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## Issue Brief

# India and Gulf Region: Bonhomie continues

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Recently, Crown Prince of Abu Dhabi and Deputy Supreme Commander of United Arab Emirates Armed Forces Shaikh Mohammad Bin Zayed Al Nahyan made a three day visit to India from January 24-26, 2017 where he attended the host country's 68<sup>th</sup> Republic Day celebrations. The visit was significant in a number of ways. The occasion was used by the two countries to sign 14 bilateral agreements of cooperation in the fields of defence, cyberspace, technology, trade, investment, energy and agriculture. In addition to these agreements, both the countries while pledging their commitment to a "comprehensive strategic partnership for 21<sup>st</sup> century" also hoped that high level bilateral visits would translate into stronger ties between the two countries.

Apart from these agreements, the highest building in the world, Burj Khalifa in Dubai was also lit in the colours of Indian flag on the eve of the visit to express deep friendly relations that the two countries share.<sup>1</sup> UAE is one of India's top trading partner with the total trade between the two countries amounting to some \$ 70 billion<sup>2</sup>. An Indian diaspora of over 2.8 million lives in UAE.<sup>3</sup> India imports 70 per cent of crude oil from the Gulf countries. It is expected that by 2020, India will account for 5 per cent of global oil demand. It is precisely for this reason that both the countries have signed agreement on establishing a strategic oil reserve facility in Mangalore, Karnataka that would help India to store 36.87 million barrels of crude oil which can supply almost 10 days of the country's daily oil demand. UAE's Abu Dhabi National Oil Company (ADNOC) will store about 6 million barrels of oil at this particular facility.<sup>4</sup>

The visit of the Crown Prince of Abu Dhabi to India and the bonhomie that was shown by the two countries is only a small portion of the larger picture. India has traditionally enjoyed deep economic, cultural and strategic relations with the Gulf countries. As a matter of fact, the first recorded maritime trade route in history was between Indus Valley Civilisation and the civilisation of Dilmun that was located on the island of Bahrain and the adjacent shore of Saudi Arabia.<sup>5</sup> The Colonial period saw both the regions further cementing their ties as strategic- military component was added to the economic one. Since the British needed to protect sea lanes, they first established a protectorate over Abu Dhabi and Aden and later over Oman, Qatar, Kuwait, Bahrain, Dubai and some other states. British affairs in Gulf were administered by British officials in India and were garrisoned mostly by Indian soldiers.<sup>6</sup>

After 1947, following the independence of India, the relationship between the two regions took to new heights. By that time, the Gulf region had also found its new wealth i.e. oil. Though, Arab support for Pakistan during the Indo-Pak 1971 war and India's support to Egypt did sour the relationship. But that situation did not last long and subsequent decades saw both the regions coming closer to each other.

The Gulf region is a major trade partner for India as bilateral trade grew from US\$ 5.55 billion in 2000-01 to US\$ 158.41 billion in 2012-13.<sup>7</sup> Some more than 6.5 million Indian expatriates<sup>8</sup> are also busy in the development of the region. India has also been extremely successful in projecting its soft power in the region. Bollywood movies and music are famous in the region among both the Arabs, as well as the South Asian diaspora.

India considers the Gulf region as an extension of its strategic neighbourhood and therefore, takes keen interest in the stability of that region. On the other hand, the Gulf region also sees India as an important partner, particularly in securing energy sea lanes of communication. As part of India's "look West" policy, Indian Navy has also been playing part in anti-piracy activities and supporting and training the navies of the Gulf region. In addition to that, the Indian Navy is also active in operational exercise and information sharing with the Gulf Navies.<sup>9</sup>

On its part, Pakistan needs to focus on its own relations with the region. Pakistan needs to engage with the countries of the region more proactively to counter any nefarious designs of India to isolate Pakistan. The issue of Kashmir and the massive human rights violations in the Indian-held Kashmir need to be highlighted at every possible forum to garner maximum support for the Kashmiri people in their struggle. Further, Pakistan and Gulf countries need to have more high level bilateral visits and more cooperation in the fields of halal foods, agriculture and defence. But above all, signing of free trade agreement which is under negotiation since 2006 would open numerous avenues for the prosperity and development of both GCC and Pakistan.

## Notes and References

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  - <sup>7</sup> Prasanta Kumar Pradhan, "India's Relationship with the Gulf Cooperation Council," IDSA Monograph Series, No. 37, Institute for Defence Studies and Analyses, May 2014  
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