

5 CHAPTER

India and United Arab Emirates Relations

After reading the chapter, the reader will be able to develop an analytical understanding on the following:

- Historical background
- Commercial diplomacy
- Defence diplomacy
- Analysis of the visit of the Indian PM in 2015

HISTORICAL BACKGROUND

The UAE as a federation was established in 1971 but India's relationship with the region is older than this. A unique factor of the relationship is that there have been regular bilateral visits between the heads of the two states. Different Indian Presidents have visited UAE in 1976, 2003 and 2010. Indira Gandhi visited the UAE once in 1981 while the incumbent PM has visited the UAE lately in 2015. Trade, Investment and manpower are the three common connectors between India and the UAE.

COMMERCIAL DIPLOMACY

There are multiple bilateral trade mechanisms to boast cooperation in commercial diplomacy. The diagram below gives a clear picture.



India exports to UAE food items, petro products, metals, stones, gems and jewellery while importing petroleum and crude oil, chemicals, gold and wood products. A lot of Indians have invested money in the UAE and lot of firms have presence there, of which prominent ones include HCL, Larsen & Toubro, ICICI, Indian Oil Corporation, Punj Llyod, Mahindra and the Oberoi group and so on. The UAE has transformed itself into a valuable strategic country with a business-friendly environment. Indian companies prefer the UAE as a route for global supply chains. Also for Indian private players, the UAE is a strategic market as it helps the firms to leverage other middle eastern, west African and Africa markets.

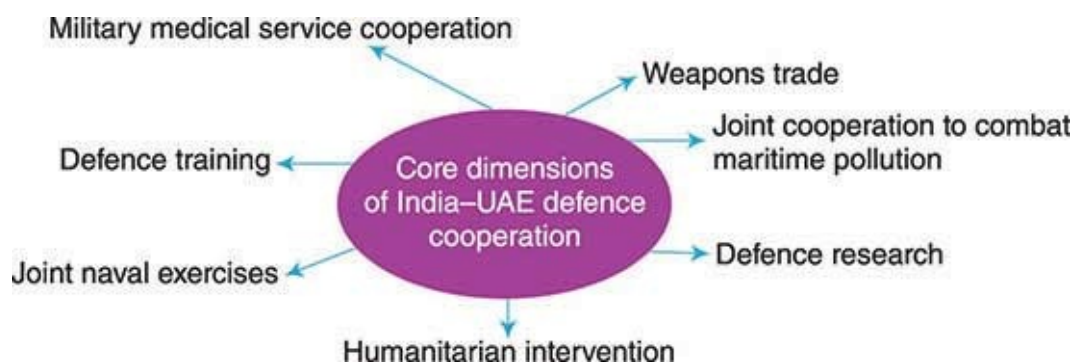


Medical business in India and the UAE

In April 2015, India and the UAE jointly organised the first ever India and UAE medical partnership conference in New Delhi. India used the conference to project soft power and alternative medicine (AYUSH) to be promoted in the Dubai Health Authority. India also organised the participation expert doctors and practitioners in areas like oncology, cardiology and IVF and so on. India showcased special centres for alternative healthcare. This event was designed and organised to build business-to-business contacts between India and the UAE.

DEFENCE DIPLOMACY

In 2003, India and the UAE concluded a defence cooperation agreement to enhance strategic cooperation. Regular joint exercises between the two nations is a norm. In 2015, three Indian Naval ships—INS-Delhi, INS-Deepak, INS-Tarkash—undertook naval exercises with the UAE. In June 2015, there was also a joint airforce exercise. The defence cooperation between India and the UAE has the following dimensions.



In 2016, In the month of May, Indian Defence Minister paid a state visit to the UAE. There were two aims the minister achieved in his interaction with his counterparts. Firstly, to check the growing radicalisation of youth and to contain the threat of ISIS (Islamic State), the two leaders discussed measures to jointly to jointly combat terrorism. A new action plan for India-UAE Counter Terrorism cooperation is being planned. Secondly, as mentioned in initial chapter of this block, the Middle East is in in an increasingly fragile state. Not only are there threats from non-state actors but also from civil wars. As a result, the affected Indian diaspora in the concerned regions have to be evacuated in case of eventualities. The Defence Minister in his meet discussed ways as to how the UAE can emerge as a focal point for retrieval of Indian expats from the middle east in future. India plans to make the UAE a hub for all its humanitarian evacuation. Thus, over a period of

time since 2003, India's defence cooperation with the UAE has transformed and deepened. The diagram sums up the transformation and the new additions to the ongoing cooperation.



ANALYSIS OF THE VISIT OF THE INDIAN PM—2015

In 2015, the Indian PM visited the UAE after gap of 34 years. During his visit, he visited a labour camp in Abu Dhabi and interacted with the Indian diaspora. In the UAE, the PM announced start of a new fund called the Indian Community Welfare Fund to assist the Indian community. An online portal called MADAD has been planned for the redressal of concerns of the diaspora. The PM also visited the iconic Sheikh Zayed Grand Mosque. The UAE government also decided to allocate land to help Indians establish a temple in Abu Dhabi. The two sides have agreed for a new security dialogue and for NSA level talks every six months. As there is a two million plus strong diaspora of India in the UAE. It was therefore natural, as a new element of our foreign policy, to address the diaspora. The PM addressed a gathering of the Indian community at the Dubai stadium. A notable feature of the visit was that the leaders elevated the relationship to comprehensive strategic level partnership.



Why the Neglect of 34 Years and now a Strategic Partnership?

The UAE has a very strong Indian diaspora, provides India a lot of energy resources and is a trade partner of India. Yet, the last Prime Ministerial visit to the UAE was undertaken by Indira Gandhi in 1981. One reason for this prolonged neglect is the fact that since the end of Cold War, India's strategic focus became its region of South East and East Asia. The domestic change in its economic paradigm to include a model of globalisation made India more proximate to the US. Due to its overt focus on South East and the US for almost a decade, the neglect of West Asia and specifically the UAE was natural as the energies were focussed on a particular region. Another important factor is that with the change in the economic paradigm at home to an open economy, the Indian foreign policy establishment looked at West Asia only as an oil supplier and not as a strategic partner. The growth of the idea of the strategic significance of West Asia has grown only after 9/11. The previous PM of India, Dr Manmohan Singh, gradually initiated a new push in foreign policy to look towards West Asia as a strategic partner. The incumbent PM has given diplomatic manifestation to the same. This is evident from the way that the India-UAE relation has now elevated to the Strategic Partnership level.

It is not wrong to assert now that the UAE is India's gateway to West Asia and has acquired tremendous geostrategic and geo-economic significance. The elevation of relations to the strategic partnership level has initiated the new government-to-government partnership.



The Pakistan Question During the 2015 PM Visit

Pakistan has always used the religious affiliation of the Gulf countries to outwit India in the region. Saudi Arabia, the UAE and Pakistan enjoyed so much proximity with each other that they were the only three nations in the world who actually recognised Taliban when they ruled Afghanistan. However, after the Arab Spring and the rise of ISIS, Saudi Arabia and the UAE are not taking any chances of a future security threat as it may endanger the monarchies in these states. This was visible in the interaction with the UAE during the Indian PM's visit in 2015 when it accepted the new nature of terrorism. For the first time ever, the joint statement in 2015 affirmed that both sides need to put an end to all forms of state-sponsored terrorism (read as a veiled attack on Pakistan) and dismantling of infrastructure breeding terrorism. This is a huge diplomatic victory for India as it has succeeded in forging a new alliance with the West Asia at an informal level with a bilateral consensus on terrorism. In recent times, the UAE's hostility with Pakistan is emerging on the forefront. The UAE has now acknowledged the threat of terrorism emanating from Pakistan. It has not appreciated the lack of commitment from Pakistan to dismantle terror infrastructures. The UAE has recently joined hands with the US (and is now collaborating with India) to tackle the menace of terrorism. For example, the UAE has granted the US an access to Sheikh Zayed's private airstrip in Baluchistan, Pakistan for carrying out drone strikes. The weak intent of Pakistan to contain terror was also witnessed recently in the case of Yemen crisis when, in 2015, Saudi Arabia—through a ten nation alliance—decided in favour of military action and urged members, including Pakistan and the UAE, to contribute military forces. While Pakistan refused, the UAE did contribute forces. Pakistan ended up upsetting all the member nations, including Saudi Arabia, by its refusal.

Sheikh Mohammed bin Zayed's visit to India, 2017

The prince of Abu Dhabi, Sheikh Mohammed bin Zayed visited India as the Chief Guest of the Republic Day in 2017. The visit signifies the growing proximity between India and the Gulf states. India finds UAE a willing partner to enhance security and economic engagement, while UAE, under its Look East Policy, finds India a natural partner for economic growth. On 25th January, 2017, the two sides concluded a comprehensive strategic partnership agreement (CSP). The signing of the CSP, coupled with recent high level bilateral visits, will now usher in a new role

for India in the Gulf. In recent times, India has been looking to get investments for domestic development. The two sides have agreed to strengthen economic ties. The UAE is willing to invest funds worth \$75 billion to develop infrastructure in India. Firms from UAE in real estate and petrochemicals have come forward to invest in India.

The two sides have concluded an MoU in the field of road transport and highways to enhance infrastructure development. The MoU will facilitate logistical efficiency as well. The two sides decided to deepen their defence engagement to maintain peace in the region. On 18th January, 2017, India and UAE concluded a bilateral maritime education and training agreement whereby they will enhance each other's competencies in the field of maritime security. The two sides have identified the need to promote a culture of inclusiveness and tolerance to counter terrorism. India and the UAE have agreed to promote exchanges of religious scholars to promote peace. The two sides have decided to conclude a white shipping agreement and continue with joint anti-piracy operations. The UAE has shown willingness to invest in defence production, industrial corridors and energy in India.

