



## Evolving India - Gulf Relations

This editorial is based on [How strategic convergence between US, UAE, Saudi Arabia and India can help Delhi?](#) which was published in Indian Express on 10/05/2023. It talks about India's developing relations with Gulf Nations.

**For Prelims:** [Gulf Cooperation Council](#), [I2U2](#), [International Solar Alliance](#), [Free Trade Agreement \(FTA\)](#), [Sister Cities](#)

**For Mains:** Foreign Policy Transition, Significance of Gulf nations for India, Challenges and Way Forward

The new India-US relations on the Gulf is a major departure from the traditional approaches to the Middle East in both India and the US. In India, one of the entrenched principles of the earlier foreign policy was the proposition that India must either oppose US or keep its distance from it in the Middle East.

The Recent meeting in Riyadh between Saudi Crown Prince and the national security advisers of the US, UAE, and India underlines the growing strategic convergence between India and US in the Gulf. It also highlights India's new possibilities in the Arabian Peninsula.

### What are the Gulf Nations?

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- The term "**Gulf Nations**" refers to a group of countries located in the Persian Gulf region of the Middle East. The Gulf Nations include the following countries:
  - Bahrain
  - Kuwait
  - Oman
  - Qatar
  - Saudi Arabia
  - The United Arab Emirates.
- They all are the members of [\*\*Gulf Cooperation Council \(GCC\)\*\*](#).

### **What was the Ideological Taboo in India's Foreign Policy?**

- Any proposition that India would sit down with the US, Israel and the Gulf countries were considered as a fantasy just a few years ago. Some of the reasons behind this ideological taboo are:
  - Traditionally, India pursued a policy of non-alignment, aiming to maintain neutrality and independence in its foreign relations.
  - India historically prioritized its relationships with neighbouring countries in South Asia. It concentrated on building regional alliances, resolving conflicts, and promoting economic integration within its immediate neighbourhood.
  - In the past, India had limited resources to invest in projecting influence in regions beyond its immediate neighbourhood, including the Gulf. India focused on its own domestic development and addressing internal economic issues, which somewhat constrained its engagement with the Gulf nations.
  - Also, seeing India's deep ties with Russia, India increasing its ties with US was also seen as a taboo in the past.

- Because of Arab-Israeli conflict of Palestine issue, there was a notion among the policy framers that India can't be visibly friendly to Israel.

## How has India Shifted its Foreign Policy?

- After recognizing the significance of Middle East in India's Foreign Policy, it started increasing its ties with Gulf. The landmark shift towards this was seen with the formation of a four-nation grouping — unveiled in October 2021 — called I2U2 that brought the US, India, Israel, and the UAE together.
- India shifted its policy by rejecting the notion that India can't be visibly friendly to Israel and maintained a fine balance of ties with both Israel and Arab.
- India's uneasy relations were also transformed with the two Arabian kingdoms, Saudi Arabia and the UAE, into solid strategic partnerships.

## Significance of India's Increasing Ties with the Gulf?

- **Countering Terrorism and Pakistan:** If India sheds its "anti-Western" lens in the Middle East, the US would lead the West to discard its pro-Pakistan bias in thinking about the relationship between the Subcontinent and the Gulf. They can help India in countering terrorism as well.
  - Pakistan's continuing strategic decline makes it a lot less relevant to the changing geopolitics of the Gulf.
  - Gulf Nations have seen an ideological shift from religion to Nationalism. The engagement with them would also help India overcome the dangerous forces of violent religious extremism within the Subcontinent.
- **Energy Security:** The Gulf countries, including Saudi Arabia, the United Arab Emirates (UAE), Qatar, and Kuwait, are major oil and gas producers. India is heavily dependent on Gulf nations for its energy needs, as they account for a significant portion of its oil and gas imports. Strengthening ties ensures a stable and reliable energy supply, which is crucial for India's growing economy.
  - They are also thriving to reduce dependence on oil in the long run which could be beneficial for India as well.
    - Between 2014-18, the total renewable electricity installed in the GCC states increased by over 300 percent.
  - UAE, Saudi Arabia, Oman and Bahrain are the members of [International Solar Alliance](#) initiated by India.
- **Economic Cooperation:** The Gulf countries have robust economies with substantial investment potential. India seeks to enhance trade and economic cooperation with these nations, exploring opportunities for investment, infrastructure development, and bilateral trade. It opens avenues for Indian businesses to tap into the Gulf's lucrative markets and benefit from their diverse sectors such as construction, real estate, finance, and tourism.
  - Investment from Gulf to India has increased significantly during past few years. India can utilise its relations to attract more investments from the Gulf.
  - Also, there is a [Free Trade Agreement \(FTA\)](#) being negotiated between India and Gulf Cooperation Council.
- **Remittances and Diaspora:** The Gulf nations house millions of Indian people who play a vital role in India's economy through remittances. Strengthening ties with these nations benefits Indian workers by providing better welfare and protection, enhancing labor migration, and creating more employment opportunities.
  - During FY 2021-22, India received highest ever remittances. UAE contributed the most after USA.
- **Geostrategic Importance:** The Gulf holds geostrategic significance due to its location connecting Europe, Asia, and Africa. India's enhanced engagement in the region provides it with a platform to expand its influence and shape regional dynamics. It allows India to participate in dialogues, initiatives, and organizations such as the Gulf Cooperation Council (GCC), [Arab League](#), and [Indian Ocean Rim Association \(IORA\)](#), strengthening its diplomatic ties and strategic partnerships.
- **Cultural and People-to-People Exchanges:** India shares historical, cultural, and social ties with the Gulf countries, dating back centuries. Strengthening bilateral relations promotes cultural exchanges, tourism, and people-to-people interactions, fostering mutual understanding and goodwill between the nations. It helps preserve and promote the shared heritage, traditions, and

values of the Indian diaspora in the Gulf.

## What are the Challenges in India-Gulf ties?

- **Geopolitical Dynamics:** The Gulf region is strategically important due to its energy resources and its location at the crossroads of major international trade routes. Geopolitical rivalries and conflicts in the region, such as the Iran-Saudi Arabia rivalry, the Yemeni civil war, and the Qatar diplomatic crisis, can impact India's relations with Gulf countries.
- **Regional Instability:** The Gulf region has witnessed political instability and security threats in recent years. Ongoing conflicts, such as the Syrian civil war and the rise of extremist groups such as ISIS have created challenges for regional stability. These issues can have spill-over effects on India's relations with Gulf countries and pose security concerns for Indian citizens residing in the region.
- **China Factor:** China has emerged as an important player in the geopolitics and its diplomatic and political influence in the region will continue to rise. Yet, China is nowhere near displacing US as the principal external actor in the Gulf. Thus, it also makes India heavily dependent on US for fostering its relations with gulf nations.

## What should be the Way Forward?

- **Economic Cooperation Frameworks:** Establishing bilateral economic cooperation frameworks, such as free trade agreements or preferential trade agreements, can facilitate smoother trade and investment flows. India must thrive to finalize negotiations on India-GCC free trade agreement.
- **Cultural Exchanges and People-to-People Contacts:** Strengthening cultural exchanges, promoting tourism, and facilitating people-to-people contacts will foster greater mutual understanding and strengthen the bonds between India and the Gulf nations. Encouraging cultural festivals, educational exchanges, and promoting tourism initiatives can contribute to building stronger ties at the grassroots level.
  - Sister city relationships can play a significant role in enhancing cultural relations.
- **Diversification of Trade:** While India and the Gulf countries have a significant trade relationship, there is room for diversification. Both sides can explore new sectors and expand the scope of trade beyond oil and gas. Encouraging investments in sectors like renewable energy, technology, healthcare, and agriculture can enhance bilateral trade and reduce dependence on a single commodity.
  - India has signed [CEPA with UAE](#), signing such agreements with other gulf countries would help India diversify its trade.

## Conclusion

India needs to update its approach to the Gulf region in order to take advantage of new opportunities. This would involve modernizing the way India thinks about its strategic interests in the Gulf and changing the outdated ways in which people talk about the Arabian Peninsula

### **Drishti Mains Question**

Discuss the significance of India-Gulf relationship in the context of India's foreign policy and regional dynamics. Also, evaluate the challenges associated with India's engagement with the Gulf countries.

## UPSC Civil Services Examination, Previous Year Questions (PYQs)

### **Prelims:**

**Q. Which of the following is not a member of 'Gulf Cooperation Council'? (2016)**

**(a) Iran**

- (b) Saudi Arabia
- (c) Oman
- (d) Kuwait

**Ans: (a)**

**Mains:**

**Q.** Religious indoctrination via digital media has resulted in Indian youth joining the ISIS. What is ISIS and its mission? How can ISIS be dangerous to the internal security of our country? **(2015)**

**Q.** The question of India's Energy Security constitutes the most important part of India's economic progress. Analyse India's energy policy cooperation with West Asian countries. **(2017)**

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