

## Connecting Growth with Trade Policy: A Small Country Approach

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New Zealand is highly dependent on trade for its economic wellbeing. If connecting growth to trade policy is a critical concern, the question is how a small country with little international economic power goes about an effective and efficient trade policy. This is in the context of a carefully constructed international rules-based system that is in disarray.

This presentation looks at what we know about New Zealand's trade policy past, illustrating what has worked. To maximise success and to be an agent of change, the following issues are of significance: the development of an internal consensus, a coherent economic trade agreement structure, understanding New Zealand is a policy taker, the importance of flexibility, and building a coalition of the willing. Surprisingly, we also find that this successful strategic and tactical approach varies slightly from case to case.

We then apply this entrepreneurial approach to how New Zealand might extend a successful trade policy venture, Closer Economic Relations (CER), into ASEAN and further afield, bringing in the United Kingdom, Chile and South Korea. We also speculate that digital (or paperless trade) could be the focus of such an agreement.