

MANDARIN-SIGHT

Mandarin noun: an influential or powerful government official or bureaucrat.

**OUR BIGGEST TRADE PARTNER.
LUCRATIVE TOURISM VENTURES.
HUGE ONSHORE INVESTMENT.**

CHINA IS A BIG DEAL FOR NEW ZEALAND.

But you know that we know that you know that, so we're taking the story further. MEttle caught up with Carl Worker, who is freshly home from Beijing after leading New Zealand's largest overseas mission as New Zealand Ambassador to China from 2009 - 2015.

Worker headed up the NZ Inc. mission with more than 300 staff from 10 Government agencies spread across five locations in China. He's worked with and in China for over 30 years, and is fluent in Mandarin.

Hitting the ground running now that he's back on home turf in Auckland, Worker has a new role with the Ministry of Foreign Affairs and Trade as the Principal Business Advisor, with a clear mandate to focus on China.

As you might reasonably expect, Worker knows a thing or two about our relationship with China, the collective Chinese psyche, and why protocol and business cards are so darned useful.



“The Chinese see the United States as representing the most successful society that has ever existed and they want to emulate that for themselves. China wants to be seen as a winner.”

Carl Worker, Ministry of Foreign Affairs and Trade

A VERY SPECIAL RELATIONSHIP?

As our largest trading partner, there’s no denying the critical nature of New Zealand’s economic relationship with China. We think there’s something really special there, and in fairness, there is. But let’s not overstate the mark, says Worker.

“Make no mistake, the relationship New Zealand has with China is one of the very best of the broad Western countries. This has been demonstrated through joint achievements like the Free Trade Agreement, which is taking much longer for other countries to achieve. If you don’t get a deal across the line in China, know that it’s not because of any political leanings against Kiwis. New Zealand is no longer a million miles away from all the action. We are now comfortably close to the biggest economy in the world.

“But, while everyone keeps saying there’s something really special there, I would counsel that China has a knack for making everyone feel special.”

So if we’re special but not unique, how can NZ Inc. seize the opportunities at hand, and leverage our world-leading relationship with China?

A BIPARTISAN, EVOLVING VIEW OF CHINA

One of New Zealand’s greatest achievements is that successive Governments from both sides of the political spectrum have prioritised securing a trade agreement with China. It’s an approach that has paid off ten-fold, says Worker.

“When it comes to China, successive Kiwi governments have a long track record of the moving picture, rather than the snapshot view. This long, bipartisan approach of working with

China means that political leaders and diplomats stand on the shoulders of those that have gone before us.

“Like other super-sized countries, China has massive challenges – but they are overcoming them fast. Yes, there are still parts of China that are very much still developing, but Kiwis understand that and we’re taking a very long-term view of things, because the snapshot view can be confusing.”

Worker says New Zealand’s real-time, evolving view of China has enabled our Government over time to undertake initiatives that have turned out to be spot on, such as the Free Trade Agreement.

“Our FTA was seen as a very bold move at the time, but look now, everyone’s trying to get the same agreement signed. By avoiding the temptation to view China at one moment in time has meant we can see the moving picture of where China is going, and that trajectory is as clear as day.”

WHERE TO FOR NEW ZEALAND?

Under-promise and over-deliver. It’s a business mantra that many have applied in their lifetime. However, when dealing with China the phrase is as fitting as ever, says Worker.

“When dealing with China, Kiwis can be rightfully proud of the good standing in which we are held there. However, we mustn’t ever take that special position for granted. It’s absolutely incumbent upon us to deliver what we say we will.

“We’re in a terrific position with China, and there’s additional opportunity to shift the dial in some ways. We’re already seen by the Chinese as a high quality producer with a pristine environment, and a well-run country with which to do business.

A photograph of Carl Worker, a man with glasses and a dark suit over a white shirt, speaking and gesturing with his hands. The background is a blurred green forest scene.

“New Zealand is no longer a million miles away; we’re comfortably close to the biggest economy in the world”

Carl Worker, Ministry of Foreign Affairs and Trade

“To take it to the next level, we need to focus on smaller quantity but higher value products, to position New Zealand as a really top-notch source of goods. There is great potential to focus on higher margin and lower volume, so let’s make that our priority for trade.”

Whether it is dairy products, forestry, meat, holidays, or education, Worker says Kiwis shouldn’t shy away from confidently pushing ourselves into a higher quality bracket out of fear that people will turn away. The balance, he says, is in delivering exactly what you promise when people do say yes.

NEW AREAS OF VALUE AND MANAGEABLE GROWTH

China’s slowing economy is news to nobody. The GFC acted as a sharp wake-up call for the powers-that-be: relying on exports was simply not sustainable.

In China, Worker says that the GFC forced a change of outlook and approach. “The financial meltdown presented

significant challenges for all countries, many of which are still feeling the effects. No one had a crystal ball, but in the case of China the GFC had a paradoxical benefit. It compelled an overdue downward adjustment in growth expectations otherwise very politically hard to achieve. The GFC arrived from outside, clearly wasn’t the Chinese government’s fault, and like it or not, meant slower growth ahead. The Chinese government made a virtue out of necessity and seized the moment to adjust its growth strategy.”

Worker says that, post-GFC, China has gradually started to move to a different development model, with a focus on sustainable growth, higher quality and more innovative products.

“The emerging model is far less about the brute volume China has been famed for, and more about new areas of value and manageable growth.”



THE AMERICAN CHINESE DREAM

For all its clutter and complexity, there are underlying drivers that keep pushing things forward in China. Worker says that understanding these innate drivers is essential for Kiwis seeking to do business there.

“If you strip it back to basics, there is a very strong and widely held belief in China that if you work hard, save, invest sensibly and get a good education, that your life will tangibly improve and your kids’ lives will be much better than yours.

“All across China, there is a real sense of optimism about the future. Everyone’s lives are materially moving forward, even for the very poor. No one expects a free lunch and, in my experience, the Chinese truly believe they have to make sacrifices in order to achieve success.

“In many ways, the Chinese see the United States as representing the most successful society that has ever existed and they want to emulate that for themselves. China wants to be seen as a winner; not in an aggressive or pushy manner, but there is a sense that China has or is earning its rightful place amongst the best civilisations in the world.

“China fully acknowledges that it’s missed a few tricks along the way – in particular, the industrial revolution – but the view is now increasingly that if the Chinese people are earnest, humble, hard-working and engaged with the developed world, then they can get there too.”

And you know what? We don’t doubt it for a second.

“If you don’t get the deal across the line in China, know that it’s not because of any political leanings there.”

Carl Worker, Ministry of Foreign Affairs and Trade

TAKEAWAY: MOVING PAST ETIQUETTE AND PROTOCOL

Most people get a little bit nervous at the thought of protocol – or rather, at the thought of doing something ‘wrong’ or out of turn. Carl Worker, on the other hand, wholeheartedly embraces etiquette and protocol.

“Of course being exposed to new protocols when working overseas makes us nervous, because it can be far out of our comfort zone. However, I’d say that when you know the rules, they don’t change very much, and in fact, protocol can be a hugely useful tool.”

Worker says that in China in particular, living and working in such a densely crowded environment necessitates having coping mechanisms for dealing with an overwhelming multiplicity of people and situations – and that although Kiwi business people aren’t penalised for being unaware of protocol, the ones that do follow it are well received and gain more respect in their dealings and negotiations.

“I only wish that I had been as well organised and informed when I first started dealing with China! These days, there is a wealth of information and advice on proper etiquette and protocol, so there’s really no excuse to be uninformed.

“When you go to the other end of the spectrum, you soon realise that protocol means you don’t need to be nervous in a business situation, because you have in a way already been ‘telegraphed’ what’s expected of you.

“I have to say, I’ve seen some people who get home from doing business in China and start to relax back into the Kiwi way of life, but then they will often report missing the tools and operations that come with protocol to help you do business so efficiently and effectively over there.”

CARL’S KEY TIP: Don’t underestimate the ritual associated with business cards. Make sure you have well-made business cards printed before you go, and I would strongly recommend you get an accurate Mandarin translation of your own name included on your card.

Your Chinese business partners will make note of the effort you’ve made, and it demonstrates that you take their culture, and your discussion, seriously. 🌐