

India – New Zealand Conference

The Observer Research Foundation in association with the New Zealand India Research Institute (NZIRI) held a two day conference on November 5 and 6, 2015 at the Observer Research Foundation, New Delhi. The Conference titled ‘Towards an Indo-Pacific Partnership: Reconnecting India and New Zealand’, was a track two initiative which aimed to build stronger ties between the nations by enhancing dialogue. It was attended by a number of experts from academia, diplomatic community and civil society of India and New Zealand.



This bilateral conference covered a wide range of issues. There were six sessions in total namely –

- Security Architecture in the Indo – Pacific
- Maritime Security and Cooperation
- Pacific Islands
- India – New Zealand Economic Cooperation
- Diaspora
- India – New Zealand Bilateral Cooperation

The welcome remarks were given by C Raja Mohan, Head, Strategic Studies, ORF. He emphasized the fact that in the last decade the international order has changed significantly. In light of these changes, it is also important to reconnect, and this track 2.0 Indo-New Zealand conference is a good starting point. For India, there is much that needs to be done. It is a good time to reach out to many nations, and participate in regional meetings.

The opening remarks were delivered by Ambassador Alok Prasad, former Deputy National Security Adviser, India. Ambassador Prasad highlighted the two distinct orders coming up in the Indo-Pacific region. First, being the continental order – which shows greater consolidation of the Eurasian landmass, basically more China centric. The other is the maritime order, which is still more multipolar, and has a greater number of players.

The rise of China in this region is perhaps the single most important factor, and it is the biggest geopolitical change in the last 25 years. In this context, Ambassador Prasad discussed the evolution of India's position in the Indian Ocean. India under Prime Minister Modi is now willing to play its role as the region's "net security provider". Huge efforts are being made, especially with the smaller nations to economically and politically integrate them into the region. India is also showing its willingness to work with other navies, such as the US, Vietnam, Japan and Australian navies.

New Zealand like India is a country that faces a host of maritime challenges, and the maritime security concerns between them are quite similar. While discussing the Security Architecture in the Indo-Pacific, Rajesh Rajagopalan, Professor, Jawaharlal Nehru University, highlighted that it was important for India to assess what kind of security architecture they could expect. He stated that the current regional security architecture is partial, and does not include every state in the region, as much of it was created to tie the region together against the rise of the USSR.

He highlighted that the emerging architecture in the Indo-Pacific is dependent on three issues:

1. Capabilities of China and US
2. Choice of weaker states in the system, and,
3. The possibility of balanced cooperative architecture that includes all but specifically China and Russia



David Capie, Associate Professor in International Relations, Victoria University of Wellington, stated that like India, New Zealand sees value in developing its bilateral security connections. New Zealand wants to avoid the notion that it has to make a choice between China and the US. While, New Zealand's relations with the US have grown stronger with the signing of the Wellington and Washington declarations, and the organization of joint military exercises, New Zealand has also called China a "true strategic partner."

He highlighted that two institutional architectures could be identified - the Reformists and the Plurilateralists. The Reformists are keen on searching for a right framework that can address the most serious security issues confronting a regional order. Some reformists like Hugh White also believe that small is better. On the other hand Plurilateralists recognize the weaknesses of the existing architecture, and emphasize bilateral, trilateral, and ad-hoc cooperation in security architecture.

With regard to issues concerning maritime security, Manjeet Pardesi, Lecturer in International Relations, Victoria University of Wellington, highlighted that though New Zealand does have traditional maritime security issues, trade dominates the discourse on issues of maritime security in Wellington. With 98% of New Zealand's trade passing through the high waters, New Zealand places a very high emphasis on the security of its trade routes. Additionally, other maritime issues which are of grave concern to New Zealand are environmental pollution, human trafficking and transnational crime. Since New Zealand has a very small navy and a very large area to cover in its surrounding waters, the Indian navy can work to assist them in keeping the Indian ocean safe from the above.



Abhijit Singh Stated, Fellow, Institute for Defence Studies and Analyses, that China is keen to expand its economic well being and influence in the Indian Ocean. This has also led India to undertake a large role in maritime security. Indian analysts view China's initiatives as a reaction to the US rebalance in the region.

He also highlighted the many hybrid maritime security challenges that India faces, such as the possibility that warships and navy vessels be taken by radical militant groups patrolling the high seas. Such a situation is challenging because such groups are non state actors and therefore the possibilities of punishing the country are less.

Jon Fraenkel, Professor in International Relations, Victoria University of Wellington focused his talk on the Pacific Islands. What characterizes the region is the scattered nature of the Pacific Islands. The outer islands are far apart, and there is also considerable internal dispersion amongst the Pacific Islands. Further, these islands do not trade much with each other, but do so with others interested in the region. Most of the Islands are also running trade deficits. Jon Fraenkel assessed how there has been more stress on internal rather than external security issues. Taking used the examples of the coups in Fiji and Solomon Islands to explain the major challenge for the region in terms of state rebuilding, policing and financial crisis.



With regard to India's relations with the Pacific Islands, Darshana Baruah, ORF, New Delhi spoke about how India has only recently started to look at the region through a new lens, keeping its ties with the Fiji Islands the strongest. She spoke about how there is room for greater collaboration now, which is forcing an increase in competition among regional powers. For instance, China in 2010 sent ships, as a token of their goodwill while India has largely been absent. In order to keep its relations moving forward, she suggested that India should utilise its relations with Australia and New Zealand in order to expand its presence in the Pacific, and not restrict itself to the South China Sea.

Discussing India – New Zealand economic ties, Frank Scrimgeour, Professor and Director, Institute of Business Research, Waikato University, highlighted how for both India and New Zealand, imports, exports and GDP have grown significantly with the turn of the century. Although the two countries are relatively different in terms of size and clout, the relative degree of intersection is similar – India in recent years has ranked 9th on New Zealand's list of exports in services and 14th for exports in goods; it has ranked 18th for imports in goods and 16th for imports in services. In light of this growing relationship in 2011, the government of New Zealand established a NZ Inc. India strategy with 6 goals that focused on –

1. growth in merchandise exports
2. growth in services trade
3. improving bilateral investment framework
4. attracting and retaining skilled migrants
5. engaging more deeply with India on regional and global issues
6. and raising the profile of the NZ value proposition

Nilanjan Ghosh of ORF, Kolkata discussed the progress of India – New Zealand FTAs. Discussions on the India-New Zealand FTA started during the tenure of the UPA government in 2005-06. In 2007, both countries agreed to discuss an opportunity of economic collaboration for an FTA, and India set up a joint study group that submitted its recommendations, and gave a positive push forward. However, there are concerns regarding the India-New Zealand FTA, and one of them is India's widening negative balance of trade. —The negative BoT for India has increased in the new millennium, more so after signing FTAs with the south-east and East Asian nations. As such, the trade deficit between India and New Zealand is also increasing.



With globalization, the Indian diaspora has become an important question for India and its governments. Both the Indian and New Zealand government recognize the how this diaspora is a strategic asset in terms of advancing Indo – New Zealand relations and how they can foster people to people exchanges. The current strength of the Indian diaspora in New Zealand is 143,520 and they comprise of 3.9% of the total population. The 'Kiwi – Indian,' it's important to note is a small fragment of the global Indian diaspora (21,909,875 as of May 2012).

Sekhar Bandyopadhyay, Director, NZIRI, discussed the history of the Indian diaspora in New Zealand tracing it from the first arrival of an Indian in 1779. The change in immigrations laws in New Zealand in 1987, also ensured a growth in numbers. He stated that three important points need to be recognized about the Indian diaspora in New

Zealand. Firstly, they are a more successful community as to earlier when they were a depressed minority. Secondly, today, they are a more diverse community and come from every part of India. The addition of Indo-Fijians has added to this diversity. Thirdly, they are a more visible community. They hold high profile public appointments and are prominent in the public space.



Anasua Basu Ray Chaudhury of ORF, Kolkata discussed how there is no uniform diaspora policy and India needs to play a more proactive role through the Indian missions abroad in dealing with the diaspora where the more affluent sections in the Western world have to contend with a different set of problems as compared to those settled in the Gulf. India's active engagement started under Rajiv Gandhi in the 1990's and the paradigm shift occurring in subsequent governments, the NDA government (1998-2004) in particular. A major policy shift was the establishment of the Ministry of Overseas Indian Affairs (MOIA) which provides four major services; Diaspora services, Financial Services, Emigration Services and Management Services. The latest kick-start has been Prime Minister Modi's campaign to woo the Indian diaspora with the engagement with the Indian diaspora in the US and Australia being the high points.

The last session focused on India- New Zealand bilateral cooperation. Mark Rolls stated that the bilateral relationship among the two countries has not realized its potential. In order for relations to move forward, he said the importance of the FTA's must be reduced and a new focus should be directed towards tourism, student exchanges and sport, with the so called cricket-diplomacy. In context to this, Partha Ghosh, ICSSR National Fellow, Institute for Defence Studies and Analyses, argued that New Zealand has to take India into consideration in the light of the latter role of growing power, on

the other hand, India, in its effort to carve itself a place in the community of nations, can ill afford to ignore any nation, however distant from its short term perspective it might be.



The High Commissioner of New Zealand to India, Grahame Morton gave the valedictory address. His Excellency spoke about how India's 'Look East' policy was not markedly different from its current 'Act East' with regard to New Zealand. Further, he talked about the importance of community links in foreign policy, and the increasing number of Indians in New Zealand largely as a result of being seen as a destination for higher studies.



Grahame spoke about New Zealand's strategic engagement with India, and how New Zealand welcomes the Indian Navy in the Pacific. The presence of the Indian Air Force in the region, like in Australia, is significant. The hosting of Army officers in New Zealand and vice versa has helped in building personal ties between the strategic communities of the two countries. New Zealand expects to have more contact through peacekeeping.

His Excellency concluded with saying that India has unfathomable potential. However, India's challenge remains in its ability to cope with its own problems, as this will impact the projection of its abilities in the international arena. He also added how he would like to see India add more to its strategic location in the world with new confidence.

(This report was prepared by Ms. Vindu Mai Chotani, Research Assistant, Observer Research Foundation.)