India-GCC Relations: Delhi’s Strategic Opportunity

Kadira Pethiyagoda
India-GCC Relations: Delhi's Strategic Opportunity
INDIA-GCC RELATIONS:
DELHI’S STRATEGIC OPPORTUNITY

KADIRA PETHIYAGODA
# Table of Contents

I. Executive Summary ............................................................................................... 1

II. Introduction ........................................................................................................ 4

III. History of Relations ............................................................................................ 5

IV. Changing Dynamics of India-GCC Relations .................................................. 6

V. India’s Capabilities and Challenges ..................................................................... 15

VI. Promising Future? ............................................................................................. 24

VII. How GCC Policymakers can Capitalize ............................................................ 27

VIII. Endnotes ......................................................................................................... 31
The author wishes to thank Ranjit Gupta and other former Indian officials who were kind enough to share their insights. He also thanks current Indian officials and those of other countries who volunteered their time, as well as all the staff at the Brookings Doha Center for their support throughout the process.

Kadira Pethiyagoda
Doha, February 2017
ties between the Gulf and India stretch back several millennia. Until the last decade or so, the relationship was still being driven almost exclusively by economic interests—energy trade and migrant labor. Now, however, the agendas of rising powers like India and China are expanding, including in the Middle East. Specifically, India-Gulf Cooperation Council (GCC) ties will be among the most important relationships for both sides in the coming decades.

The emergence of several factors is forcing New Delhi to consider the strategic aspects of those ties. First, Delhi’s increased political and economic interest in rising to the top of the global hierarchy has increased the strategic dimension of its dependence on Gulf energy. India is already increasingly energy-thirsty, and in 2016 over half of India’s oil and gas imports came from GCC countries.

India’s expanding regional aspirations across the Indian Ocean are also a factor. Delhi sees the Gulf and South Asia as strategically interactive and interrelated regions, and has increased its focus on the Gulf accordingly. The increase in India’s global trade gives new impetus for cooperation with the strategically located GCC states. Furthermore, India’s historical ties to the region motivate present-day leaders to strengthen current ones.

However, today’s Middle East is wracked by instability. This poses significant threats not only to India’s energy supplies, but also to its economically and politically important diaspora. The Gulf hosts 7 million Indians earning remittances of around $40 billion annually. If Delhi is to protect its diaspora and secure its long-term interests in the GCC, it will need to expend resources in the short-term to promote regional stability.

Arguably, the most important change affecting India-GCC relations is the growing multipolarity among the external powers engaged in the Middle East. The United States is downsizing its regional role and Russia is returning in force, all while China’s importance continues to increase. These changes bring unpredictability and will spur increased Indian engagement with the GCC to directly protect Delhi’s interests and gain influence with GCC governments.
These changes in how external powers are approaching the Middle East have also contributed to GCC states seeking to develop strategic partnerships with non-U.S. powers. Beyond politics and security, economic factors are making Asia a more important trade market than the West. In engaging with Russia and China, GCC states have proven willing to overlook stark differences on contentious issues like Syria and Iran.

It is clear that India would be well served to reconsider how it engages with the GCC states. Prime Minister Narendra Modi does seem to be prioritizing the Gulf, coining “Link West” as a new policy catchphrase and making visits to Saudi Arabia and the United Arab Emirates. In trying to boost these relations, India can tap its significant soft power, stemming from its benign image in the region. Additionally, the size and importance of India’s diaspora gives Delhi leverage, and India’s good relations with the GCC states’ primary backer, the United States, facilitates cooperation between them.

India also has constraints, however. Internal factors hamper strategic planning, policy development, and implementation despite the vision of leaders. Furthermore, as India’s interests expand and its actions in the Middle East become more consequential to GCC states, Delhi’s ability to play multiple sides will become increasingly difficult.

India also faces competition in boosting its ties with GCC states, most notably from China and Pakistan. China has significant ties with GCC states, has been outcompeting India in Africa, and has been resistant to Indian involvement in Eastern Asia. Pakistan remains India’s chief rival, enjoys close ties with GCC states, and is opposed to increased Indian presence in the Gulf.

Looking forward, Delhi’s commitment to boosting its relations with the Gulf will lead to stronger India-GCC relations, though not exclusively. Delhi will balance a complex web of relationships in the way that it feels will protect and further its own interests in the region. As India’s interests expand, maintaining its values, neutrality, and strategic autonomy may be increasingly difficult. India’s burgeoning relationship with Iran will be one such test. Its relations with Israel will also grow, despite having lost their earlier momentum.

The current context also gives GCC policymakers an opportunity to further their interests with regard to India. Given the limited bandwidth of Delhi’s foreign policymaking establishment, GCC states will need to take the initiative. They should emphasize areas of mutual interest, namely maintaining the Gulf’s current power structures in the interest of stability. Additionally, Saudi Arabia and the UAE especially can leverage their existing trade relationships with India.
to expand security ties. In the long-term, GCC states could encourage India to play a greater role in stabilizing the Middle East and learn from India’s experience in strengthening internal stability and institutions. Lastly, the shifting energy landscape should present additional opportunities for cooperation using Indian human resources and GCC capital.
Introduction

Ties between the Gulf and India stretch back several millennia. Until the last decade or so, the relationship was still being driven almost exclusively by economic interests, specifically energy trade and migrant labor.

Not anymore. The world is becoming increasingly multipolar with the rise of powers like India and China, and these countries’ agendas are expanding, including in the Middle East. Relationships involving Asia and the Gulf will have a significant impact on the geopolitics of the region and the world. Asian powers are increasingly important to Western strategies toward the Middle East. India and China are beginning to feature more in the rivalries between the region’s power centers: the GCC, Iran, and Israel. While there is some research on China’s growing role in the region, India has received less attention.

This paper investigates India’s strategic relations with the members of the GCC: Saudi Arabia, Qatar, Kuwait, the United Arab Emirates, Bahrain, and Oman. It argues that India-GCC ties will be among the most important relationships for both sides in the coming decades, and that the emergence of several factors is forcing New Delhi to consider the strategic aspects of those ties. The paper analyzes these factors, especially India’s desire to accelerate its rise as a global power; India’s expanding aspirations in the Middle East; instability in the wider Middle East; increasing multipolarity in the Middle East; and growing interest among GCC states to reach out to new partners.

The paper goes on to outline India’s advantages, constraints, and competition in responding to these developments. It finds that despite the growing strategic imperative, it is uncertain whether India will be able to effectively maximize its interests in the Gulf. The paper then discusses the likely future behavior of Prime Minister Narendra Modi’s government toward the Middle East. It concludes with a discussion of how GCC policymakers can seek to further their strategic and security interests with regard to India.
The peoples of India and the Gulf have relations dating back over four millennia, when interactions centered on trade and cultural exchange. During the colonial period, the British oversaw their Middle Eastern protectorates from Delhi. Following independence, from 1947 to 1986, India took an ideological approach to the Middle East, underpinned by anti-colonialism and its central role in the Non-Aligned Movement. While India did not vote on the partitioning of Palestine, it opposed the admission of Israel to the United Nations. This led to a strong relationship with Egypt, spearheaded by a friendship between Prime Minister Jawaharlal Nehru and President Gamal Abdel Nasser.

India’s political relations with GCC states, namely Saudi Arabia, were more subdued. This was largely due to India’s following of the neutrality principle in relation to most global issues, as highlighted by Ambassador Ranjit Gupta, a veteran of India’s Ministry of External Affairs (MEA). Nonetheless, Delhi passively supported the nationalist, socialist-leaning secular republics over the pro-Western monarchies during the intra-regional “Arab Cold War” of the 1950s and 1960s. India also aligned with the Soviet Union over its 1980s intervention in Afghanistan, which the GCC states opposed. Many Arab countries also supported Pakistan in the dispute over Kashmir. Overall, India-GCC relations remained largely stagnant for the duration of the U.S.-Soviet Cold War.

After the Cold War, despite increasing bilateral trade in energy and labor, Delhi still has not viewed the GCC through a strategic lens. This absence of a strategic focus has been due to a combination of issues. Historically, India’s foreign service has been overstretched, and some have described India as lacking an overarching foreign policy strategy. Furthermore, India has adhered to the principle of neutrality, while also using neutrality as a strategy.

Lastly, domestic factors relating to Hindu-Muslim relations and communal politics have constrained Delhi’s approach to the GCC. Regardless, in the last decade, factors have arisen that increase India’s strategic stakes in the Gulf and demand attention beyond commercial concerns.
India’s Increased Focus on Becoming a Global Power

Increased political and economic investment in the goal of rising to the top of the global hierarchy of states has increased the strategic dimension of Delhi’s dependence on Gulf energy. India’s government and, to a significant extent, its people, now have greater expectations of India’s strategic power. A primary vehicle for climbing the global hierarchy is increased strategic influence and the ability to project military power throughout the Indian Ocean, Asia, and beyond. Former Prime Ministers Atal Bihari Vajpayee (1998-2004) and Manmohan Singh (2004-14) urged India to look beyond its immediate neighborhood. This is, in part, underpinned by Indian leaders holding a hierarchical worldview, which drives their preference to prioritize India rising to the top of the international order. This quest requires that a greater proportion of resources go toward strategic objectives. For example, projecting military power requires massive supplies of energy, and is therefore exceedingly difficult without secure energy sources.

This is a significant challenge for India, which is already increasingly energy-thirsty. India faces energy poverty with 25 percent of the population lacking access to electricity and the remainder facing rolling blackouts. Primary energy consumption more than doubled from 1990 to 2012, and by 2013 India was the third largest consumer of energy in the world. The International Energy Agency expects the country to account for 25 percent of the projected rise in global energy usage between 2015 and 2040. Most of that energy has to be imported, as domestic production faces challenges due to the Naxalite insurgency, infrastructure problems, and the regulatory environment. Oil imports are particularly important given the lack of viable alternatives and high cost of domestic production. In 2012, 71 percent of India’s crude oil demand was satisfied by imports, up from 42 percent in 1990. The proportion of India’s energy that will have to be imported is projected to increase further, especially for oil and natural gas.
Due to these needs, India is arguably more dependent on energy from the Middle East than any of the other major powers with significant stakes in the region. By 2016, over half of India’s oil and gas imports were coming from GCC countries (see Figure 1). Combined, the GCC states were India’s largest trading partner in 2014-15 with trade valued at $137.7 billion, having grown from $5.5 billion in 2001 (see Figure 2). The volume of energy-dominated trade is set to increase further, as GCC exports to India have grown at an annual rate of 43 percent over the last decade—faster than with any of the GCC’s other trading partners.14
Clearly, India’s energy security is premised on a good political relationship with the GCC. Even India’s efforts to become energy independent have included acquisitions of foreign upstream hydrocarbon reserves, which may require military protection in an unstable region. All this provides further impetus to policymakers to view GCC relations through a strategic, rather than a purely commercial, prism. As a result, the geopolitics of energy are now firmly “part of daily business in India.”

The Modi government seems cognizant of this, considering India’s efforts to establish stronger partnerships with GCC states, including through joint investments and other projects requiring significant long-term commitments from both sides. During the prime minister’s April 2016 visit to Saudi Arabia, the countries agreed to “transform” the buyer-seller relationship into a deeper partnership that focuses on investments and joint ventures in petrochemical complexes, research and development, and exploration in India, Saudi Arabia, and other countries. The associated joint statement explicitly connected the expansion of trade and investment ties to the goal of driving strategic engagement forward. When Modi visited the UAE in August 2015, the two countries discussed the establishment of a strategic petroleum reserve in India.

\[\text{Source: International Trade Centre calculations based on U.N. Comtrade statistics}\]
India's Expanded Regional Aspirations

Of all the established and rising global powers, India is the closest geographically to the Gulf. Delhi sees the Gulf and South Asia as strategically interactive and interrelated regions, and it has increased its focus on the Gulf accordingly, especially since 2000. In 2003, the previous Bharatiya Janata Party (BJP) administration launched “a 20-year programme to become a world power whose influence is felt across the Indian Ocean, the Arabian Gulf, and all of Asia.” The external affairs minister at that time, Jaswant Singh, affirmed that the Gulf is of interest to India and within its sphere of influence. In 2005, then-National Security Adviser M.K. Narayanan stated that “the key focus in our external relations today is ensuring the stability and security of the region, comprising the arc of nations from the Gulf to East Asia.”

India’s naval policies and behavior during the first decade of the 2000s reflected these positions. The 2009 maritime doctrine, issued when the Indian National Congress was in power, labeled the Gulf, the Arabian Sea, and the states bordering them as vital to India’s strategic interests, which include the securing of choke points to ensure the smooth flow of energy. Moreover, Delhi had the objective of establishing an extensive ring of defenses in the Indian Ocean and the Gulf, and a willingness to deploy the required resources. In terms of action, India undertook a naval buildup that included efforts to establish a blue-water fleet and reportedly began building an 8,000-acre base on its West coast.

The GCC states, of course, are situated in one of the most strategically important parts of the Indian Ocean, bordering shipping lanes through which energy and other goods flow between the Middle East, Europe, and Asia. Accordingly, the Indian navy increased its visits to GCC ports, arranged joint exercises with GCC navies, and institutionalized links to GCC states. Most recently, India and Saudi Arabia agreed to enhance cooperation to strengthen maritime security during Modi’s 2016 visit. Beyond energy and defense, India’s increase in global trade over the last decade gives it new impetus for cooperating with GCC states in areas like protecting lines of communication, deterring piracy, and preventing the trafficking of narcotics and weapons.

Furthering India's drive to extend its influence in the Gulf is the awareness among both policymakers and the public of their civilization’s historical ties to the region. Prior to colonization, India's culture and trade had seeped as far as the Fertile Crescent and Mediterranean. During the British Raj period, India became a hub for Britain's dominance of the Indian Ocean region, including the administration of Arab states in the Gulf.

This history matters to present-day leaders in part because of the value they place on India's prestige. They expect India to regain what they see as its rightful standing in the international hierarchy.
Indeed, prestige has played a significant role in many aspects of Indian foreign policy. 27 Similarly, ancient India’s influence on the Middle East is what today’s Indian public expects in the future. A poll found that 89 percent of Indians thought that India should do more to lead cooperation with Indian Ocean countries. 28

**Instability in the Wider Middle East**

Today’s Middle East is wracked by major upheavals and conflicts that have swept the region since 2010. This poses significant threats not only to India’s energy supplies, but to its economically and politically important diaspora, as well as national security. Regional instability is furthered by a shift in the balance of power, including a potential arms race between Saudi Arabia and Iran. Despite the risks, this era of major change provides openings for emerging powers like India to carve out new roles.

Most immediately, however, the Middle East’s increased instability threatens to put India’s large diaspora in the region in harm’s way. The Middle East hosts 7 million Indians who earn remittances totaling around $40 billion annually. 29 Past regional conflicts have shown how quickly that asset can become a liability. Delhi has had to execute a number of costly evacuations, including the largest airlift in history in 1990, when 110,000 Indians were flown out of Iraq and Kuwait. 30

Beyond being an economic asset and essential source of foreign reserves for India, this expat population is also politically significant, as made clear during top officials’ visits to GCC states. One of Modi’s major activities during his visit to the UAE was an address to 50,000 expats in Dubai. 31 External Affairs Minister Sushma Swaraj, who manages the Overseas Indian Affairs portfolio, met with diaspora communities in the UAE, Bahrain, and Oman to discuss their treatment, and has stated that the welfare of Indian expats, particularly in the Gulf, is a top priority. 32

Indians in GCC states are especially politically relevant because they hail overwhelmingly from a handful of mainly southern states, such as Kerala, giving them influence with those state governments. This makes the expats’ security, and to some degree their welfare, a concern for national parties attempting to form governing coalitions. These parties, namely the ruling BJP, do not have as strong a presence in the south, but must garner support from southern states. Soon after the BJP’s 2014 victory, Swaraj held meetings with MPs from the south to discuss issues relating to the diaspora in the GCC. 33

If Delhi is to protect its diaspora and secure its long-term interests in the GCC, it will need to expend resources in the short-term to promote regional stability. This includes buttressing its strategic influence through increased diplomacy and military presence. Discussions with Indian policymakers, past and present, reveal a general discontent with the way the current external powers have been unable or unwilling to ensure stability in the Middle East.
The Indian government has tentatively affirmed a need for the country to play a role, and the rhetoric from Delhi suggests India may at least consider taking a more proactive approach.

Specifically, the joint statements penned during Modi’s visits to Saudi Arabia and the UAE are replete with promises of cooperation against terrorism. This is a key point of intersection, as extremists in the Middle East provide ideological inspiration and logistical support for allied actors in India. Tackling terrorism, as well as other transnational crimes, including piracy and illegal arms trade, requires that India build strong security relationships with GCC states.

India’s frustration with regional instability also partially explains its consistent, though passive, opposition to the overthrow of Assad in Syria. India recalls having to abandon oil investments in Syria due to security concerns in 2013. Wars in Libya and Yemen also constrained the ability of the Indian diaspora to work and transmit remittances.

**THE END OF AMERICAN DOMINANCE**

Arguably, the most important change affecting India-GCC relations is the growing multipolarity among the external powers engaged in the Middle East. After a quarter-century of dominance, the United States is downsizing its regional role and Russia is returning in force, all while China’s importance continues to increase. This change from unipolarity to multipolarity brings unpredictability and, potentially, further instability. In the short-term, it may exacerbate conflicts, enhancing the power of non-state actors. This will spur increased Indian engagement with the GCC to directly protect Delhi’s interests and gain influence with GCC governments.

**Reduced U.S. Presence**

Former President Barack Obama actively sought to reduce U.S. involvement in the Middle East. This was underpinned by the United States’ growing energy self-sufficiency, increased Chinese assertiveness demanding attention in East Asia, and an American public tired of an interventionist foreign policy. This fatigue, confirmed by the resonance of the isolationist stances by populist presidential candidates on both the extreme left and extreme right, will likely act as a constraint on President Donald Trump’s foreign policy toward the region. The resulting power vacuum in the region presents both opportunities for, and threats to, closer Indian-Middle East relations.

Some argue that the U.S. presence will not decline, pointing to Obama’s decision to deploy special forces to Syria and Iraq and extend operations in Afghanistan. Trump, however, has expressed a distaste for interventions. Even if the U.S. foreign policy establishment convinces him to take a more interventionist approach, Washington cannot arrest the growing regional footprints of non-Western powers.
Emerging and resurgent powers are already looking to forge new political and security relationships and significantly expand existing ones.

Resurgent Russia

Russia has reasserted itself by intervening in support of the Syrian government to secure its closest ally in the Arab world and maintain its port on the eastern Mediterranean. Moscow likely also intended to demonstrate to Middle East states and other small countries that Russia is a useful partner that can counter Western efforts to facilitate regime change—a fear among many regional powers. In doing so, Russia has also laid the groundwork to attract new regional partners, a strategy that appears to be paying off. In recent months, Moscow has enjoyed renewed ties with Turkey and Egypt, as well as increased engagement with Saudi Arabia and Israel.

Emerging China

A longer-term trend than either the American retreat or Russian resurgence is the growing relative influence of emerging powers, most notably China. For Beijing, the Middle East is a continuation of the trade routes it seeks to secure from East Asia, through the Indian Ocean, and to the Middle East, Africa, and Europe. Economically, China is the single largest foreign stakeholder in the Middle East, surpassing the United States in oil purchases.  

Two-way trade between China and the region tripled in the five years leading up to 2009, reaching $115 billion. In early 2016, Beijing began building its first overseas military base in Djibouti, further confirming its serious interest in the broader region.

China has also been strengthening political ties with major regional powers. Beijing has sought to position itself as a less judgmental alternative to the United States, asserting that Middle East countries and their peoples should choose their own path to development, according to their national conditions. Within the GCC, China elevated its relationships with Qatar and Saudi Arabia to “strategic partnerships” in 2014 and 2016, respectively. Saudi Arabia, which is battling to remain China’s top source of oil, has agreed to participate in Beijing’s One Belt, One Road initiative and the Asian Infrastructure Investment Bank. Riyadh has also expressed interest in purchasing Pakistani-Chinese produced JF-17 fighter jets.

Less U.S. engagement reduces barriers for China to act directly in securing its interests in unstable parts of the Middle East. The recent conflicts in Libya and Syria led to losses in energy investments, likely causing Beijing to recalculate its non-interference doctrine. Regarding Syria, it was purposefully symbolic that Assad’s foreign minister confirmed the government’s willingness to participate in peace talks while visiting Beijing. China has expressed support for Moscow’s intervention and protected the Assad regime through vetoes at the United Nations.
GCC States Reaching Out

These changes in how external powers are approaching the Middle East have contributed to recalculations by regional states, including in the Gulf. As far back as the GCC’s founding, its members have relied on the United States as their guarantor of security and the regional order. Similar to small countries globally, however, GCC states are currently seeking to develop strategic partnerships with other powers. For instance, Saudi Arabia is pursuing stronger ties with China as a counterweight to the United States, despite Iran doing the same.

This shift is partially a result of the aforementioned reduced U.S. presence. GCC states perceive that the United States is increasingly disinterested in the region and that it lacks an enduring commitment to any regional ally other than Israel. Furthermore, the Iran nuclear deal caused concern among GCC states that Washington was searching for the optimal strategic balance between the GCC, Israel, and Iran. This is particularly alarming to GCC states, which see Iran as the greatest threat to domestic and regional stability.

These fears are coupled with the perception that Washington is losing its once-uncontested dominance in the region. As discussed, the relative strength and assertiveness of other powers, including those that support the GCC’s regional rivals, is increasing. Russia’s unabashed use of military force to protect its ally in Syria also looks particularly bad for the United States. It draws a contrast with Washington’s apparent inability or unwillingness to provide decisive support to the Syrian factions that it backs in conjunction with GCC states. As a result, GCC states now recognize that in the long-term, Western backing alone is insufficient to achieve their regional security interests.

Beyond politics and security, GCC members are also more likely to diversify their partners because of economic factors. Oil prices remain low and Asia is becoming a more important trade market than the West. GCC states are looking to make security cooperation commensurate with economic relations, and the global oil glut further increases the importance of Asian importers. This is underpinned by India and China’s economic growth and increasing dependence on energy imports, coupled with the West’s reduced reliance on such imports. Sanjaya Baru, a senior policy analyst, argues that the Middle East is “looking east” because it is “worried about the emerging strategic instability in its own neighborhood and the structural shift in the global energy market.”

In the future, GCC countries may see benefit in partnering with multiple emerging powers, seeking to balance Beijing’s influence with that of other countries, including India. Cooperation with smaller rising powers is also in play. In 2011, South Korea deployed 130 troops to the UAE as part of a military agreement that one analyst suggested might be related to the protection of nuclear facilities. EU countries are also getting footholds, possibly in line with Washington’s urging of NATO allies to engage
in burden sharing. France, for instance, established the first foreign army base in the UAE in 2009.\textsuperscript{50}

GCC states’ keenness to diversify their strategic partners is evident from their willingness to overlook stark differences on contentious issues. Indeed, GCC states seem to be accepting that new partners may have ties with their regional rivals. This is borne out by GCC states strengthening ties with China and India despite their positions on Syria and Iran. Moreover, GCC states have held high-level dialogues with Russia, even after its intervention in Syria.\textsuperscript{51}
Taking all of these developments into account, it is clear that India would be well served to reconsider how it engages with the GCC states. The Modi administration seems to have recognized this. Its rhetoric, particularly during the last 18 months, has suggested a greater prioritization of the Gulf. Modi even coined “Link West” as a new policy catchphrase, invoking a level of importance similar to that given to East Asia under the “Look East/Act East” initiative, launched in the mid-1990s.

Accordingly, India-GCC engagement is broadening. For decades, India’s visits to the GCC typically focused on transactional economic ties and lacked political and strategic significance. The rhetoric that emanated from Modi’s recent visits to Saudi Arabia and the UAE indicate a change in direction. The first five policy-related points of the India-Saudi Arabia joint statement focused on strategic and defense ties. There was acknowledgement of the interlinkage of the stability and security of the Gulf region and the Indian subcontinent. The statement called for cementing strategic engagement and intensifying defense cooperation through conducting joint military exercises and exchanging visits between military personnel and experts.

The statement released during Modi’s 2015 visit to the UAE was similarly notable for its emphasis on security and strategic factors. Furthermore, when External Affairs Minister Swaraj attended the First Ministerial Meeting of the Arab-India Cooperation Forum in 2016 in Bahrain, she addressed the need to cooperate in opposing terrorism, and described it as a “turning point” in Indian-Arab ties.

In attempting to capitalize on this pivotal period in India-GCC relations, Delhi has some advantages, but also faces constraints and competition.

**India’s advantages in the Gulf**

There are three major areas of advantage that Delhi can utilize in attempting to forge stronger ties with GCC states. First, India can tap its significant soft power in the region. The country enjoys a benign image in the eyes of Middle Eastern governments and peoples, smoothing the way for stronger relations. Secondly, the size and importance of India’s diaspora in the region gives Delhi significant leverage. Finally, India enjoys good relations with the GCC states primary backer, the United States.

**Indian Soft Power**

India’s image in the region is shaped by culture to a greater degree than other powers,
whose reputations are colored more by ideological leanings or past foreign policy behavior. In 2005, Defense Minister Pranab Mukherjee mentioned “traditional linkages” in the extended neighborhood as a way of addressing the deficit in security decision-making. This is partly due to identity and shared cultural history between South Asia and the Middle East, including both the Arab world and Iran. GCC states are well aware of India’s Islamic heritage under the Mughals and current status as home to one of the world’s largest Muslim populations. This is particularly important given the salience of pan-Islamic identity.

Furthermore, GCC states view India’s values favorably, even if they do not practice them as much. Ambassador Gupta stated that while Gulf countries are not democracies, they “admire India’s pluralism,” adding that India’s Muslims are seen to receive fair treatment. A noted liberal Saudi columnist, Khalaf Al-Harbi, heaped praise on India in 2015 for its culture of tolerance and pluralism and argued it remains “the oldest and most important school to teach tolerance and peaceful co-existence regardless of the religious, social, political or ethnic differences.” The India-UAE joint statement following Modi’s visit highlighted parallels between India and the UAE as multicultural societies and the values of tolerance and peace as being inherent in all religions.

The values of tolerance, pluralism, and non-violence influence India’s foreign policy to a significant degree. After independence, Delhi’s tolerance and pluralism led to positions that were friendly to Arab states. The value of non-violence contributed to Delhi’s opposition to military intervention in the region, also burnishing its image. Gupta stated that after the Nehru-Nasser era, “We never took sides in any regional dispute.” While many have criticized India for not taking positions on Middle East conflicts, this very tradition has endowed the country with the advantage of seeming non-threatening.

This tradition continues today. In 2015, a senior MEA official managing Middle East relations stated, “We don’t like military intervention.” He pointed to Delhi’s stances with regard to interventions in Iraq, Libya, and Syria as examples of India’s commitment to the principle of non-interference. He argued that these stances helped India maintain good relationships with all states, including Saudi Arabia and Iran, as well as the Israelis and Palestinians. “Although there are divisions, we are friends with all,” he said. Another senior MEA official, this one dealing specifically with the Gulf, added that non-interference was India’s strength. He asserted that India was liked and held a good reputation because it is not given to stepping on toes or cajoling.

Indeed, GCC states see India as supporting sovereignty, stability, territorial integrity, and non-interference. This endears India to GCC states, who fear and resent foreign interference in their domestic affairs. An Egyptian diplomat working in India stated that the country’s image in the Middle East was influenced positively by Delhi’s position of “being friends with everyone” and past support for the Palestinians. This is despite
knowing that India was purposely “keeping a low profile” due to its energy interests, among others. Even Modi, despite being criticized in the West and domestically for his handling of the anti-Muslim Gujarat riots, is still seen positively by Middle Eastern states. On the question of Indian Muslims, the Egyptian diplomat expressed confidence that Modi’s development agenda would not leave anyone out. Overall, Delhi’s policies thus far have led it being viewed as neutral and trustworthy.

The recent shift toward multipolarity among external actors in the Middle East will further increase the attractiveness of India’s perceived neutrality. For much of the Syrian war, the rhetoric of states divided them into two groups: those who supported the forceful ouster of Assad (the United States and various EU countries) and those who wanted a political solution (Russia, China, India, and Brazil). With Russia’s military involvement, the Middle East will increasingly see India and China as neutral, independent alternatives to the other powers.

This will complement the solidarity India exhibited toward Arab states under the Non-Aligned Movement and its continued commitment to accepting “what the people of those countries want.” Syria’s ambassador to India stated that Delhi was in a “rare position where it has good relations with both Syria and the big world powers.” Delhi’s unique position was demonstrated when Russia invited India to the Geneva II conference on Syria and the West did not object.

India can use its position as a friend of both Russia and the United States—the two most influential powers in the Middle East—to enhance its influence among the GCC states. Similarly, India could seek to enhance its influence and soft power through positioning itself as a novel and neutral broker for pursuing rapprochement and reconciliation between Iran, or even Israel, and the GCC. Broadly, Middle Eastern countries see India as an influential global voice on issues of concern to them.

Essential Diaspora

India also has the advantage, unique among global powers, of having the aforementioned massive diaspora in the Middle East, particularly in the Gulf. Indians are the largest foreign workforce in the region and are often essential for the functioning of GCC states. For example, in Saudi Arabia there were nearly 3 million Indians as of September 2015. Indian citizens even constitute pluralities in several GCC states, including the UAE, which hosts around 2.6 million Indians, making up 30 percent of the population. Around 15-20 percent of them are white-collar professionals. Indian expatriate workers strengthen their country’s image due to their profile as peaceful, tolerant, accommodative, and harmonious.

Most specifically, however, India’s diaspora is an advantage because it plays an integral role in the GCC states’ ability to extract and export their energy resources. This enhances India’s
strategic leverage and negotiating position with regard to the GCC states, should Delhi choose to use it. While a disruption of Indian labor would harm India economically (and possibly politically) due to reduced remittances, for GCC states it could threaten their very ability to function—a major security risk in an unstable region. Furthermore, a potential falling out would have greater negative economic and political impacts on GCC states than on Delhi because India’s much larger economy can better absorb such shocks. The GCC states could, of course, seek to mitigate Delhi’s leverage by sourcing labor from other countries, including India’s chief rival, Pakistan.

Mutual Friends

India has a further advantage not shared by other rising and established powers. While GCC states are seeking to diversify their partnerships, they still prioritize relations with the United States to a significant degree, particularly in the immediate term. India is therefore uniquely attractive to GCC states as a historically neutral rising power that—unlike China and Russia—Washington does not view as a threat.

As its own role declines, Washington may even encourage Delhi to take a more active part in ensuring the region’s security. This would be in line with its general urging of allies and friendly nations to assume greater responsibility for pursuing collective security interests. Washington has even called for China to take a more active role in security affairs and to stop being a free rider, despite knowing that major Chinese strategic influence counters American interests. The opposite is likely true of Indian influence.

The United States has invested significantly, both diplomatically and militarily, in trying to cultivate India as a strategic friend, if not an ally. This does not guarantee an aligning of interests in the Middle East, and the United States was notably disappointed with the lack of Indian support for its intervention in Libya. Nonetheless, Washington may now seek to cash in on its investments in this relationship, as well as India’s trusted, neutral reputation in the region. Certainly both nations would hope that India can help reduce Beijing’s bargaining power and influence, particularly in regional hotspots. Given GCC states have thus far constituted the United States’ most steadfast friends in the region, Washington may even expect India’s future involvement there to include increased strategic support for GCC governments.

At a minimum, India having ties with the United States removes barriers to high-level security cooperation with GCC states. This has been true of Israel’s experience. An Israeli diplomat working in India noted that in areas of potential cooperation, like cyber issues, working with India is less challenging than with other non-Western major powers. Conversely, Washington has vetoed Tel Aviv’s transfer of certain defense technology to Beijing.
**DELHI’S CONSTRAINTS**

In balancing these advantages, however, India faces obstacles, both internal and external, to boosting its relations with GCC states. Internal factors constrain strategic planning, policy development, and implementation, despite the vision of leaders. A relatively high proportion of India’s foreign policy formulation occurs at the political level. Because political leaders contend with a wide range of issues, their attention is stretched thin. This is compounded by India’s geopolitical rise and the associated proliferation of foreign interests and countries seeking Delhi’s attention.

At the bureaucratic level, the Indian Foreign Service (IFS) and MEA are similarly overextended handling existing priorities. These have grown rapidly in the last decade, pushing areas of potential future importance further down the agenda. While Delhi has made recent efforts to expand the workforce of the MEA, it is starting from a low base. In 2012, India had a smaller diplomatic service than any other major country, even comparable rising powers like Brazil and China. In earlier decades, this led to a reactive foreign policy that focused strategic attention on existing threats that have high political profiles, like domestic insurgents and border issues. Modi has stated that he seeks to move away from a reactive foreign policy approach to one which proactively shapes regional and international outcomes. Whether this enthusiasm at the political level leads to practical outcomes is yet to be seen.

The IFS’s past ideological tradition of non-alignment may lead to some apprehension about embracing GCC states due to their history of Western alignment. Constraints also exist in military cooperation due to India’s limited resources. For instance, Delhi needs to upgrade India’s aging military equipment. GCC states, knowing India’s internal limitations, may be wary of investing too much in the strategic relationship at the potential cost of relations with other powers like China. As recently as 2004, some argued that India’s limited ambitions for security ties were not enough to satisfy the long-term security concerns of GCC states.

Internal political constraints may also impede an interest-based strategic focus. Modi’s election led to some apprehension that relations with the GCC would be threatened ideologically due to his nationalist political pedigree and fractious relations with Muslims. The BJP’s base may see closer ties as an unwelcome attempt to appease domestic Muslims and, to a lesser extent, as a betrayal of the party’s traditional pro-Israel stance. That said, the author’s first-hand observations of Indian media and society suggest that anti-Islamic sentiment in India is largely directed toward Pakistan, Kashmir, and Muslim Indians. This sentiment will be further tempered by southern states gaining increased influence on India’s foreign policy, as they have less communal tension and a direct interest in stronger GCC ties.
India’s political dynamics and the related communal tensions have been noticed in GCC states, potentially sulling India’s positive image. Outside of the usual Kashmir reporting, a number of articles and op-eds have highlighted tensions and attacks on Muslims. This has gained more attention given Modi’s history of fractious relations with Indian Muslims, most notably as Chief Minister of Gujarat during the riots there.

India also faces external constraints to forging deeper ties with GCC states. Thus far, India has been able to maintain friendships with opposing Middle Eastern powers without suffering any fallout. With regard to Syria, India has resisted Western and GCC efforts to isolate Assad. Just months before Modi’s visit to Saudi Arabia, India hosted Assad’s foreign minister, as the regime attempted to win further support before peace talks. The MEA’s website even states that during the current unrest, “Syria has deeply appreciated the support received from India … at the UNSC.” In this case, Delhi has prioritized a basket of interests (see below) over garnering favor from GCC governments. That said, sensitivity to the GCC and U.S. position is likely to have contributed to the overall passive tone of Delhi’s Syria stance.

India has also continued to court its longtime friend, the recently unshackled Iran. Delhi is seeking to expand ties with Tehran due to energy needs and interests in Afghanistan, the rest of Central Asia, and the Indian Ocean, as well as competition with China and Pakistan (see below). Similarly, India’s ties with Israel have steadily grown. India has purchased $662 million in Israeli arms since Modi’s election. Indian and Israeli lobbyists work together in the United States on mutual interests such as convincing Washington to allow Tel Aviv to sell weapons systems that feature American technology to Delhi.

As India’s interests expand and its positions and actions in the Middle East become more consequential to GCC states, Delhi’s ability to play multiple sides will become increasingly difficult. Expansion of security ties, for example, could be hindered by GCC states’ increased antagonism toward Iran. India’s burgeoning security relationship with Israel may also reduce Arab countries’ willingness to expand ties—at least publicly. This is particularly true under the current government, given the BJP’s well-known tradition of support for Israel. These sensitivities could be harnessed by India’s extra-regional competitors in the Middle East, particularly China and Pakistan.

**Stiff competition**

Just as states in the Middle East compete for extra-regional friends, established and emerging powers must also compete for allies and clients in the region. The opportunity that currently exists for India to strengthen ties with GCC states is also available to others. Russia, China, Pakistan, South Korea, and Japan are all showing great interest in further interaction with GCC states, and each has something to offer the region. Therefore, GCC states reaching out to multiple extra-regional partners may actually
have the effect of reducing India’s leverage in the region. This would be true particularly if they were to strengthen ties with nations that pose greater threats to India than the United States does, namely China and Pakistan.

China

If China were to become Asia’s hegemon, or even match the United States as the dominant power on that continent, it would present many strategic unknowns for India. Beijing’s pursuit of closer ties with Middle Eastern states as part of its Maritime Silk Road initiative adds to India’s fears of encirclement by a string of Chinese allies and outposts. For India, having influence in the Middle East and on GCC states is part of an insurance policy against China.

Global powers need to be able to wield influence in the Middle East not only to secure energy sources, but also to disrupt and deny energy to potential adversaries. The tussle for global energy resources is where India-China relations are at their most competitive. Greater Chinese involvement in the region would give Beijing some potential leverage over India’s energy supplies. This would create jitters in Delhi given its longtime wariness of China. A senior BJP politician stated, “If China becomes more active on the security front, India will have to get involved.”

India is arguably more dependent on GCC states than China due its reliance on both energy and remittances from the region. While China is the Middle East’s top oil customer, it also has greater potential to increase domestic energy production. Beijing could use its leverage in the Middle East to pressure India on various contested and contentious matters. These include longstanding border disputes, territorial claims in the South China Sea, competition in the Indian Ocean, and attempts to cultivate influence with each other’s neighbors. For instance, Delhi will be mindful of China’s labeling of Indian oil and gas exploration in Vietnam as illegal.

Policymakers will also note India’s experience in Africa, where it has been unable to establish energy assets, often due to being outcompeted by China. This is partly because Chinese state-backed companies are able to leverage the country’s overall economic might when seeking energy deals. While New Delhi leaves individual companies to fend for themselves, Beijing uses the balance sheet of so-called China Inc. This disadvantage faced by Indian companies will likely continue with Modi seeking to divest shares in state-owned enterprises.

Aside from energy concerns, Indian policymakers will also be driven by the objective of heightened prestige, as the Middle East is a strategically important and high-profile region. This desire for prestige and strategic competition played a part in India’s openness to overtures from Syria’s Assad regime following its high-level visit to China.
Like India, China’s positions on Syria and Libya have been inimical to the strategic interests of GCC states. Combined with reduced U.S. involvement in the Middle East, these positions enable Beijing to increase its bargaining power with GCC states regarding important matters such as energy, buttressing China’s energy security. If China exerts pressure on GCC states in this way, it would further increase the attractiveness of India as a security partner. China also has the leverage that comes with being a permanent member of the U.N. Security Council, which increases its attractiveness to GCC states.

Pakistan

India’s engagement with the GCC is also complicated by its traditional rival, Pakistan. Islamabad has long been a major player in the Middle East, and Delhi’s extant strategic competition with the country acts as a driver for building relations with GCC states. Islamabad will likely push against India expanding into the Gulf, a region that has traditionally been a source of financial assistance and diplomatic support for Pakistan against India. Pakistan’s resistance may come through lobbying GCC states and using its leverage points against India. But with India now closer to becoming a global power, Delhi will be prepared to go to extra lengths to defuse tensions with its neighbors. To do this, Delhi will use both carrots and sticks, and GCC states have the potential to serve as either.

GCC states, particularly Saudi Arabia, have indeed been Pakistan’s greatest financial backers. In return, Riyadh had been able to rely on Pakistan as a source of military support, particularly troops. This partnership saw a downturn, however, with Islamabad’s refusal in 2015 to provide troops for Riyadh’s war in Yemen. This downturn accelerated the trend of GCC states diversifying their strategic partners.

In strengthening its influence among GCC states, India could weaken Pakistan’s negotiating position on areas of contention, including Kashmir, separatists, and terrorist groups. Muslim countries, and particularly the GCC states, have historically been Islamabad’s allies in debates regarding Kashmir. More recently, however, the GCC has taken a less partisan position on the restive state, making statements that show regard for Indian sensitivities. Similarly, India would be keen to gain Middle East nations’ support for its fight against jihadi groups, as it would help both tactically and image-wise. More broadly, India also engages in a public relations competition with Pakistan throughout the Muslim world. GCC states are valuable in this arena given their pan-Islamic influence, particularly through media outlets like Al Jazeera.

The GCC and individual states have also been of value to India as intermediaries in peace efforts with Pakistan. In the 1999 Kargil conflict, Saudi Arabia played a discreet but significant role; high level Saudi officials worked together with the Clinton administration to convince Prime Minister Nawaz Sharif to withdraw Pakistan’s forces.
Pakistan will play an important role in India-GCC ties until Delhi-Islamabad relations are completely normalized. New Delhi has an imperative to avoid escalating military tensions, especially as Pakistan combats militants internally. Helpfully, the Modi government has somewhat more leeway than its predecessor in dealing with Islamabad, given its image of being tough on Pakistan. Furthermore, Delhi’s foreign policy establishment acknowledges the extremely close, familial-level links between the countries.

There remains, however, a significant barrier due to Pakistan’s internal politics, which give Islamabad little room for concessions. Domestic power nodes like the military have relatively high levels of influence compared to the elected government. As a result, normalization is unlikely within the next five years. Regardless, using the GCC as a conduit for negotiations would provide cover for the Pakistani government to reconcile with India.
Promising Future?

The discussed emerging strategic dynamics and the factors influencing them, like the drop in oil prices and a sanction-free Iran, are reshaping India's interests in the Gulf. The low level of strategic attention Delhi paid to GCC states for decades, when its interests were almost exclusively economic, is no longer sufficient. The Modi government's seeming appreciation of this fact will likely result in the much-needed uptick in strategic focus and action. A senior MEA official managing relations with West Asia—India's name for the Middle East—asserted that Delhi is committed to boosting relationships in the region, in all fields. He stated that the "Link West policy will take priority" and "West Asia will not be underestimated." There is growing recognition of India's need to expand its strategic focus on the Gulf at the bureaucratic level as well.

For the most part, this will lead to stronger India-GCC relations, though not exclusively. India's increased strategic focus on the Gulf region may not always lead to Delhi pursuing policies that support GCC states' interests. Delhi will balance a complex web of relationships in the way that it feels will protect and further its own interests in the region. For instance, with regard to Syria, India will continue to oppose foreign intervention against the Syrian government. This is due to India seeking to protect and promote multiple interests, including: balancing against the current regional hegemon, the United States; maintaining non-intervention principles; avoiding the establishment of an intervention precedent that could be applied to Kashmir; competition with China over developing strategic relationships, especially with Iran and Syria; Third World solidarity; and preventing the empowering of international terrorist organizations, as it could lead to further instability. To this point, GCC states' growing desire to diversify and India's long-term strategic importance and history of neutrality has allowed Delhi to evade the "with us or against us" approach some GCC states have taken on Syria.

Values like pluralism and tolerance will continue to shape India's foreign policy. The senior MEA official managing Middle East relations said that India's values and interests converge in foreign policy. The neutral "friend-to-all" approach, he argued, serves India's core, enduring interests, and as such, will continue. That said, as the Egyptian diplomat stated, India maintaining its values and neutrality may be increasingly "tricky" as its interests expand.

How India decides to approach Iran is one example. The lifting of sanctions on Iran increases India's options for cooperation with Tehran on energy and strategic investments. Modi visited Iran in May 2016 and signed a historic deal for the co-development of the strategically important Chabahar port. Tehran has also said that the Farzad-B gas field will be available to India's state-owned Oil and Natural Gas Corporation.
Singh, a former ambassador, stated, “This is not the same Iran. It’s a new Iran, a new West Asia, which has been ignored and neglected for a decade and a half by India. So the same mantras are no longer valid in a new strategic environment in which the United States has allowed Iran to play a bigger role…”110 As Delhi pursues further engagement with Iran, it will continue to rely on its neutral image to navigate ties with Iran’s major regional rivals, the GCC and Israel.

This will not be easy, particularly while the region’s divisive conflicts persist, but Delhi’s stances have been consistent. The MEA official noted that India wanted a peaceful solution to conflicts in Libya and Yemen.111 On Syria, he confirmed that India wanted peaceful, U.N.-backed reconciliation.

Similarly, Delhi will remain committed to preserving its strategic autonomy. This will keep India from aligning too closely with the West, Russia, or China, or from balancing against them significantly. In future conflicts, this autonomy will allow India to exert more influence in the Middle East than countries seen as clients of external powers or aligned with regional states. It will not, however, provide India with as much influence as a significant military presence would.112

As expected under Modi and the BJP, India’s relations with Israel will grow. The Israeli diplomat working in India highlighted a variety of areas for potential cooperation. These included some of strategic relevance like defense, but also of potential political and economic benefit for the Indian government, like agriculture and water technology. The official also emphasized both peoples’ longstanding affinity for each other and increasing tourism.113

India’s relationship with Israel is unlikely to have a negative strategic impact on its relations with GCC states. Both partners’ security interests are increasingly converging due to the perceived Iranian threat. The MEA official was confident that India’s growing defense ties with Israel would not diminish relations with Arab states.114 Similarly, the Egyptian diplomat stated that his country had “no problem” with Modi’s proposed visit to Israel and that it would not affect relations with Cairo. Egypt has supported India’s position on a two-state solution.115

However, late 2015 and 2016 saw Israel-India relations lose the momentum seen in the preceding years, including Modi’s much hyped visit being delayed. It still had not occurred as of December 2016. This may suggest Delhi has moved beyond the BJP’s pro-Israel ideological leaning, and added new factors into its calculations, in addition to perennial factors like the domestic Muslim vote.
As for India’s diaspora, its importance will not last forever. In the future, the labor aspects of India-GCC relations will likely weaken, loosening the connection between the parties. Low oil prices and slowing economies are driving GCC states’ efforts to diversify away from energy and leading to an emphasis on increasing the participation of citizens in the workforce. This will reduce these countries’ reliance on foreign labor, though the impact is likely to be less pronounced on low-skilled laborers, which is the most common role for Indian expat workers. Also, the long-term development trends of many Asian and African countries mean wages will rise there, leaving workers less reliant on the GCC for employment.

In the meantime, the Modi government’s initiative to involve India’s states in foreign policymaking will make securing the diaspora’s position in GCC states a higher priority. Another senior MEA official stated that this initiative will help formalize the involvement of state governments and organize them around the federal government’s priorities in the region.116 This will be particularly relevant for India’s southern states. As a result, India will have a greater stake in ensuring that GCC states are secure and prosperous, while also supporting stability throughout the region to potentially diversify the destinations of its migrant labor.
How GCC Policymakers can Capitalize

The Middle East becoming more strategically important to Delhi, due to all of the factors discussed above, gives GCC policymakers an opportunity to further their interests with regard to India. These factors are constantly evolving, and diplomats should highlight their importance in their dealings with the MEA. This is crucial given the criticism India has traditionally faced for lacking a comprehensive strategic vision for engaging the Middle East, and because MEA staff still have disproportionately large portfolios to manage. Given the MEA's limited bandwidth, GCC states will need to take the initiative.

Specifically, GCC states should emphasize areas where Indian and GCC interests overlap, namely maintaining the Gulf’s current power structures in the interest of stability, thereby protecting diaspora populations and the free flow of trade. Both sides should seek to build on their history of mutual goodwill and trust. GCC states should also appeal to India’s values, which have historically influenced Delhi’s Middle East policy. Additionally, as India’s global ambitions require robust trading relationships, GCC countries can leverage their existing trade relationships to expand security ties.

Saudi Arabia is the major player in that regard. Riyadh has a particular interest in diversifying its strategic partners, given that Russia’s return to the region has strengthened Iran’s position. To induce greater security cooperation with Delhi, Riyadh could leverage both its status as India’s biggest source of crude oil and their plans for joint investments, ventures, and cooperation on petrochemical complexes and exploration. Riyadh could build on the commitments made during Modi’s visit and use the resulting joint statement as a road map for future relations. Accordingly, Saudi Arabia could offer and request: regular strategic dialogues with top security officials, the elevation of current defense exchanges to a higher level, expanded joint military exercises and training programs, further links between navies, service arrangements for military equipment, and increased trade of such equipment. If enacted, these measures would strengthen trust in Delhi while helping India’s nascent defense industry.117

Riyadh could also leverage its ties with Pakistan. Saudi Arabia could offer to discreetly raise issues like Islamabad’s role in Indian Kashmir and encourage Pakistani rapprochement with India. Noting that India takes a cautious approach to cooperation
and the sensitivities of other Middle Eastern countries, Saudi Arabia could suggest that military cooperation begin with less controversial areas like anti-piracy. Riyadh should also be aware of the impact its actions in Yemen and elsewhere in the region will likely have on its public image in India.

As India’s second largest source of imports and destination for exports, the UAE is also well placed to strengthen ties with the rising power. Furthermore, Delhi’s aspirations across the Indian Ocean make the UAE a natural partner for naval cooperation. Like Riyadh, Abu Dhabi could use the commitments made in the joint statement from Modi’s visit as a roadmap for implementing closer strategic ties. This would include establishing a dialogue between national security advisors and councils; furthering maritime security cooperation in the Gulf and the Indian Ocean; conducting regular joint exercises and training of naval, air, land, and special forces; and cooperating on cyber security and India’s defense industry manufacturing.

Delhi was known to have welcomed Abu Dhabi’s decision to participate in the International Fleet Review in India. Noting India’s focus on counterterrorism, the UAE could work to coordinate counter-radicalization efforts, advocate for India’s proposed “Comprehensive Convention on International Terrorism” at the United Nations, and cooperate on controlling and sharing information on money flows that could be used for radicalization. Again, the partners could initially emphasize cooperation on non-controversial areas like strengthening law enforcement in preventing money laundering and drug trafficking. Abu Dhabi could utilize its experience in working with non-traditional security partners like South Korea to advance relations with Delhi.

GCC states should also cultivate ties with key constituencies and natural allies within India, such as the energy industry. The GCC members that host large Indian populations could target aid and economic engagement at their home states, like Kerala, which have great interest in GCC ties. Southern Indian states are often both large labor exporters to the GCC and have significant influence on Delhi.

More broadly, GCC governments must also understand the drivers of Indian policies. India’s major ambitions are to become a global power and bring its people out of poverty. GCC states should also note that India, especially compared to other major powers involved in the Middle East, places relatively more importance on its image than practical strategic power.

In particular, GCC states should seek to understand those drivers that could work against their interests. For instance, GCC policymakers should recognize China’s role in India’s support for Syria. Damascus probably used Beijing’s backing to extract more vocal support from Delhi. This is similar to the way India’s smaller neighbors, including Sri Lanka and Pakistan, have deftly utilized the expected future strategic competition...
between the two rising powers. GCC policymakers should note the significant, though decreasing, Pakistani role in spurring India’s overtures to the Gulf.

GCC states should recognize the risks of an approach that India may see as forceful, including leveraging the United States, because of India’s adherence to strategic autonomy. Similarly, India’s perennial preference for stability, peace, and the status quo, as exemplified by Delhi’s stance on Syria, should be taken into account.

In the long-term, GCC states like Qatar and Oman, which often seek to mediate conflicts, could encourage India to play a greater role in stabilizing the Middle East. India’s presence may add a new flavor to interactions between GCC states and other Arab countries, Israel, and Iran. It would likely promote a less charged atmosphere than currently exists, with the region divided between Western and Russian poles. GCC states, their friends, and their rivals, all need and trust India. Delhi is a qualified mediator with power, respect, and relative impartiality. India’s new role could be embodied in the establishment of an Asia-Middle East summit. Such a summit might include major Asian energy consumers and labor providers, and all Middle Eastern states.

Relatively progressive GCC states, like the UAE, could also tap into Delhi’s affinity for teaching others and learn from India’s experience in strengthening internal stability and institutions. India also had to contend with sub-national identities after gaining independence. In this context, India’s less evangelical attitude toward democracy will appeal to GCC states. In return, GCC states with relatively positive reputations in India, like the UAE, could also discreetly and indirectly support efforts to reduce communal tension within India, including through funding academic research.

Finally, India is seeking to move to renewable energy sources and the GCC’s major energy producers are seeking to diversify their economies. This should present additional opportunities for cooperation using Indian human resources and GCC capital. Pursuing these opportunities could help the GCC states and India maintain economic ties during the long-term transition away from a labor sending and receiving relationship.

After millennia of relations centered on trade, global and regional forces are making GCC states increasingly strategically important to India. As India prioritizes climbing the global hierarchy, its energy imports, much of which come from GCC states, take on greater significance. Furthermore, as Delhi seeks to become the dominant player in the Indian Ocean, it requires security partners on its western edge—the Gulf. These goals, and India’s large diaspora, are threatened by the Middle East’s seemingly intractable instability. India can no longer afford to take a passive approach to the region’s internal dynamics.
Due to the United States reducing its regional involvement, there is currently an opening for Delhi to take on a greater role, as Russia and China are doing. GCC countries are actively seeking to diversify their strategic partnerships. India’s historic, cultural, trade, and labor-based ties to the GCC states should give Delhi an advantage in enhancing their existing relationships. Internal and external constraints on India’s foreign policy, however, may limit Delhi’s ability to capitalize on that advantage. If GCC states are to advance their interests with respect to India during this dynamic period, they too will need to be proactive in partnering with Delhi.
Endnotes


3 Mudiam, India and the Middle East.


7 A Lowy Institute poll asked Indians whether various instruments were important “for India to achieve its foreign policy goals.” Some of the instruments which high percentages of respondents identified as being “very important” relate to strategic power: a strong military (95%), nuclear weapons (79%), having a good image in the world (78%), and having strong countries as partners (72%). See Rory Medcalf, “India Poll 2013,” Lowy Institute for International Policy and Australia India Institute, May 2013, http://www.lowyinstitute.org/publications/india-poll-2013).


9 For instance, the U.S. military uses more oil than any other institution in the world. See “The U.S. Military and Oil,” Union of Concerned Scientists, accessed December 5, 2016, http://www.ucsusa.org/clean_vehicles/smart-transportation-solutions/us-military-oil-use.html#.V71CUf7r1Fo. Currently, the majority of India’s energy consumption is for non-military purposes.


India-GCC Relations: Delhi’s Strategic Opportunity

13 Ibid.


15 EIA, “Country Analysis Brief: India.”

16 Bagchi, “India Moving to the Centre.”


20 Ibid., 65.

21 Ibid.


26 Press Information Bureau, “India-Saudi Arabia Joint Statement.” For more on India’s maritime ambitions and constraints, see Anit Mukherjee and C. Raja Mohan, eds., India’s Naval Strategy and Asian Security (Oxon: Routledge, 2016).

28 Medcalf, “India Poll 2013.”


36 Samir Pradhan, “Forging the India-Gulf Alliance,” India & Global Affairs 1, no.4 (Fall 2008): 32-38.


39 See Pradhan, “Forging the India-Gulf Alliance.”

40 Harsh Pant, “The Iran Factor in India-Gulf Ties: An Indian Perspective,” in Gupta et al, India and the Gulf, 153.


42 Pant, “The Iran Factor,” 153.


54 Press Information Bureau, “Joint Statement Between.”


57 Shibley Telhami and Michael Barnett, Identity and Foreign Policy in the Middle East (New York: Cornell University Press, 2002).

58 Gupta, interview.


60 Press Information Bureau, “Joint Statement Between.”

61 Pethiyagoda, Influence of Dominant Cultural Values.

62 Pethiyagoda, “Dealing with Delhi.”

63 Gupta, interview.

64 Senior MEA official (Middle East), interview with the author, New Delhi, June 2015.

65 Senior MEA official (Gulf), interview with the author, Manama, October 2015.
India-GCC Relations: Delhi's Strategic Opportunity

67 Egyptian diplomat in India, interview with the author, New Delhi, 2015.
68 Press Information Bureau, “Joint Statement Between.”
71 Ibid.
72 Egyptian diplomat, interview.
76 For example, the 2005 Indo-U.S. nuclear deal.
78 Israeli diplomat in India, interview with the author, New Delhi, 2015.
81 Various Indian officials, discussions with the author, New Delhi, June-October 2015.

83 “India’s World - Narendra Modi’s Foreign Policy Initiatives,” YouTube video, 54:11, special episode of a television program, posted by “Rajya Sabha TV,” January 2, 2015, https://www.youtube.com/watch?v=S9Dm_CxHz2w; Anjali Ghosh, Tridib Chakraborti, Anindyo Jyoti Majumdar, and Shibasis Chatterjee, eds., India’s Foreign Policy (New Delhi: Dorling Kindersley, 2009); Tanham, “Indian Strategic Thought.”


85 “India’s World - Narendra Modi’s Foreign Policy Initiatives.”


89 Pearson, “Assad Woos Asian Powers.”


94 This is in contrast to India’s long-term steadfast relations with Russia, stable and strengthening ties with Japan, and rapidly growing strategic relations with the United States.

95 Senior BJP politician, interview with the author, New Delhi, March 2015.
India-GCC Relations: Delhi’s Strategic Opportunity


97 Pethiyagoda, “India on Syria.”

98 Prasanta Kumar Pradhan, “India’s Relationship with the Gulf Cooperation Council: Need to Look Beyond Business,” Institute for Defence Studies and Analyses, Monograph Series no. 37, May 2014, 85, http://www.idsa.in/monograph/IndiasRelationshipWithTheGCC.

99 Islamabad has previously successfully prevented India from joining the Organisation of Islamic Cooperation despite its large Muslim population, just as Delhi excluded Pakistan from the Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation. See Stephen P. Cohen, Shooting for a Century: The India-Pakistan Conundrum (Washington: Brookings Institution Press, 2013), 29.


104 Senior MEA official (Middle East), interview.

105 Pethiyagda, “India on Syria.”

106 Senior MEA official (Middle East), interview.

107 Egyptian diplomat, interview.


Senior MEA official (Middle East), interview.

Russia’s actions in the Middle East indicate that opposing Washington’s positions can deliver more influence than acceding to them. See Adam Lockyer and Michael Cohen, “Australia’s Possible Strategy Shift on Syria Is a Nod to Russia’s Influence,” The Conversation, October 1, 2015, https://theconversation.com/australias-possible-strategy-shift-on-syria-is-a-nod-to-russias-influence-48380.

Israeli diplomat, interview.

Senior MEA official (Middle East), interview.

Egyptian diplomat, interview.

Senior MEA official (Gulf), interview.

Mohan, “India’s Strategic Challenges,” 66.
About The Author

Kadira Pethiyagoda is a visiting fellow in Asia-Middle East relations at the Brookings Doha Center. His research focuses on India’s relations with the Gulf States, drawing on experience in Indian foreign policy spanning both policymaking and academia.

About the Brookings Doha Center

Established in 2008, the Brookings Doha Center (BDC) is an overseas center of the Brookings Institution in Washington, D.C. As a hub for Brookings scholarship in the region, the BDC advances high-quality, independent research and policy analysis on the Middle East and North Africa.

In pursuing its mission, the BDC undertakes field-orientated research and programming that addresses and informs regional and international policy discussions, engaging key elements of governments, businesses, civil society, the media, and academia on four key areas:

(i) The international relations of the Middle East, emphasizing ties within the region as well as regional ties between the Middle East, the United States, and Asia.
(ii) Conflict and post-conflict transitions, including security, peace processes and reconstruction.
(iii) Economic and fiscal strategies of Middle Eastern states, including the geopolitics and economics of energy.
(iv) Governance and institutional reform, including democratization and state-citizen relations.

Open to a broad range of views, the BDC encourages a rich exchange of ideas between the Middle East and the global community. Since its founding, the BDC has hosted a number of leading scholars from a dozen different countries; put on a variety of events, including high-level roundtables, timely policy discussions, and the annual Doha Energy Forum; and published a series of influential Policy Briefings and Analysis Papers.
Brookings Doha Center Publications

2017

India-GCC Relations: Delhi’s Strategic Opportunity
Analysis Paper, Kadira Pethiyagoda

2016

Equality and the Economy: Why the Arab World Should Employ More Women
Policy Briefing, Bessma Momani

Educated but Unemployed: The Challenge Facing Egypt’s Youth
Policy Briefing, Adel Abdel Ghafar

Risky Routes: Energy Transit in the Middle East
Analysis Paper, Robin Mills

Jihadi Rivalry: The Islamic State Challenges al-Qaida
Analysis Paper, Charles Lister