	60,141
Operating cost	24,076	5,549	24,076
Leases	-	-	-
Depreciation	180	3,386	180
Occupancy costs	23,000	30,503	23,000
<b>Total expense</b>	107,397	138,768	107,397
<b>Contribution</b>	<b>(107,397)</b>	<b>(138,768)</b>	<b>(107,397)</b>

## 6. STAFF PUBLICATIONS

### Books:

Tarling, Nicholas (eds.), *Historians and their Discipline: The Call of Southeast Asian History*, Kuala Lumpur: Malaysian Branch of the Royal Asiatic Society, 2007.

Tarling, Nicholas, *Wit, Eloquence and Commerce: A History of Auckland's Mercury Theatre*, Auckland: Connacht Books, 2007.

Malcolm, W. And N. Tarling, *Crisis of Identity? The Mission and Management of Universities in New Zealand*, Wellington: Dunmore, 2007.

### Refereed journal articles:

Powles, Michael, 'China and the Pacific: Confrontation or Cooperation?', *New Zealand International Review*, XXXII (3): 8-12.

Tarling, Nicholas, 'SEAFET and ASA', *International Journal of Asia-Pacific Studies*, 3:1 (May 2007), E-journal.

Zhang, Yongjin, 'China and the Emerging Regional Order in the South Pacific', *Australian Journal of International Affairs*, 61 (3): 367-381.

Zhang, Yongjin, 'Politics, Culture and Responsible Scholarship in China: Towards a Culturally Sensitive Analytical Approach', *Asia Perspective*, 31 (3): 103-124.

Zhang, Yongjin, 'East Asia Community: The Pursuit of an Ideal', *New Zealand International Review*, XXXII (5): 2-5.

### Book chapters:

Zhang, Yongjin, 'Discourses of Security in China: Towards a Critical Turn?', in Matt MacDonald and Antony Burke (eds.), *Critical Security in Asia-Pacific*, Manchester: Manchester University Press, 2007, pp. 167-182

### Book reviews:

Paul Clark, review of Roderick MacFarquhar and Michael Schoenhals, *Mao's Last Revolution* (The Belknap Press at Harvard University Press, 2006) in *The China Journal*, 58 (July 2007), 265-266.

### Conference and seminar papers:

Chen, Xin, 'Between a Rock and a Hard Place: China's Maritime Security Dilemma in the Malacca Straits', paper presented at the international conference on *Maritime Cooperation in East Asia: Competing Understandings of Human Security*, Kuching, Malaysia on 8 December 2007.

Powles, Michael, 'China Looks to the Pacific', paper presented at the one-day international workshop on *China and the Pacific: Where to now?*, Australian National University, 9 February 2007.

- Tarling, Nicholas, 'From ASA to ASEAN', paper presented at the International Convention of Asia Scholars, Kuala Lumpur (ICAS5), 5 August 2007.
- Tarling, Nicholas, 'From SACSEA to ASEAN', paper presented at the Second International APRU Conference, *Independence and after in Southeast Asia: Old and New Interpretation*, Penang, 7 August 2007.
- Tarling, Nicholas, 'Early Days: From ASEAFET to ASA', paper presented at the international conference on *ASEAN at Forty: Reflections and Visions*, University of Auckland, 26 May 2007.
- Tarling, Nicholas, 'Piracy and Maritime Security', paper presented at the international conference on *Maritime Cooperation in East Asia: Competing Understandings of Human Security*, Kuching, Malaysia on 7 December 2007.
- Zhang, Yongjin, 'Politics, Culture and Responsible (IR) Scholarship in China: Towards a Culturally Sensitive Analytical Framework', paper presented at *The International Studies Association Annual Convention*, Chicago, 5 March 2007.
- Zhang, Yongjin, 'A Regional Power by Default: China in the South Pacific', paper presented at the international conference on *China in Oceania: Towards a New Regional Order?*, Ritsumeikan Asia-Pacific University, Beppu, Japan, 27 March 2007.
- Zhang, Yongjin, 'East Asia Community as an Ideal', paper presented at NZIIA Symposium on *East Asia: Political and Economic Integration*, Wellington, 30 March 2007.
- Zhang, Yongjin, 'Moral Choices in World Politics and the Transformation of Global International Society', paper presented at the conference on *Historical Studies and International Relations: Perspectives of the 'English School'*, Jilin University, China, 16 April 2007.
- Zhang, Yongjin, 'East Asian Community: The Pursuit of an Ideal', paper presented to a special seminar at the invitation of the Institute of Southeast Asian Studies, Singapore, 25 April 2007.
- Zhang, Yongjin, 'ASEAN and Dynamics of Future Regional Construct', paper presented at the international conference on *ASEAN at Forty: Reflections and Visions*, Auckland, 26 May 2007.
- Zhang, Yongjin, 'The Discourse of China's Soft Power and Its Discontent', paper presented at an international conference on *The Rise of China and Its Soft Power*, Nanyang Technological University, Singapore, October 2007.
- Zhang, Yongjin, 'Professing International Relations in the 21<sup>st</sup> Century', inaugural lecture delivered at the University of Auckland on 18 September.
- Zhang, Yongjin, 'Human Security: Conceptual Contestations', paper presented at the NZAI international conference on *Maritime Cooperation in East Asia: Competing Understandings of Human Security*, Kuching, Malaysia, 7 December 2007.

## 7. CONCLUSION

In 2007, important steps have been taken by the Institute in its institutional repositioning. With the support of several international and national funding agencies-the Japan Foundation, the Academy of Korean Studies, the Korean Foundation, the Asia: New Zealand Foundation and the Ministry of Foreign Affairs and Trade, among others- a number of significant inter-disciplinary research projects have been carried out, which has moved the Institute towards programmatic research to address topics of regional importance and national relevance. Through these projects and a broad range of other activities, the Institute has reached out, both nationally and internationally, to forge and to consolidate its strategic collaborative relationship with targeted research universities and policy institute in the Asian region with a view to contributing to the internationalisation of the University.

The endorsement of the Institute's *Strategic Plan, 2007-2010* by the Advisory Board in September provides a new momentum for the strategic transition of the Institute. The implementation of this strategic plan is critical for the Institute in the forthcoming years to capitalise on the institutional opportunities presented by the nation's intensified engagement with Asia and by the University of Auckland's internationalisation strategy. By the extension of this logic, how to implement this strategic plan step-by-step in 2008 and beyond is central not only to the strategic transition of the Institute, but also to the realisation of its long-term aspirations.

Professor Yongjin Zhang

Director

March 2008

## Appendix 1

### The NZAI Advisory Board, 2007

#### **Chair:**

Kerrin Vautier                      Research Economist

#### **Members:**

Geoff Dangerfield                Chief Executive Officer, Ministry of Economic  
Development

Tim Gibson                        Chief Executive Officer, New Zealand Trade and  
Enterprise

Hon. Phil Goff                    Minister of Trade

Hon. John Key                    Leader of the Opposition (National Party)

Tony Nowell                      Chief Executive Officer, Zespri International

Professor Barry Spicer         Dean, the Auckland University Business School

Dr. Chris Tremewan             Pro-Vice Chancellor (International), The  
University of Auckland