

SISTER CITIES AND ECONOMIC DEVELOPMENT: A NEW ZEALAND PERSPECTIVE

Brian CROSS

Abstract

Sister City relationships, originally built on cultural understanding and peace through citizen diplomacy, are evolving in today's society. Politicians increasingly demand real returns where local government is actively involved. Meaningful sister city links are an asset for any community and its nation. However full utilisation requires skills and commitment talked about but often lacking in delivery. Increased emphasis on economic development as primary motivator for having sister cities provides opportunities, but also presents risks as policy emphasis shifts from relationship-building to pragmatic, shorter term goals. New Zealand's portfolio of sister cities reflect its place on the Pacific Rim and its political/economic positioning as "part of Asia". An upsurge in interest from and in China as the place to do business has coincided with a levelling off of sister city activities when they should be increasing. The reasons are varied, but demonstrate the challenges New Zealand faces in continuing as a front-runner in the sister city movement. Sister city policies require honest assessment. Limited resources demand better investment where opportunities are identified or disassociation where they are not. Success requires robust policy development, professionalism and an effective public relations campaign informing communities concerned of the possibilities their international links can present.

Brian CROSS

Former Executive Officer, Sister Cities New Zealand Inc.,
Wellington, New Zealand

Tel: 0064-45863145

E-mail: brian.cross@hotmail.com

1. Introduction

Today's sister city movement dates to the active endorsement and support of United States President Dwight D. Eisenhower. At a White House conference on citizen diplomacy in September 1956, he told delegates that "two deeply held convictions unite us in common purpose. First is our belief in effective and responsive local government as a principal bulwark of freedom. Second is our faith in the great promise of people-to-people and sister city affiliations in helping build the solid structure of world peace". Twinning arrangements, as they are more generally known in Europe, certainly existed before then, and indeed Sister Cities International documents an informal relationship between New Bern, North Carolina and Bern, Switzerland dating to 1710. The concept took hold in the wake of World War I as a contribution to the process of reconciliation between the countries and communities of Europe. But it was in the 1950's that formal sister city relationships started to proliferate in both number and variety of purpose. The post-war influence of the USA on international affairs gave the movement a particularly American flavour, based solidly around grass-roots, community, people-to-people exchange and understanding, and the ideal of world peace.

In the USA, those home-grown features still largely determine the sister city movement's functionality and levels of public sector support. But six decades after the movement's fundamental purpose was set down, in this very different geo-political, economic and technological environment and with countless linkages of all types extending to all corners of the globe, sister cities have evolved and need to be viewed more broadly than before. This paper reflects briefly on recent trends in the intentions for sister cities and the effectiveness of their governance and operation in the face of increasingly greater demands for evidence of economic benefit. While touching on the global situation and the third-party sister city links of our four main partner nations (Japan, China, USA and Australia), the paper addresses the subject from the viewpoint of New Zealand's participation, performance and possibilities.

While a number of papers have been written about sister cities in the last decade, very few come with the perspective of public policy. The majority of documents addressing sister city participation are in-house reports regarding a particular council's policy or operations in reaction to a political directive. Often these are papers commissioned by local governments in an attempt to quantify the benefits of sister cities as part of a process of reviewing involvement, a task that challenges the most resources of agencies. While sister cities are important in terms of public policy, to attempt to judge their effectiveness in quantifiable terms in accordance with current local government economic development objectives without recognising their "softer" core functions is to miss the point of their true being.

As "sister cities" is the term generally used for the movement in New Zealand, along with North America, East Asia and Australia, it is applied throughout this paper, and encompasses arrangements of "twinning", "international partnerships",

“friendly cities”, etc. It is apparent though that the nomenclature itself underlines a diverse range of understandings of and intentions for relationships formed. This is an issue in itself, which the paper also touches on in reference to the different sister city ambitions of different cultures and societies.

2. Local government involvement – how much is too much?

As President Eisenhower’s quote above would foreshadow, from the beginnings of the sister city movement’s modern incarnation, local government has been the primary institutional factor in its existence. The very being of sister cities implies a civic connection and a level of council influence over policy and funding, with the delivery of sister city activities ranging from total control to a loose oversight, depending on national and local systems and procedures. In fact, the approaches of different authorities and their communities to the operation of their sister city activities are as many and diverse as the very backgrounds of the relationships themselves.

In New Zealand, limited research and a dearth of sister city policy documented in council community plans means it is not possible to accurately assess the key driving factors in or comparative performance of the numerous sister city programmes that exist. A survey conducted by Sister Cities New Zealand Inc. on activities in the 2007 calendar year found that council staff resources (as distinct from elected representative involvement) among those councils that have international relationships averaged 16 hours per week, up from 13 hours in the previous 2004 survey. An equivalent question on volunteer inputs was not asked, but they can reasonably be presumed as greater overall. Direct community activity remains a predominant part of the sister city fabric at the operational level.

Clearly, there will be great variation in the operational inputs of respective councils and communities according to their size and the stated objectives for their sister city links. But, it is in policy development and managerial oversight that local governments, naturally enough, primarily influence the direction that sister city programmes take. There is evidence that this centralised control is increasing over time, with the trend towards more emphasis on economic development as a key objective for sister city links, as local government’s active role in that function of society has increased. While volunteers still and ideally will continue to contribute significant time inputs, it is within local government that decisions of a strategic and policy nature are normally made. There is therefore justifiable debate over the optimum balance between council and community involvement, as well as the roles and inputs of different departments within the local authorities themselves.

The complexities of attempting to balance council and public participation effectively are further highlighted when the New Zealand experience is compared with those of our main sister city partner nations. While our experience of local government as predominantly but not exclusively the driving force is comparable with Australia’s (as are indeed the outcomes and challenges going forward), it contrasts significantly with that of the USA where grass-roots community groups still dominate programme

development and delivery. There (unless, as has been noted on occasions, local authorities are making a political point on international affairs to federal government), City Hall involvement tends towards a reactionary one – responding to local community initiatives and activism. Here, in New Zealand, the reverse generally applies, particularly with more recently formed links, where agreements are the result of internal council decisions in response to approaches from overseas, with minimal if any public consultation.

On the other hand, local government influence in New Zealand falls far short of levels seen in China, as would be expected, or even in Japan, where sister city links are overwhelmingly intended to deliver cultural and educational exchange policy, and are therefore part of an officially mandated internationalisation programme. With a basic tenet of the sister city movement being that relationships exist for mutual bilateral benefit, and with New Zealand's shift towards more emphasis on economic development, the potential for an imbalance in expectations and effective delivery are evident in these comparisons.

Literature dating to the 1990's and early 2000's considered an evolutionary structure for sister city partnerships. Cremer *et al.* (1996) and Ramasamy and Cremer (1998) introduced the "Integrated Approach" to the analysis of sister cities, whereby "cities rediscover one of their original roles as meeting places between different people and cultures, and thus create a (market) place for economic and business activities". O'Toole (2000) identified three stages in development – the associative, reciprocative and commercial approaches. *Associative* refers to "notions of international friendship, cultural exchange and a general international awareness", *reciprocative* to "the growth of an educational exchanges system", and *commercial* to "an attempt to take advantage of the (associative and reciprocative) process to further local economic aims" (O'Toole, 2001). Acknowledging the increased weight given over time to O'Toole's commercial stage, Cremer *et al.* (2001) expands the debate and suggests that "the nature of human nature" determines that "the successful operation of sister city programs will not occur when the individuals involved act with nothing more than self interest". Cremer also notes that to pay insufficient attention or not to take account of the economic dimension of sister city relationships and the contribution that commerce can make to the sustainability of relationships is "extreme romanticism".

The conclusion drawn from this research is that in order to survive and prosper, sister cities require a carefully balanced set of objectives and outcomes, and a wide community of interest. To achieve this requires the leadership and resources of a committed local government that has a clear focus on its role from inception. The very term "sister cities" implies a formal civic connection that is essential for reasons of protocol as well as practical support. But sister cities are first and foremost intended as a grass-roots people-to-people movement. Herein lies the dilemma for advocates and practitioners. Confusion over clarity of roles and purpose will inevitably hinder progress towards an acceptable return on the considerable public investment made.

The integrated approach to sister cities is described by Cremer as one which “strives for a balance of cultural, political, social and economic development for both cities, and insists on tangible results in all of those priority areas”. This statement encapsulates sister city ideals and also lays down a performance element. Cremer goes on to discuss sister cities in the context of “municipal entrepreneurship”, and postulates that while local government leadership is necessary for the formation and nurturing of a relationship, “the distinguishing feature for its viability and success is that it also requires community activism” – introducing what the authors term “municipal-community entrepreneurship”. In this area in particular, a review of sister city performance in New Zealand is likely to show considerable room for improved effectiveness.

3. Sister cities and economic development

Economic development is a widely stated objective of sister cities, incorporated into most if not all agreements to which New Zealand local authorities are party. While only one of several objectives enclose a fully rounded sister city relationship, its inclusion is unquestionably justified in the New Zealand context given the public investment required to achieve sister city success. As has been mentioned, the focus on economic development is steadily increasing. As stated by Smith and Ballingall (2003), “the change (to more emphasis on economic development) has occurred relatively recently in New Zealand, and thus the business links that have occurred as a result of sister city relationships remain relatively young. However the role (and subsequent economic pay-offs) of relationships acting as catalysts to developing business linkages is likely to increase over the next decade”. Political reality creates a tendency for society to elevate the economic development component of sister cities at the cost of other, “softer” objectives. This potentially damages prospects for the very sought-after return, due to expediency and poor appreciation of the mutual benefit philosophies of the movement.

Today’s increased emphasis on economic development in the missions of local government follows sector reform delivered to reflect the aspirations of an increasingly competitive society. It may be no coincidence that this upsurge in emphasis on hard financial return has come in tandem with the growth of our links with China. While the more historical sister city partnerships still encapsulate the original aims of peace, goodwill and understanding espoused by President Eisenhower and promoted through agencies such as Sister Cities International (which receives significant funding from the US State Department) and the Government of Japan, Chinese sister city policies do not eschew economic benefit as a primary objective. New Zealand’s across the board relationship with China, our dependence on trade and our political mindsets all play into the Chinese approach. The danger is that in building our links with China based exclusively on a vision of future wealth creation, we neglect all the other important and core aspects of sister cities, both with other partner countries and with the communities of China itself.

By imposing the economic development component of their missions on sister city activities, local governments face the danger of creating a disconnection with the intended beneficiaries of the movement – the general public. Notwithstanding the macroeconomic benefits for a well-legislated society overseen by “business friendly” authorities, in public perception economic development simply means success for the local business community. In the sister city context too much emphasis at this level on the part of local government has the danger of excluding a much wider section of society, ultimately narrowing the field for indirect economic benefits to be realised, and for new direct opportunities to be identified. Despite the move towards a more entrepreneurial approach by council staff in the discharge of their duties brought about by successive refinements in legislation and policy, it is still not the council’s job to “pick winners”. Rather it is to provide the platform for all sectors to gather a return on the investment it makes - then business can and will do business as it sees fit.

The tendency for economic development to become an underlying condition of support for sister city links around the council table is compounded by the evolving nature of elected councils themselves over time. Contemporary politicians will readily stand on a platform of promoting economic wellbeing, but are unlikely to ever advocate for sister cities when electioneering. If anything, there is excessive political sensitivity to a public view that sister cities are bywords for wastage of ratepayer funding.

While there are real costs in delivering sister city exchanges in terms of political relationship building and administration, the real economic benefits are also clear, and can be demonstrated in every exchange that occurs. Japanese education policy for instance, in giving students an overseas experience in a “safe”, English speaking nation, has been very good for the New Zealand economy. Robinson and Vuletich (2007) assessed the average annual economic benefit of Auckland’s international partnerships as \$54,000,000, all from education, tourism and council best practice exchanges. Despite that impressive figure, nationwide, and in the absence of accurate data-gathering and research in other regions, “soft” connections are no longer enough to justify ongoing development of sister city links. To have credibility and especially to gather support for further public investment, ideally a mature relationship will also bring out the willingness of private enterprise to seek new, viable and real business. While resulting commercial activity may not necessarily be a direct result of what are at times fortuitous sister city connections (it may have happened anyway), such commercial enterprise participation can nevertheless be facilitated by and then actively build on the goodwill of locally driven international connections.

Given the sizeable indirect benefit to the community derived from local government leadership of sister city activities, such as in the gateways that connections can provide into potential new markets, and the reputation of New Zealand as a good place to do business with, the next step should not be a difficult one to take. But it is problematic nevertheless. The fast developing maturity of our sister city portfolio suggests that it is time to act at Smith and Ballingall’s firm (microeconomic) level – leveraging and

utilising the links so far established for direct, private enterprise purposes. Such a push requires direct firm-level action. Local government's place remains critical in a support role, but with a shift in emphasis – away from the ceremonial and towards the practical. Local governments have made the connections. What appears lacking is their willingness to market the opportunities they have helped to create, by getting alongside the local community, sharing knowledge of their sister cities and other international connections, and proactively working to facilitate business and other links.

The ideal model is little different in form from what has been achieved in the past and continues within successful partnerships at the educational and cultural level. However, in the case of business, and by extension real economic development as most would understand the term, firms need to be convinced first and foremost of the financial benefits of buying in. Boundaries need to be dismantled in many cases, and regional/national networks expanded effectively.

There is no question that wherever mayors and councillors may venture in an official capacity, the status afforded to their offices can provide real opportunities. However, the key to the realisation of those opportunities lies with much more than the official trips themselves. Progress and ultimate business success requires a comprehensive reporting back process and a willingness to provide ongoing support. Historically has often been evident, once the official visits are concluded, normal life resumes.

If council members are not proud of their overseas ventures and willing to promote their benefits widely, they should simply not be engaging in them. It is beholden on those who take office in civic leadership roles to include in their portfolios a willingness and ability to motivate and encourage their constituents at a collective level to grow and develop their interests. To secure the private enterprise commitment to a sister city relationship that is essential to doing business, and so demonstrate to all in the community some tangible benefits that can only further encourage others from all sectors and walks of life, local governments could better share intelligence and provide professional guidance on the benefits of their international connections. Well coordinated and effective official support for commercial interest in leveraging sister city links, assisting individual businesses where needed (but short of actively taking a selective approach to their involvement), would not only demonstrate examples of local government's true place as a stimulator and facilitator of economic development, but also provide in many cases an important secondary purpose – keeping relationships vibrant where they might otherwise languish.

The measurable financial benefits originally envisaged in and used as justification for so many of our international sister city partnerships are clearly slow in coming. This observation may partly be the result of limited research in a function in which it is extremely difficult to quantify results. The public record is restrained by factors of commercial sensitivity and privacy that understandably inhibit full disclosure of what can be termed “success stories”. In general terms, tourism and education business have been the “low hanging fruit” of sister city firm-level targeting, and these sectors

remain at the forefront of activity, although it is always important not to overlook other industry types that can become viable sister city participants. Smith and Ballingall (2003) suggest that economic benefits could plausibly come from increased tourism, increased trade, increased foreign direct investment and collaborative research – in short, all manner of commercial, crown and local authority enterprise.

As part of a robust sister city strategy, councils either directly or through their local business support organizations will engage in research on matches for their business communities. However, it is important to appreciate that the issue and thus the task is much more than a mere bi-lateral exercise. With some 150 formal civic relationships around the world, effectively two for every local authority in New Zealand, the opportunities for information sharing, networking and researching cluster involvement are significant and largely untapped. An important obstacle to ongoing progress in all aspects of sister city engagement is the very local structure under which the relationships operate. While soft exchanges are primarily intended as local ones (although even here scope exists for a wider geographical involvement), economic development is essentially a national concern to our small nation, and local government boundaries should not get in the way of that. With some insight and effective coordination, those 150 relationships can provide an opportunity for all of New Zealand's local business communities to consider opportunities and assess benefits. At that point, an appropriate level of central government guidance and participation also enters the mix.

4. The need for a professional approach

When analysing the aims and objectives of New Zealand's real and potential participation in the sister city movement, we are mindful of the diversity of cultures with which we interact. We are also aware that the various societies we engage have different perceptions of the purpose of sister cities, and at times quite disparate ambitions for them. These differences need to be understood in order to effectively build our relationships and hence maximise our opportunities.

The local government that is serious about its internationalisation strategy will engage and appoint people to represent it and its community – staff, elected representatives, community leaders and volunteers – who have an appreciation of the task at hand as well as a passion for success. Sister city activities need to be kept in the context of a council's extensive portfolio of activities and responsibilities, but if they are worth engaging in, they are worth engaging in properly. While a small number of our larger metropolitan councils have professional sister city practitioners, some with real international relations training and expertise, it is a fact that most rely on willing but generalist staff to deliver what is at times vague policy developed in a reactionary way, as and when other duties permit. While in many cases that will work where a strong community group of activists exists to drive exchange activities, without internal leadership and focus there is an inherent weakness where councils have control over delivery as well as policy. The greater the internal council involvement,

the greater the public financial investment, and therefore the more robust the policy objectives and performance measures need to be. In determining their participation in the sister city movement, councils need to address this point.

The overwhelming majority of New Zealand's sister city connections lie with the communities of four countries – Japan, USA, China and Australia. Policy needs to recognise the variety of aims that participants in each of those countries have for their sister city links, and mould relationships and activities accordingly. Where economic development is a primary motivation for maintaining links, opportunities and access to markets will vary according to the country with which a relationship exists. In that context, a short and intentionally general synopsis of each of New Zealand's major partner countries follows.

Japan

Japan's sister city involvement began when Nagasaki linked with St Paul, Minnesota on December 7, 1955, the anniversary of the attack on Pearl Harbour. For the next thirty years, the number of links grew steadily until globally Japan had some 600 sister cities by 1986. Around that time, Japanese local government became proactive in seeking new sister cities on the back of central government policy, such that over the next 10 years, relationships doubled to more than 1200. Japan's Council of Local Authorities for International Relations (CLAIR) attributes the catalyst for this activity to the appreciation of the yen at a time of economic boom – the loss of competitiveness of Japan-based industry and the move offshore of much of Japan's production, increased community contact with the outside world through the explosion in outbound tourism and inbound visitors obtaining employment in a tight labour market, followed by government initiatives in response to the economic and social effects of these phenomena. "In the late 1980's, the national government introduced a number of programmes to stimulate local government interest in developing international relations programmes" (CLAIR, Sydney, 2000). A new word entered the Japanese lexicon – *Kokusaika*, broadly meaning "the internationalisation of Japan".

Economic development is part of the mix for Japanese sister city objectives, but very much in a macroeconomic sense. Japan focuses on people-to-people exchange, including technical cooperation at local government level, as a way of introducing its citizens to the ways of the wider world and so support their endeavours in communication, education and understanding. There is a definite contrast between that and contemporary New Zealand's more direct approach to economic development as a primary purpose of sister cities – a disparity that needs a full appreciation and some large degree of cultural sensitivity in order for progress to be made. Aside from the respective perceptions of the purpose of sister cities, business matching is a challenge. CLAIR's 2004 publication "Local Government in Japan" makes clear that "Japan's commercial and industrial structure is characterised by its duality – capital-intensive big business with high productivity and labour-intensive smaller

companies with low productivity”. Firm-level engagement with Japan through sister city links will rarely target either of these areas. The more usual line is to focus at the consumer level on education and tourism, with some efforts in niche export sectors such as food and beverage.

The total number of Japanese sister city relations has now reached 1577 (CLAIR, www.clair.or.jp). Some of these are domestic links – a feature of Japanese sister city policy. While numbers continue to grow, the rate of increase has slowed considerably since the late 1980’s/early 1990’s. Virtually all of New Zealand’s links with Japan can now be considered mature and some effort is required to maintain their vibrancy and effectiveness in the face of disparate objectives.

USA

The USA’s historical rationale for sister cities –international peace and understanding through citizen diplomacy – still dominates that nation’s participation in the movement. For that reason, links with past and present allies that are members of the OECD and have similar cultures are generally subordinated to relationships with truly foreign cultures, developing nations, and regions where USA has engaged in past and present conflict. It follows that economic development plays a proportionately minor role in USA sister city ambitions. Actively led by national organization Sister Cities International, which receives significant State Department, corporate and philanthropic support, the movement in USA has engaged heavily in assistance for developing nation communities in areas of healthcare, urban management, agricultural development, school affiliation programmes that help bring students from around the globe together and sustainable development to name a few of its initiatives. Two current high-profile programmes are HIV/AIDS prevention in Africa and the Muslim World Partnership Initiative, an evocation of the original grassroots “citizen diplomacy” theme of understanding and peaceful co-existence.

While economic development has not been a primary USA focus, it features occasionally in more recent reports on sister city activity. In Sister City International’s 240 page volume “Peace Through People – 50 Years of Global Citizenship” (1956-2006), a record of enterprising economic promotional activities begin to appear in 2004, including a cooperative venture between Louisville, Indianapolis and Cincinnati to focus collectively on the nation of Germany, where they all have sister cities. One firm-level initiative is recorded – Toyota’s investment in a plant in San Antonio, attributed to a long-standing sister city link.

New Zealand’s links with USA vary from the very active to the effectively dormant. At the macroeconomic level they do not have the impact of our links with Japan mentioned above, but they do provide opportunities for significantly more research and introductions at the firm level. Auckland’s strong civic links with Los Angeles for example, along with New Zealand government representation there, can be an effective gateway to that metropolis and its region.

China

China approaches sister city links differently to both Japan and USA. Economic development is an overt aim, and this may well explain, given China's record of growth and emergence as a nation of global significance, why the rest of the world has over recent years engaged so deeply at sister city level. For New Zealand – China links, the predominant aim on both sides is to accelerate progress towards financial return without lingering long at O'Toole's associative and reciprocative stages. Having said that, and given that Chinese local governments engage with a wide variety of societies, not just those of the developed world; according to Carruthers (2006) there were 1177 sister cities in 110 countries in 2006. Chinese sister cities are generally willing to work with their partners on a wide range of non-economic exchanges, recognising the benefits to be gained over time from closer understanding between peoples. A prime example of the way in which cultural ties have enhanced this understanding is our oldest sister city relationship – that of Guilin and Hastings signed in 1981. While direct firm-level benefits may not be apparent from this relationship, its value as a vehicle for wide community understanding and appreciation of China is very evident within Hastings. The asset is there for the business community to leverage as it looks to China for trade, should it so choose.

A feature of exchanges from China is the tendency for them to be dominated by official delegation visits that on the face of it appear to be “junkets” as reward for high-ranking officials. The evidence usually manifests itself in the itinerary – time spent in the inviting sister city itself is secondary to other destinations that have particular destination appeal. It is very easy for this to be seen in the New Zealand sister city as a negative result of the investment in the relationship, and possibly even as an affront. However in issuing an invitation the host city has an obligation to assert its wishes for the visit, and to ensure an effective strategy that may have to be cast outside its immediate boundaries. In the New Zealand context, China sees its sister city links as a gateway to the whole country, a feature we could learn from and practice in return. These “junkets” should not be lightly dismissed or argued as evidence of a lack of commitment to the relationship. They are an investment for the future. China takes a long-term view of its relationships, an approach Western societies often need adjusting to given different political and economic imperatives.

There is little research on the Chinese approach to sister cities. Carruthers' 2006 Masters thesis “New Zealand and Chinese sister cities and their implications for tourism” provides insights into Chinese motivations and the evolution of sister cities in general.

Australia

Not surprisingly given our kinship, Australia and New Zealand have similar aspirations for and attitudes towards sister cities. Historical trends in the accumulation of our links elsewhere are similar, as are the backgrounds to their establishment,

governance and operations. The geographical spread of our respective sister cities around the world is also similar, although Australia does have a number of links with developing countries, something conspicuously absent from New Zealand. O'Toole reflects in the Australian context on the debate over "whether sister city-type relationships can be adapted to meet the demands of local economic development", and rightly states that "the idea of introducing commercial activities into sister city relationships in Australia is not shared by all sister city partners". The lack of an overarching public policy directed at sister city relationships is also noted by O'Toole. Subsequent findings would suggest that while the push for economic development to be an integral part of sister city links has accelerated for the same reasons it has in New Zealand (for instance in all the years to 1997, Australia established 26 sister cities with China, while in the subsequent seven year period a further 25 were added (Mouer and Tsutsumi, 2009), there is still little direct evidence in the public domain of firm-level success.

The issue of Australia's sister city links with New Zealand is interesting in the context of "why?". Public and private trans-Tasman connections abound without the need for formal civic links, and this may account for the reason so many relationship formed with good intentions have simply not stood the test of time. Those that have done so rely generally on "mateship" and ongoing personal and community organization relationships. In today's world, New Zealand and Australia may be better served by their respective local governments focussing sister city attention on where they can support each other in the global context, rather than engaging bi-laterally and so diverting resources away from those places where cultural differences and distances make the demands greater. For their communities however, bi-lateral sister city links provide a logical cost-effective overseas experience at the recreational and cultural level. It is puzzling that more is not occurring in this area, with or without active council support.

5. Conclusion

While acknowledging the imperatives of economic benefit as a component of modern international partnerships and the valid reasons for increased emphasis on economic development as an outcome of sister city relations, this paper seeks to highlight an unintended consequence of that emphasis. Without a strategy that encompasses all aspects of a fully-rounded sister city exchange portfolio, opportunities for realising the very sought-after returns are being restricted. Whereas in the New Zealand experience the ideals of world peace and assistance for the communities of developing countries have never had the status afforded them in USA and Europe, particularly as we increasingly look to Asia for both trade and cultural connectivity, the core sister city tenet of facilitating international understanding still holds true – as a basis for economic health as well as for the realisation of those more lofty ideals.

Sister city links do provide significant macroeconomic benefits, which are ultimately the result of grass-roots and firm-level transactions. To maximise those benefits

while protecting the softer but equally critical components of any strong sister city relationship, local governments could look to more clarity and purpose of sister city policy, and more positive publicity and promotion of their various links in a manner appropriate to the cultural issues that prevail, particularly on the back of official exchanges engaged at public expense. They could be more proactive in effectively researching and introducing the wider opportunities, thus enabling both non-commercial and commercial organizations to assess their involvement using better quality information. As they do so, they could be more broad-minded in outlook and develop networks accessible to entities domiciled within a wider geographical catchment.

Overall, New Zealand local governments, backed by their communities, have embraced the sister city concept to an extent that stands up well alongside the efforts of other, larger nations. Recent trends suggest that a plateau has been reached in the movement's level of activity and effectiveness, coinciding with more emphasis on economic development as a key driver. The commitment has been made, and a timely assessment of how to more affectively reap a greater return on the resulting public investment can only add real local-level, national and international value to the extensive goodwill, friendships and connections established.

References:

1. Carruthers, D., 'New Zealand and Chinese Sister Cities and Their Implications for Tourism', Masters Thesis, Dunedin, New Zealand: University of Otago, 2006.
2. CLAIR, 'Japan 2005', Council for Local Authorities for International Relations, Tokyo, 2005.
3. CLAIR, 'Local Government in Japan', Council for Local Authorities for International Relations, Tokyo, 2004.
4. CLAIR, 'Local Government's Role in the Globalisation of Japan – Emerging Trends and Strategies', Council for Local Authorities for International Relations, Sydney, 2000.
5. Cremer, R., de Bruin, A. and Dupois, A., 'International Sister Cities – Bridging the Global – Local Divide', 2001, *American Journal of Economics and Sociology*, vol. 60, no. 1, pp. 307-401.
6. Currie, G., Humphreys, M., Ucbasaran, D. and McManus, S., 'Entrepreneurial Leadership in the English Public Sector: Paradox or Possibility?', 2008, *Public Administration*, vol. 86, no. 4, pp. 987-1008.
7. Handley, S., 'Take Your Partners – The Local Authority Handbook on International Partnerships', Local Government International Bureau, London, 2006.
8. Mouer, R. and Tsutsumi, J., 'Australia's Sister City Relations with Japan', Paper for the Victoria Sister Cities Workshop, August 21, 2009.
9. O'Toole, K., 'Kokusaika and Internationalisation: Australian and Japanese Sister City Type Relationships', 2001, *Australian Journal of International Affairs*, vol. 55, no. 3, pp. 403-419.

10. Robinson, M. and Vuletich, S., *Assessing the Benefits of Auckland City Council's International Partnerships*, Auckland: Covec, 2007.
11. Sister Cities International, *Peace through People, 50 years of Global Citizenship*, Louisville: Butler Books, 2006.
12. Sister Cities New Zealand Inc., 'Grassroots Survey 2007'.
13. Smith, J. and Ballingall, J., *The Economic Benefits of Sister City Relationships*, Wellington: NZIER, 2003.
14. Yetano, A., 'Managing Performance at Local Government Level: The Cases of the City of Brisbane and the City of Melbourne', 2009, *The Australian Journal of Public Administration*, vol. 68, no. 2, pp. 167-181.
15. Yoneoka, J., 'What is Kokusaika?: A 10-Year Study', Kumamoko Gakuen University.
16. <http://clair.or.jp>, Council for Local Authorities for International Relations.
17. <http://sistercitiesaustralia.com>, Sister Cities Australia.
18. <http://sister-cities.org>, Sister Cities International.
19. <http://sistercities.org.nz>, Sister Cities New Zealand.