

NZIRI India Symposium

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In recent years, India has emerged as the [fastest-growing major economy](#) in the world, and is expected to grow faster than China over the next decade. In 2017, India was the [sixth-largest global economy](#), and is expected to be the third-largest by 2030 behind China and the United States. Simultaneously, India's presence in New Zealand has been growing through people-to-people links. India is now [the largest source of skilled migrants](#) for New Zealand, and Hindi is the [fourth-most widely spoken language](#) in the country. India's growing strategic relationship with the United States, Japan, and Australia, and ongoing tensions with China are making India salient to the emerging security architecture in Asia. Not surprisingly, India is now a [priority](#) relationship for New Zealand.

The New Zealand India Research Institute (NZIRI), a consortium of scholars actively engaged in research on India and India-New Zealand relations in seven New Zealand universities (with the main administrative center at Victoria University of Wellington), aims to promote an awareness of India and the opportunities that it presents to New Zealand. With this goal, the NZIRI organized a one-day international symposium on "Looking at India from the South Pacific" on 27 August 2018 at Victoria University of Wellington. The symposium – which was open to the public – was in the format of a dialogue with experts in the fields of economics, trade, diplomacy, security, governance, and social development. The experts included leading academics and policy analysts from India, Singapore, and Australia in addition to discussants from NZIRI.

The overall prognosis for the Indian economy was cautiously optimistic as India's macroeconomic fundamentals remain strong. India is in the process of trying to expand its manufacturing base and to integrate with the global supply chains. However, the growing trade barriers such as the ongoing US-China spat are a major challenge because India needs an open global economy for its development. "Premature de-industrialization" also remains a significant concern for New Delhi. Given India's stage of development, it is unusual for services to contribute more to the gross national product than industry.

In terms of foreign policy and diplomacy, the symposium highlighted India's concerns about China. The two sides have significant differences related to their unresolved border dispute, Tibet (and the Dalai Lama), and the China-Pakistan nexus. However, given that the material power differential between them is in China's favor, India has begun to deepen its strategic links with the United States and Japan. However, India's overall approach remains cautious as New Delhi wants to avoid an overtly confrontational relationship with Beijing. At the same time, in consonance with its growing material power, India has emerged as a foreign aid donor ("development assistance partner") in recent years. While the bulk of India's small but growing foreign aid goes to its immediate neighbors in southern Asia and the Indian Ocean, India's aid diplomacy is also being extended to the small states of South Pacific, especially Fiji.

On democratic governance, the symposium noted the healthy electoral competition in India, the world's largest democracy. While India's electoral system remains robust,

India's other democratic institutions have come under strain in recent years due to a number of factors, including corruption, sectarianism, and neglect. Nevertheless, the Indian civil society and media remain vigorous.

There were two big takeaways for India-New Zealand relations. First, India remains skeptical of Free Trade Agreements (despite wanting an open global economy and export markets). Consequently, one of the ways forward for New Zealand include approaching specific state governments in India (as opposed to the central government in New Delhi). In lieu of trade in goods, New Zealand should explore the potential for a commercial relationship built on investment, joint partnerships with Indian companies, and helping India build its services sector (from education to tourism).

Second, the symposium also noted that there were some differences between India and New Zealand's approach to the wider Asian region. While India increasingly looks at the region through an Indo-Pacific lens (that combines the Indian and Pacific Oceans), New Zealand takes the Asia-Pacific approach (as New Zealand is not an Indian Ocean nation). Nevertheless, New Zealand understands India's approach as New Zealand's traditional partners, Australia and the United States, are also thinking in Indo-Pacific terms.

The symposium was supported by the New Zealand Ministry of Foreign Affairs and Trade, the Asia New Zealand Foundation, and the India-New Zealand Business Council (in addition to Victoria University of Wellington). NZIRI aims to build on this and related scholarly activities to make New Zealand more "India-capable".

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