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# Looking Further East: India's Engagement with the Pacific Island States

Asha Sundaramurthy\*

## Abstract

*The Pacific Island states have traditionally been an area of thin engagement for India. However the Act East policy launched in 2014 seeks to address this shortcoming by extending India's engagement further east into the Pacific region. Although India's presence in the Pacific Island States is relatively small, the substantial diaspora in Fiji has provided a gateway for enhanced interactions with the region. This has been buttressed by closer ties with Japan, Australia, and the USA . While India's engagements with the Pacific Island states revolve around climate change issues, sustainable development, and financial aid and project assistance, in view of China's rising presence in the region, there is also a strategic angle to the engagement..*

A vital aspect of India's Act East Policy introduced in 2014 has been the building of stronger relations with the Pacific Island states (PIS). These range from trade, securing the interests of its diaspora abroad, evolving converging views on regional stability, enhanced cooperation on environmental issues, and reforms in multilateral organisations, such as the United Nations. India's strategic engagement with the PIS converge with the regional expectations of India's role, which includes its potential in the longer term as a counterbalance to China.

India's growing engagement corresponds with its aspirations of becoming a more prominent Indo-Pacific power, providing key resource assistance in maritime security and enhancing the capabilities of smaller states for addressing their non-traditional security concerns such as sustaina-

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ble development and environment. Its profile as a responsible maritime power has corresponded with the island geography of the PIS, thereby enhancing the synergies for cooperation in the region. The Pacific region also constitutes a significant bloc in the United Nations, and India's interactions are tempered by considerations of securing support for future reforms that better reflect the contemporary geopolitical realities and concerns of the international order.

### The Pacific Island States

The Pacific Island states (PIS) comprise of 14 independent countries: Cook Islands; Fiji; Kiribati; Marshall Islands; Federated States of Micronesia; Nauru; Niue; Samoa; Solomon Islands; Palau; Papua New Guinea (PNG); Tonga; Tuvalu; and Vanuatu. The Pacific Island countries do not have a homogenous identity and are subdivided into three ethnic sub-regions in Melanesia, Micronesia, and Polynesia, as shown in Fig. 1.

Figure 1: Classifying Pacific Island States into subregions Micronesia, Polynesia and Melanesia.

<b>Micronesia:</b>	<b>Polynesia</b>	<b>Melanesia</b>
Nauru	Cook Islands	Papua New Guinea
Palau	Niue	Vanuatu
The Marshall Islands	Tuvalu	Solomon Islands
Federated States of Micronesia (FSM)	Tonga	Fiji
Kiribati	Samoa	

In Micronesia, the Marshall Islands and FSM were initially the associated territories of the USA post World War II and continue to exhibit US influences despite attaining independence. Polynesia similarly consists of the Cook Islands and Niue, which are associated with New Zealand. Due to Polynesia's proximity to Wellington and its history as its colony, the sub-region is closely linked with the market of New Zealand. Melanesia is perhaps the most cogent sub-region of the groupings, comprising a separate regional consortium known as the Melanesian Spearhead Group (Zhang & Shivakumar, 2017).

The South Pacific Commission established in 1947 was the first regional grouping for cooperation administered by USA, New Zealand, UK, France, Australia and the Netherlands with little actual control given to the PIS for self-governance. The geo-strategic value of retaining administrative control over the PIS was liberally used by the Western powers as grounds for unrestricted nuclear-testing due to its remote geography (Wesley-Smith, 2013). After strong protests against environmental damage and the consequent conclusion of the Rarotonga treaty in 1986, some Western powers ceased their nuclear testing, although issues remained with France's continued testing (Hayward-Jones, 2015). The Western powers have generally considered the Pacific region as their 'backyard,' and an extension of their strategic influence that continues to hold true even in present times. Consequently, the increasing engagements of Asian powers, such as Japan and now China, have been viewed with suspicion and caution (Wesley-Smith, 2013). While the influence of the other Western powers has decreased, Australia and New Zealand have retained their relevance as regional players that also provide aid, markets for exports, security forces, as well as order and stability in the region (Prasad, 2012). Despite being independent, the 14 states are heavily dependent on foreign aid, technology, and support for governance that Australia and New Zealand were chiefly providing, till recently. This has somewhat changed with the entry of extra-regional players such as Japan, Singapore, South Korea and China (Zhang, 2015).

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The South Pacific Forum was established in 1971 and renamed the Pacific Island Forum (PIF) in 1999. The PIF comprises of 18 members, including Australia and New Zealand, with full membership being allotted to French Polynesia and New Caledonia in September 2016. India was made a dialogue partner of the PIF in 2002. While Australia and New Zealand have exercised the greatest influence in the region, the temporary suspension of Fiji in 2009

because of its 2006 military coup, has created fissures in regional cooperation. The frustrations of the PIS, led by Fiji, have consequently led to the establishment of the Pacific Islands Development Forum (PIDF) and the Pacific Small Island Developing States (PSIDS), which pointedly do not include Australia and New Zealand as full members. The suspension of Fiji since 2009 shifted the paradigm of the Pacific order, in which Australia and New Zealand were estranged and Pacific Island interests were streamlined, leading to increasing engagement with Asian powers such as Japan, China, and India (Prasad, 2012).

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The increasing presence of extra-regional powers in the Pacific has led to a diversification of aid donors and therefore reduced the dependence of the PIS on Australia and New Zealand. This has raised security concerns for Australia and New Zealand, particularly as the region is an essential facet of their strategic environment. However, the decreasing and limited nature of the aid provided by Australia and New Zealand has led to mounting frustrations in the region, further exacerbated by Australia's declining attention to environmental security and climate change. The neglect of environmental security is a particularly strong irritant for the PIS, as their continued existence depends on the global attention to climate change and mitigating its effects. Nevertheless, Australia and New Zealand continue to be predominant in the region as the largest aid donors and providers of technology, security forces

and regional law and order. The extra-regional powers consciously keep their activities transparent and maintain cooperation in their interactions with the PIS, in order to assuage Australia's concerns regarding strategic and regional stability (Wesley-Smith, 2013; Hayward-Jones, 2015).

The PIS also have significant representation in international organisations such as the UN, especially in areas of climate change, subsidised trade, sustainable development as well as other pertinent issues that affect smaller nations. The PIS is represented in the World Trade Organisation by Vanuatu, PNG, Fiji, Tonga, Samoa and the Solomon Islands, six of the most robust economies of the region. Also, the Pacific Island Leaders Forum aims to economically integrate the PIS through the Pacific Plan, in which extra-regional powers have also been drawn in to facilitate economic growth and trade. However, it is the six stronger economies of the PIS that have taken the initiative to expand and search for export markets and viable sources of import (Balakrishnan, 2015). The PIS has pushed forward Pacific interests through the Pacific Group in the WTO. The least-developed country status makes the PIS eligible for special provisions for reduced liberalisation targets of the WTO. The PIS also have preferential trade arrangements with the European Union.

**The availability of new channels of aid in the Pacific region have provided considerable autonomy to Pacific Island states.**

The availability of new channels of aid in the Pacific region have provided considerable autonomy to Pacific Island states. The island states were, initially and predominantly associated with France, USA, New Zealand and Australia, who were the primary source of resources for development. The decreasing aid commitments from traditional donors, coincided with Japan and China enhancing their engagement with the region. China's aid assistance is now competitive with that of the traditional donors. However the PIS has also expanded its aid engagement to include new players such as the ASEAN countries, South Korea, and Turkey. India is amongst the new players in the region, with much potential for deeper ties.

India-PIS relations were minimal in the past. This is changing along with the new strategic imperatives. The factors underlying India's strategic engagement with the Pacific Islands states can be subdivided into political-administrative, maritime and non-traditional security engagement as an extension of the Act-East policy, ties with the diaspora in Fiji, awareness of

rising Chinese influence in the region, and India's deepening security relationship with Australia.

### **The Act East policy and the Pacific Islands**

The Act East Policy introduced by India in 2014 under the Modi government is an extension of the Look East Policy of 1991. This policy is intended to promote an advanced, wider and deeper engagement with the Pacific. While the policy initiatives have generally been region-wide, the diversity of the Pacific Islands requires a multi-pronged and in-depth approach. While the region subdivides into Micronesia, Polynesia, and Melanesia, India's diplomatic presence in the region does not correspond to the sub-regional divisions. Zhang & Shivakumar (2015) highlight the branched structure of Indian embassy presence in the South Pacific. India has separate diplomatic missions in PNG and Fiji; however, the diplomatic engagements with the remaining Pacific Islands are channelled through the missions in different countries. India is represented in Tonga, Nauru, Cook Islands and Tuvalu, through its mission in Fiji; while Samoa, Niue, Kiribati are represented through New Zealand. India's Paris mission covers French Polynesia and other territories, and the Philippines mission is accredited to the Solomon Islands and Vanuatu. The branched administrative structure of the diplomatic missions has posed challenges in implementing region-specific initiatives. The Indian engagement with the Pacific Islands is not substantial enough to warrant separate diplomatic missions in each country, but administrative subdivisions that take into cognisance the ethnic differences between Micronesia, Polynesia and Melanesia would prove more helpful in improving interaction with the region.

India's growing stature as a maritime power is an essential aspect of the Act East Policy and it has facilitated diplomatic engagement and cooperation in maritime security with the PIS. The sectors of cooperation include: protection of fisheries, promotion of the blue economy, mitigation and adaptation for addressing climate change concerns, disaster preparedness, sustainable development, health, and finding viable solutions to the Nationally Determined Contributions (NDC) for addressing environmental concerns, such as climate change. The collaboration has increased considerably since Prime Minister Narendra Modi's historic visit to Fiji in 2014 that established the

Forum for India-Pacific Island Cooperation (FIPIC), a yearly summit, to enhance and develop areas of collaboration. The assurance of assistance in climate adaptation mechanisms has been a primary focus of the engagement, even as it constitutes only two per cent of India's grant assistance (Zhang & Shivakumar, 2017).

A notable area of cooperation, outlined in India-PIS interactions, has been in the utilising of marine resources. India's maritime capabilities are deemed valuable for providing support and capacity building for coastal surveillance, improved understanding of island maritime zones and for securing their rich exclusive economic zones. India has also provided support to healthcare, developing capacities for tackling disasters, pharmaceutical manufacturing, space technology and setting up of micro-financial institutions to help promote small and medium enterprises. In October 2016, the Indian naval ship *INS Sumitra* made a port visit to Fiji to enhance cooperation and mutual understanding between the two navies. Passage exercises (*PASSEX*) were held between the two navies (Press Information Bureau, 2016). In continuation of the naval engagement in the South Pacific, the *INS Sahyadri* made a port visit to Papua New Guinea in June 2017 and a capsized PNG fishing vessel was detected and salvaged, in a Search and Rescue operation (Press Information Bureau, 2017).

The FIPIC has suggested through its conferences in 2015 and 2017, that India could help the region by sharing technology and capability enhancement to minimise the impact of natural hazards in the region. The second summit in Jaipur in 2015 established an Institute for Sustainable Coastal and Ocean Research in conjunction with a network of marine biology investigation institutions in the PIS. At the 2017 Conference on Sustainable Development, India announced a million dollar contribution for Fiji for UN Climate Change Conference COP-23, apart from signing several Memorandums of Understanding (MOUs) with the PIS to widen cooperation. These include establishing centres of excellence in IT in Fiji, Cook Islands, Nauru, Samoa and Niue; as well as three MOUs for cooperation in youth development, broadcasting and in renewable energy (Ministry of External Affairs, India, 2017).

A key aspect of the Act East Policy has been to improve trade, investment and aid relations with the Pacific Islands, which were previously scant.

India's overall exports to the Pacific region have increased substantially since 2014. However, as Fig. 4 demonstrates, the progress in enhancing trade has been mixed. While there has been a spike in exports in the aftermath of the Act East Policy of 2014-15 to Fiji, PNG, Solomon Islands and Kiribati, they have declined drastically with the islands of Nauru, Tonga, Tuvalu, Vanuatu and Samoa. India's attempt to actively engage the region by increasing trade flows has not shown a consistent rise, and in several cases such as with Kiribati, PNG, Vanuatu, and Samoa, it has fallen below the pre-Act East policy trade figures. While the PIS have abundant resources, the availability of technology to utilise those resources is limited due to inadequate human capital and funds. Even with increased incentives for trade with the region, the growth of Indian business interests has been slow because of the small size of markets in the Pacific.

A cursory examination of the top trading countries in the region in 2016 (Fig. 2 and Fig. 3) shows India has a lower percentage of trade with the South Pacific compared to other regional players. Apart from Australia and New Zealand, the East Asian states-- Japan, South Korea, and China have been the principal partners of the PIS. The smaller percentage of India's trade can be attributed partially to the more recent nature of the engagement. Tevita Motulalo (2013) suggests using a "long tail" arrangement, where profits accrue by selling small amounts of a variety of unique products. Motulalo (2013) advises using one or more agents in the PIS to locally promote Indian products, facilitate microfinance and offer shipping and handling subsidies. Tonga is suggested as a prime testing site for India's trade model because of its success as an emerging sustainable economy. Despite the potential lucrative nature of such an engagement, this model has not received much attention from India as the lion's share of New Delhi's engagement has been directed towards the Melanesian group of Fiji and PNG, due to the sizeable Indian diaspora present in the two countries.

### **The Indian diaspora in Fiji**

India's past interactions with the Pacific Islands have been sparse, but it has been slightly more proactive with regard to Fiji because of the sizeable Indian diaspora. India's relations with Fiji soured in the wake of the military coups in 1986 and 2000, resulting in the suspension of diplomatic ties in 1989.

Fiji established a mission in India only in 2003. India's disinterest and strategic neglect of the entire Pacific region can only partly be attributed to the difficult nature of the Indo-Fiji relationship (Pande, 2015).

Indian Fijians have settled in the island state for centuries, and have little connections with India except in terms of cultural linkages. However a distrust of the Indians following the military coup in 1986 significantly influenced bilateral relations with India. However, bilateral relations grew significantly with the Act East Policy and Prime Minister Narendra Modi's visit in 2014. They coincided with the enactment of the 2013 constitution under Bainimarama that removed the ethnic-based electoral system. India was also a member of the Multilateral Observer Group (MOG) during the elections, along with Australia and Indonesia (Chand, 2014).

The improved status of the diaspora has facilitated the renewed engagement and cross-cultural linkages, enabling a better understanding of mutual concerns and promotion of economic ties. The Indo-Fiji Business Promotion Association established in 2014 seeks to build commercial ties by facilitating communication in market intelligence, trade, investment and joint ventures between Indian and Fijian business communities. Fiji's Attorney General and the Minister of Industry and Trade, Aiyaz Sayed Khaiyum has emphasised the need for Fiji and India to translate historic linkages into real benefits in terms of trade and investment (MITT, 2017). The warming of ties has facilitated strategic engagement with India and Fiji signing an MoU on defence cooperation in May 2017. This involves maritime security cooperation in the fields of military training, humanitarian assistance, disaster management and defence industry (Sputnik News, 2017).

The warming of India-Fiji relations with the better treatment of the Indian diaspora opened the doors for India's expanded engagement in the South Pacific. India's trade with PNG and Solomon Islands is also one of the highest in the South Pacific (Fig. 2 and Fig. 3), due to its significant market presence, compared to other PIS. India's relations with Fiji and PNG have developed at a faster rate than those with the other PIS because of larger markets and the considerable presence of Indian diaspora, which has also resulted in substantial Indian aid. Consequently, Fiji and PNG have used their regional influence with the PIS to forge closer cooperative ties with India. The

PIS policy to 'Look North' to increase interactions with Asian economies corresponds with India's Act East policy and can facilitate more in-depth engagement (Pande, 2015).

### **China's presence**

The Pacific Island nations are generally regarded as being under the Western influence. China's increasing political and economic engagement to become one of the primary donors indicates changing order and dynamics of the region. Beijing has official diplomatic relations with eight Pacific Island states, namely: the Cook Islands, FSM, Fiji, Niue, PNG, Samoa, Tonga, and Vanuatu. Despite being small island states, some of these countries are well endowed with timber, minerals and exclusive economic zones for fishing apart from having rights over an extensive array of unexplored underground seabed resources. These have increased the strategic value of the engagement by Asian powers such as China and India. As Fig. 2 and Fig. 3 show, China's involvement in the region has increased to make it one of the primary foreign actors in the region in terms of trade with the resource-rich states of the Pacific, overtaking even Australia in certain Pacific Island states. The diversification of trade and markets beyond Oceania to include the Asia-Pacific countries like China, has been welcomed by Pacific Island countries. The exports of Solomon Islands to China constitute 63 per cent of its total exports. .

China's engagement with the PIS started in the 1980s with the aim to establish diplomatic ties and isolate Taiwan. Taiwan was recognised as an independent state by six countries of the Pacific Islands. Consequently, PRC and Taiwan competed as aid donors for securing the support of the PIS and sway diplomatic recognition in their respective favour. The PRC and Taiwan declared a truce at the turn of the millennium which saw a drastic reduction in competitive funding (Zhang, 2015). Atkinson (2010) mentions the multiple studies of the period that tried to ascertain the impact of the competitive and irregular funding on the South Pacific region, and which largely concluded that regional security was altered, although whether it was beneficial or detrimental remains an issue of contention. Taiwan eventually cut its funding and tailored its aid reform according to the demands of the dominant power in the region, Australia. China on the other hand began to expand its ties in the region as it also tried to grapple with the influence of its two main rivals, Japan

and the USA (Wesley-Smith, 2013).

China's expanding economic influence has created insecurities in Australia, which was outlined as early as 2009 in the *Foreign Affairs, Defence and Trade References Committee-Senate Report*, where the ten-fold increase of Chinese aid to the PIS between 2005 and 2007 was highlighted to underline Beijing's increasing aid involvement in the region. Chinese aid is less stringent and does not lay down conditions relating to human rights and the environment, unlike the traditional donors such as the US, Australia and New Zealand. Beijing also provides concessional infrastructure loans to the PIS in addition to its direct trade. It has, as a result, become the third largest donor in the region after Australia and the US (Lowy Institute, 2016). The growing presence of multiple donors in the region has also been beneficial for the PIS which has seen a steady inflow of developmental aid. However, the "Pacific Paradox" of the aid not translating into tangible growth has prompted a dialogue among the donors on more effective use of aid (Tarte, 2010). The mounting pressure from Australia on Beijing to undertake aid reform resulted in the Chinese Defence White Paper of 2014 that outlined the need for cooperation and synchronisation of aid flows to the Pacific. Australian Senator Fierravanti-Wells in early 2018 criticised Chinese aid for being channelled into "unproductive infrastructure building". He encouraged them to cooperate with Canberra for a productive contribution to health and development (Catherine Graue; Stephen Dziedzic, 2018).

Beyond aid, the presence of Chinese diaspora in the region has also increased. In a notable case, the arrest of fraudulent telecom operators from PRC revealed the nexus between Fijian police and the Chinese security forces. The Fijian opposition party leader Biman Prasad raised concerns about the intervention of an external police force, claiming that the domestic police should have retained primary jurisdiction (Bruce Hill, 2017). The opacity of PRC's policies has also been criticised by international rights organisations such as Amnesty International.

The expanding global footprint of the Belt and Road Initiative of China has reached Fiji and PNG, which have accepted financing for a range of infrastructure projects. However, the rising debt of the smaller island countries has been a cause of concern for Australia, after a similar pattern of debt enabled

a Chinese company to secure a 99-year lease agreement for running Sri Lanka's Hambantota port, providing China with an Indian Ocean presence right next to India. Consequently, the concerns in Oceania have revolved around possible demands for land ownership and fishing rights by Chinese companies, which would adversely affect the local communities. Pacific Island countries have sought greater strategic involvement of other major countries such as Japan and India to ensure diversified development assistance and avoid debt dependency on any one country.

Motulalo (2013) says that while Japan has been a donor for several decades, India's entry has been fairly recent, but has been welcomed by the traditional powers of the region, primarily because India is viewed as a potential strategic counterweight to China's influence. India's increasing engagement with the Pacific Islands and its participation in the Quadrilateral Security Dialogue (QSD) in 2017 with the US, Japan and Australia underlines the strategic concerns about China. While China's economic diplomacy has rendered it an essential partner in the Pacific region, the formation of the Quad is seen by Japan and the US to be important for preserving the existing democratic ideals and the international order, thereby providing an alternative to a potentially China-led regional order.<sup>1</sup>

However, though India's involvement in the region can be partially attributed to its strategy of hedging China, it is incomplete because of the complex dynamic of the Indo-China relationship which consists of cooperation along with competition. As a result, even as India's increasing involvement is assessed in terms of strategic value by regional powers in terms of counterbalancing, India has a broader perspective of its presence (Motulalo, 2013). India asserts that its increasing engagement with the Pacific corresponds with its global economic and diplomatic aspirations and its bid to be recognised as a responsible power. Its attempts to build vibrant ties with its large overseas diaspora too is a major driver of its policy towards the Pacific. As Lee (2015, 68) argues, India is increasingly seen as a nation with the potential to contribute to the stability of the region. India as a rising naval power and as a player in the maritime security scenario in the Indo-Pacific is being seen as an attractive partner for the PIS. India has also become one of the primary engines for

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1. *The Quadrilateral Security Dialogue (QSD) first met on the sidelines of the 15th East Asian Summit in November 2017. Official statements from the member countries- India, USA, Japan, Australia- do not directly refer to concerns relating to China, but instead emphasise the importance of maintaining and preserving maritime security and the existing international law and order in the Indo-Pacific region. Nevertheless, the formation of the Quad is based on increasing concerns relating to Chinese assertiveness and potential violations of sovereignty in the region.*

economic growth in Asia, resulting in an increased Pacific interest in expanding economic and diplomatic relations with New Delhi.

### **Expanding ambit of ties with Australia**

India's growing exchanges with the Pacific Islands are also connected with its deepening security engagement with Australia in recent years. The increasing strategic convergence between India and Australia was manifested in the bilateral defence *AUSINDEX* exercises in the Indian Ocean in 2015, with another one scheduled for 2018. The perception of a militarised and expansionist China has played a predominant role in this convergence in India-Australian interests. New Delhi is cautious about Beijing's increasing presence in the Indian Ocean Region while Australia is apprehensive of China's expanding influence in the Pacific Islands (Shi, 2007). This shared concern led to a strategic partnership in 2014 followed by efforts to enhance the presence of the other in their respective spheres of influence (Walsh, 2016). Consequently, Australia's strategic involvement in the IOR has increased and India's engagement with the Pacific Island countries has been seen as positive by Canberra.

The attempt to deepen the security relationship occurred as early as 2007, when the *Malabar* exercises were sought to be expanded to include Australia. The initiative was a precursor to the Quadrilateral Initiative by Japanese Premier Shinzo Abe to establish security cooperation between the democracies of the Indo-Pacific - the USA, India, Australia and Japan. However, the idea of the Quad did not come to fruition then, due to protests from China that led to the withdrawal of Australia. India was also hesitant to antagonise China, which was its continental neighbour. However, the growing Chinese influence in the Indian and Pacific Oceans since then, its assertiveness in regional disputes, in addition to its refusal to abide by the Permanent Court of Arbitration's ruling on the South China Sea case filed by the Philippines, has heightened concerns relating to China's role in the Indo-Pacific, prompting enhanced defence relationships in the region. As a result, the tri-laterals of India-Japan-USA, and Australia-US-Japan were constituted for jointly addressing common maritime security concerns in the Indo-Pacific.

The enriched bilateral relationship between India and Australia has played an important role in facilitating India's entry into the South Pacific. The rejuvenated push for the QSD is an attempt to ensure security in a rules-

based Indo-Pacific region. Collaboration for monitoring developments at sea could be facilitated by strengthening information-sharing networks of existing platforms, such as Australia's maritime domain awareness (MDA) architecture in the Forum Fisheries Agency and the Pacific Boat Patrol Programme. Correspondingly, India has MDA structures in the Indian Ocean with Japan and USA funded projects in the South China Sea. (Pande, 2015). With the Pacific Islands straining to reduce their association and dependence on both China and Australia, India stands to benefit as a differentiator and by adding layers to its engagement with the Pacific region (Hornung, 2018).

### **India-Pacific Islands countries and United Nations**

Another aspect of the strategic value of India's engagement with the Pacific Islands pertains to cooperation in international organisations. While China's engagement with the Pacific region undermined the diplomatic recognition of Taiwan in the United Nations (UN), India has similarly sought to ensure that the Pacific states support its agendas in the UN. Modi in his speech at the FIPIC Summit held in Jaipur in 2015, had highlighted the importance of securing their support to implement reforms in the Security Council of the UN (Press Information Bureau, 2015).

India's deeper engagement with the PIS also reflects an effort to promote cooperation on UN reforms, including support for India's permanent candidature in a reformed UNSC, if that ever comes about. The PIS have indicated support for India to become a permanent member of the UNSC and even for its efforts towards pushing a resolution in the United Nations General Assembly for implementing reforms in the institution (Balakrishnan, 2015) (Pande, 2015). Despite positive expressions of support from the Pacific states, Latin America, and Africa, the initiative for an expanded UNSC has lagged due to China's persistent opposition to India and Japan's permanent candidatures. China's growing influence in the PIS is likely to be accompanied by efforts to stall any UN reforms that China does not desire.

An integral aspect of the India-PIS convergence is the issue of environmental security. India and the Pacific Islands have been active in the climate change initiatives. The UN Secretary-General Guterres has observed that rising powers like China and India have taken on the mantle of implementing the Paris Agreement after the USA withdrew from the Paris Agreement, in

recognition of the disastrous impact of climate change on smaller island states. The effects of global climate change are most detrimental to the PIS because they could lead to a drastic reconfiguration of their topography with the submerging and emergence of new islets in the region (Wyeth, 2017). The Pacific groupings have lobbied for targeting a temperature rise of less than 2° C in this century, to protect their territories from being submerged by rising sea levels. India is among the nations that support the efforts to prevent, mitigate and adapt to changed climate conditions in the Pacific Island region (Climate change has been a core area for Indian foreign aid to PIS). In addition to the aid routinely given for the Climate Adaptation Fund to address the impact on the Pacific Islands, India's strengths in renewable energy, especially in the wind and solar sectors, has also been valuable in helping the island states to begin moving from traditional energy sources to new environment friendly sources. The assurance of assistance in climate adaptation mechanisms has been a primary focus of engagement, even though it constitutes only two per cent of India's grant assistance (*Press Trust of India, 2017*).

### **Assessing India-Pacific Islands engagement**

India's strategic engagement with the region is multifaceted and spans a multitude of sectors and is a key aspect of the Act East policy. It involves advancing India's interests in wider economic ties, diaspora relations, evolving similar views on regional stability and cooperating on the common goal of reform of multilateral organisations such as the UN. These have been explored above.

While the potential of India's engagement with the Pacific Islands is significant, the gap between project commitment and implementation is an obstacle to realising the full potential of the relationship. The figures (2) and (3) of India-Pacific Island countries show that trade with India is much lower than that with other extra-regional players in the region. Despite an increase in economic and aid engagement since 2014 following two prime ministerial visits to the region, the follow-up has been lacking. The reasons for this, as mentioned above, range from the relatively small Pacific Islands markets, which attracts lower investment from New Delhi, to regional hegemony such as Australia, who are wary of new players entering the region. Nevertheless, the nature of smaller island states is such, that their economic engagement is

contingent on external support and concessions, which India, as a rising power, is well-situated to provide. Toward this end, a closer partnership between the Federation of Indian Chambers of Commerce and Industry (FICCI) and the Pacific Islands Development Forum (PIDF) has the potential to build business-level engagements and develop trading capacities. Even as the economic dividend would be marginal, the benefits from an expanding international presence, to India's image of being a participatory and constructive Indo-Pacific power that seeks to ensure a more equitable distribution of global resources, would be significant.

With India's growing profile, a nuanced and deeper engagement with the PIS is important. To facilitate more in-depth engagement, India needs to expand its diplomatic presence in the region. The existing branched structure of the diplomatic missions accredited to several countries impedes effective implementation of regional initiatives. Perhaps separate missions for Micronesia, Polynesia, and Melanesia, would ensure better coordination for regional initiatives, particularly as the internal structures and cultures in the sub-regions are varied and require nuanced approaches of engagement.

The presence of a significant Indian diaspora in the region is an asset for strengthening civilisational and cultural engagement. Bandhopadhyay and Buckingham (2018) demonstrate that Indians have been travelling and establishing linkages with the region since British colonial period, and a significant Indian influence is visible in the names of several cities in the Pacific. Even as the engagement with the diaspora has been an important factor in improving ties with Fiji, the Fiji-Indians that reside in Fiji and elsewhere in the Pacific have assimilated with the country of residence. Furthermore, the security apprehensions regarding the diaspora in Fiji has often proved to be a point of divergence rather than the convergence, thereby rendering diaspora-based constructive engagement precarious (Pande, 2015).

Nevertheless, India's engagement with the Pacific Islands countries has been steadily rising since 2014, because of several initiatives. These programmes aim to develop the PIS capacity to utilise their wide resource base, by providing aid, technology, naval support to develop disaster preparedness and promoting sustainable growth in the region. Despite the Indian presence in the region being a fraction of that of other established extra-

regional players such as the EU, Japan, USA and China, the PIS regard the Indian engagement as valuable for developing economic capacities. India is also viewed as having the strategic potential of maintaining stability in the region as a benign player. It also has the credentials of being democratic and pluralist. The trend of engagement between India and the PIS, from the conferences of 2015 and 2017, has focussed on the general themes of the Green-Blue economy, sustainable development and enhancing knowledge partnerships that are also the nodal concerns for the region. .

While India has adopted a proactive 'Act East policy' since 2014, the engagement with the Pacific Islands may more appropriately be seen as part of 'Looking further east', where India's interactions are still in an embryonic stage and there still is considerable room for improvement. Given the strategic dividend of enhancing ties with the PIS, both India and the PIS stand to gain substantially from India's increasing focus on the Pacific Islands.

Figure 2

Percentage of trade imports to the South Pacific in 2016								
	Australia	New Zea- land	China	Japan	Singapore	USA	India	South Korea
Fiji	18	18	16	7	16	2.9	2.3	3.5
PNG	25	3.1	22	3.7	13	3.9	0.87	4.4
Solomon Islands	21	5.3	15	6.7	16	1.4	1.6	0.78
Marshall Islands	0.015	0.02	23	11	0.01	0.49	0.72	52
Niue	0.49	57	NA	39	0.07	0.36	0.22	NA
Palau	1.2	0.51	5.5	14	12	44	0.032	7.6
Samoa	10	24	14	5.2	15	11	0.37	0.19
FSM	1.2	5.2	8.9	13	2	21	0.18	29
Kiribati	7.9	6.4	28	19	0.54	2.3	0.71	6.5
Vanatu	13	11	22	18	7.6	1.1	0.62	1.4
Tonga	4.7	27	18	3	1.4	6.8	0.62	0.31
Tuvalu	7.8	5.6	27	33	0.32	1	0.097	0.33
Nauru	48	0.43	6.8	0.18	0.41	1.8	0.0097	0.28
Cook Is- lands	3.3	54	12	2.3	0.17	2.8	0.24	0.09
French Pol- ynesia	2.9	9	13	1.6	7.8	10	0.48	4.4
New Cale- donia	10	4.6	9.2	3.2	6.8	4.1	0.49	5.8

Source: Data compiled by author with figures taken from atlas OEC website

<https://atlas.media.mit.edu/en/profile/country/fji/#Destinations>

Figure 3

Percentage of trade exports from the South Pacific in 2016								
	Australia	New Zea- land	China	Japan	Singapore	USA	India	South Korea
Fiji	18	8.2	6	3.7	0.62	21	0.12	0.31
PNG	24	0.085	19	27	2.1	0.96	1.9	3.2
Solomon Islands	1.2	0.54	63	0.74	0.27	0.44	4	0.8
Marshall Islands	0.07	0.023	4.8	3.9	0.001	2.6	0.072	5.4
Niue	0.38	13	NA	5.7	0.78	7.5	0.76	13
Palau	NA	NA	0.61	8.9	2.5	45	NA	0.22
Samoa	38	13	1.5	3.1	1.2	7	NA	NA
FSM	0.11	NA	6.3	21	0.06	3	NA	3.3
Kiribati	0.21	0.013	3.2	5.9	NA	2.4	NA	7.6
Vanatu	1.3	0.45	10	43	0.92	2.9	0.033	3.5
Tonga	8.9	17	0.18	21	0.014	27	NA	14
Tuvalu	1	NA	2.5	5	0.22	0.57	0.029	0.9
Nauru	35	0.0038	0.3	14	0.15	1.8	34	0.49
Cook Is- lands	3.7	0.88	6.4	46	0.16	3	NA	0.046
French Polynesia	1.2	1.2	1.5	32	2	19	0.026	0.15
New Cale- donia	7.4	0.16	31	15	0.11	3.1	3.2	12

Data compiled by author with figures taken from atlas OEC website

<https://atlas.media.mit.edu/en/profile/country/fji/#Destinations>

Figure 4

India's Exports to Pacific Island countries from 2013-2018 (Values in US\$ Million)									
S.No	Country	2013-2014	2014-2015	%Growth	2015-2016	%Growth	2016-2017	%Growth	2017-2018 (Apr-Feb)
1	AUSTRALIA	2,300.28	2,782.13	20.95	3,263.11	17.29	2,957.79	-9.36	3,475.11
2	FUJII IS	48.74	49.75	2.06	44.15	-11.25	52.52	18.96	48.54
3	KIRIBATI REP	0.94	1	7.41	0.94	-5.97	0.47	-50.02	0.51
4	NAURU RP	0.17	0.02	-88.6	0.01	-65.66	2.53	37,061.76	1.35
5	NEW ZEALAND	276.68	322.1	16.41	308.04	-4.37	309.66	0.53	313.63
6	PAPUA N GNA	43.96	52.19	18.72	39.45	-24.41	36.28	-8.05	36.27
7	TIMOR LESTE	2.19	3.24	47.98	3.42	5.33	2.31	-32.49	3.17
8	SOLOMON IS	2.06	5.22	153.63	2.71	-48	2.31	-15.06	1.21
9	TONGA	1.04	0.92	-11.64	1.12	21.96	1.21	8.01	1.22
10	TUVALU	0.06	0.03	-47.21	0.06	72.05	0.08	49.1	0.06
11	VANUATU REP	2.78	1.86	-33.09	2.01	8.26	2.08	3.18	2.12
12	SAMOA	4.3	2.48	-42.23	2.22	-10.55	1.77	-20.25	2.25
13	MICRONESIA	0.57	0.23	-59.03	0.36	53.28	0.14	-60.68	0.29
14	NEW CALEDONIA	8.8	10.77	22.35	4.68	-56.52	8.09	72.79	7.41
15	FRENCH POLYNESIA	2.8	3.07	9.49	3.81	24.21	4.13	8.45	6.04
16	MARSHALL ISLANDS	1.18	0.12	-89.5	101.91	81,952.98	0.14	-99.86	13.97
	Total	2,696.55	3,235.13	19.97	3,778.00	16.78	3,381.51	-10.49	3,913.15
	India's Total	314,405.30	310,338.48	-1.29	262,290.13	-15.48	275,851.71	5.17	270,715.74
	%Share	0.8534	1.0379		1.3982		1.2213		1.4352

Source: semi-compiled by the author from Ministry of Commerce, Government of India. Dated: 14 May 2018 URL: <http://commerce-app.gov.in/eidb/ecntrq.asp> Missing: Data of Niue.

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