Indo-UAE relations under Modi: Towards a prospective future

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Introduction:

The India-UAE relationship has traversed an extended path to be called as perhaps India’s most dependable strategic partnership within the Gulf region. Both parties are applying themselves to putting together a relationship with dexterity and sensitivity. Differences between the 2 countries haven’t been allowed to affect the relationship in other areas. Under the present dispensation at Delhi, India-UAE ties have witnessed a replacement level of synergy and cooperation. Since May 2014, the United Arab Emirates (UAE) has emerged as India’s ‘most preferred partner’ within the Gulf region. This is often largely due to the pragmatic policy outlook towards the Gulf region supporting the policy of ‘Look West’ under the Modi government. Within the last five years, both countries have strengthened cooperation in areas like economy, trade and investment, energy, defense and security, space research and counter-terrorism. The recent award of the UAE’s highest civilian honour ‘Zayed Medal’ to Prime Minister (PM) Modi highlights the growing importance of Indo-UAE ties.

Modi’s visit to UAE: Opportunities explored

Prime minister Narendra Modi’s visit to the Gulf nations of the United Arab Emirates and Bahrain on 23-25 August, strives to sustain the tempo of bilateral relations with the economically and politically critical region. The 2 visits come as tensions are on the increase between India and Pakistan over Kashmir. The UAE has supported India’s position within the matter — a far cry from the times the Emirate supported Pakistan on such issues. Pakistan has been trying to beat up support for its Kashmir argument among the Organisation of Islamic Cooperation that groups together 57 Muslim majority countries. India has been consistently criticized by the OIC for its alleged human rights violations in Kashmir, often seen at the behest of Pakistan. In March 2019, the UAE invited then Indian secretary of state Sushma Swaraj to be a guest speaker at the 46th meeting of OIC foreign ministers, an occasion that was boycotted by Pakistan. Ties between India and therefore, the UAE are on an upswing since Moi’s first visit to the UAE as prime minister in August 2015. During his visit to the United Arab Emirates (UAE) on 24 August, Indian Prime Minister Narendra Modi received the UAE’s highest civilian award. The aim of the visit was to market India’s RuPay electronic payment system. Despite accusations of encouraging Hindu ultra nationalism and anti-Islamic sentiments in India, Modi has made a concerted diplomatic effort to enhance relations with the Arab Gulf States. The UAE is one among New Delhi’s closest partners. There is a reason for the close relations between the two states, Modi wants to safeguard India’s energy sources and expand its economic influence, while the UAE needs India for investment, trade, and tourism receipts. Because the situation within the Persian Gulf continues to simmer, India has become more anxious about its reliance on oil and energy, during a more-than-usually-volatile region. As India may be a developing country, Modi cannot afford to ascertain its development jeopardized, especially because it is already facing mounting scrutiny over the accuracy of its Gross Domestic Product (GDP) data, and a slowing economy. In 2018, India’s consumption of petroleum exceeded four million barrels per day (BPD) or 206.2 million tonnes, surpassing China because the world’s second-largest consumer of energy, behind only us. To downplay scepticism about India’s economy, Modi visited the Gulf States to market the RuPay system, which is supposed to rival the Visa and MasterCard systems of the US. The acceptance of RuPay by the UAE is supposed to showcase India’s new financial inclusiveness and economic strength, while helping to legitimize India’s economic credibility. For India to become competitive in international markets, Rubay could also be a perfect initiative towards achieving Modi’s dream of creating India the new global center of producing and commerce that might transform India into an export economy, albeit at the expense of accelerating its dependence on oil and energy. Modi’s trip might be seen as a way of securing greater influence and leverage over the UAE, especially in sight of India’s ambition to compete with China’s Belt and Road Initiative (BRI) across the Indo-Pacific. The RuPay system can therefore, be seen as India’s initiative in flexing its economic muscle. Yet, India’s quest to become an economic juggernaut may convince be premature. Modi’s government faces the challenge of trying to calm the Persian Gulf, while it simultaneously ratchets up tensions with Pakistan over Kashmir. The challenge is further compounded by a water security crisis which will hit the Indian agricultural sector particularly hard; 70 percent of rural households still depend on that sector for his or her livelihoods. Therefore, while Modi’s trip to the UAE is supposed to symbolize India’s growing influence, New Delhi still features a great distance to travel before it can compete with the likes of China and therefore, the U.S. Relations between India and therefore, the UAE are browsing a golden era. They’re at their best ever. The bilateral relationship has matured and transformed into a comprehensive strategic partnership as both countries still explore deeper cooperation in new areas. The bilateral relationship has matured and transformed into a comprehensive strategic partnership as both countries still explore deeper cooperation in new areas. Both countries are now working to explore cooperation in regional and global forums.
Establishing an everlasting Link

Trade and Investment has always been considered as the pillar of bilateral relations between two nations because it is the core area which plays a vital and determining role of establishing an everlasting and enduring link between the two countries. This reference can be drawn to Indo-UAE relations too. During the last five years, the political and diplomatic engagements between India and the Gulf countries have seen a substantial increase because United Arab Emirates occupies a key position in India’s West Asia policy. Before Narendra Modi came to power in 2014 with a thumping majority, no other governments were not so much concerned about exploring the areas of cooperation with the Gulf countries. During the regimes of previous governments, the relations between India and UAE on the whole was somehow normal but no significant developments have been noticed during those periods. But since Modi government’s foreign policy narrative has focussed primarily on the comprehensive and expanding economic growth and development of India, therefore Modi’s relentless efforts in monitoring India’s “Look West Policy” with the objective of strengthening Indo-UAE relations ultimately gained momentum and flourished in post 2014. The high-level visits from both sides have given a replacement impetus to this partnership. In May 2016, Manohar Parrikar became first Indian Defense Minister to travel to the UAE to interact alongside his UAE counterpart and discuss possibilities of enhancing defense relations. A replacement momentum was given to the connection in January 2017 when the two sides signed the agreement on Comprehensive Strategic Partnership (CSP). Former Indian Ambassador to the UAE Talmiz Ahmed indicated that the CSP will ‘facilitate the shaping of a replacement Indian role within the Gulf region. During the visit of Prince of UAE in February 2016, 14 agreements were signed for strengthening bilateral cooperation between the two countries in cyber security, infrastructure investment, renewable energy, space cooperation and other areas. Further discussions are going on to finalize the proposed $75 billion investment fund for India’s infrastructure projects by the UAE. The growing engagements between India and the UAE have to be seen within the broader contexts of the UAE’s policy of engaging with Asia to reinforce economic prospects and India’s search for foreign investments to expedite the process and address the threat of extremism and terrorism. So far as India is concerned, the trade index of UAE has grown significantly over the last one decade especially during Modi’s governance from from $13 billion in 2005-06 to $49.7 billion in 2015-16. Since the Gulf countries are a significant source of attracting foreign investments in different sectors, therefore the Modi government put extra efforts towards Foreign Direct Investment, because they are fully aware of the fact trade and commerce forms the backbone of bilateral relations. The UAE is not only India’s leading trade partner in West Asia but also the third largest after China and the U. S while India is UAE’s top foreign trade partner. Apart from this fact, it should be remembered that UAE is a substantial source of petroleum for India. During the visit of Prime Minister Modi in August 2015, the two sides agreed to further expand bilateral trade by 60 percent within subsequent five years. It is important to note that with the launch of India-UAE Business Council in September 2015 and regular meetings through various businesses and investments forums, this target seems achievable. The Emirates are additionally central to India’s pitch for improving foreign direct investments (FDI) inflow to the country with the huge sovereign wealth and business acumen. Discussions and bilateral talks towards the establishment of US$75 billion fund to be invested towards India’s infrastructural development as agreed during Modi’s visit to UAE in 2015 are presently proceeding which can be considered as a positive sign signalling the momentum of development of bilateral ties between the two countries. Though much below potential, an upward trend are often noticed with nearly three-fold increase from $350 million to $1 billion during 2014-16, thus becoming the fifth largest source of FDI into India. Further, to provide impetus to India-UAE cooperation, the government has approved the MoU for cooperation within the road transport and highways sectors. The proposed agreement would not only help to increase investment in infrastructure development and enhance logistics efficiency but also help both countries in creating institutional mechanisms for cooperation within the sector. Indian businesses have equally established a strong footprint within the UAE. Further, countries within the region are estimated to be spending quite $4 trillion in developing economic infrastructure suitable for nurturing non-oil business activities. More importantly, Expo-2020, the world’s third largest global event after the Olympics is going to be held in Dubai, and may boost infrastructure related activities within the UAE, opening opportunities for Indian investors. Within the energy sector, though UAE is simply the fifth largest supplier of petroleum to India, there’s significant mutual synergy in utilizing the infinite possibilities offered in energy cooperation. The UAE accounts for 8 percent of India’s oil imports and was fifth largest supplier of petroleum to India in 2015-16, India-UAE energy ties are likely to determine further momentum. In 2016-17, India plans to import 2.5 million tons quite what it purchased (16.11 million tons) in 2016. Significantly, the Abu Dhabi National Company (ADNOC), during a primary of its kind deal, have agreed to store petroleum in India’s maiden strategic storage facility and provides two-thirds of the oil for free of charge to India.

Economic Partnership: Strengthening bilateral ties

One of the most important and comprehensive aspect of Indo-UAE bilateral ties relates to economic and commercial ties. The UAE is not only the most important trading partner for India within the Persian Gulf and the Middle East but also the third largest within the world. On the other hand, India is the second largest trading partner, second largest export destination and third biggest source of imports for the UAE. The two countries now have agreed to become partners to undertake developmental projects within the region. In this regard, the visit of Abdullah al-Nahyan reaffirmed the commitment of both India and the UAE to “work together in select countries of Sub-Saharan Africa in areas of priority through capacity-building initiative and joint developmental projects in Agriculture, IT, Health, Renewable Energy, Infrastructure, etc aimed toward supporting the achievement of Sustainable Development Goals. Certainly, there exists a possibility to enhance current levels of trade, and this is often recognized by each side. It has been within the spirit of enhancing bilateral trade that the joint statement made during the February 2018 visit of Prime Minister Modi to the UAE noted the necessity for “diversifying non-oil trade.” The two sides further decided to look at various tariff and non-tariff barriers, and agreed to specialize in encouraging trade identified commodities and to expand the access of products and services in both markets.
Bilateral trade: Opportunities explored

The total trade between both the countries stood at $50 billion in 2017, with exports from India to the UAE amounting to $28 billion and India's imports from the UAE totaling $22 billion. Bilateral cooperation has morphed into a strategic partnership in energy security, with both countries investing in each other's energy sector. Both countries are also trying to maneuver forward in the atomic energy cooperation by institutionalizing cooperation with Emirates atomic energy Corporation and Federal Authority for Nuclear Regulation. Both India and the UAE are exploring the likelihood of enhancing cooperation in renewable energy. They are discussing about bilateral cooperation regarding logistics hubs, cold storage, warehousing, and more to operationalize the food corridor between the two countries. Agricultural exports from India and projects in food processing was discussed during the sixth High Level Task Force for Investments (HLTFI) meeting in Mumbai in October 2018 and relevant business groups both from the UAE and Indian states including Punjab, Madhya Pradesh, Maharashtra and Gujarat have discussed to cooperate in operationalizing the food corridor as early as possible. The proposed food corridor will help in ensuring food security for the UAE, because it will get the simplest quality agricultural products at cheaper prices. It will create opportunities for joint research and development within the agriculture sector. The food corridor also will help in increasing the earnings of Indian farmers and help to generate approximately 200,000 jobs in India as per initial estimates while increasing Indian food exports to the UAE to $7 billion per annum. Apart from this data, there are major investments by the Abu Dhabi Investment Authority, GP World, et al. into India’s infrastructure, land, energy, and other sectors. UAE had expressed its willingness to increase cooperation in new areas like space, defense, energy security, food security and railways, while working to deepen the cooperation in traditional areas. Another area of focus shall be to figure towards fulfilling the commitment to achieve a position of $75 billion in India. The Indian community is the foundation of strong India-UAE ties, which is well recognized by the leaders from both the countries. India has decided to continue and intensify actions against illegal agents based out of India, who dupes innocent workers, and leave them in difficulty. As 2019 has been designated as Year of Tolerance, India has decided to involve the larger Indian community in showcasing values of peace, love and tolerance. India also has decided to involve the community in celebrating International Day of Yoga and the 150th anniversary of Mahatma Gandhi's birth across the UAE. As India seeks to reinforce economic engagement, and deepen security cooperation with the Gulf, it finds a willing partner within the UAE. The landmark visit of Prime Minister Narendra Modi in August 2015 and therefore, the return visit of the prince in February 2016 set the momentum for enhancing the bilateral relations to a Strategic Partnership. An agreement thereto effect was signed on January 25, 2017, aside from 13 other MoUs. The flux in West Asia — rise of radical and extremist forces, changes within the regional order, including uncertainties over US policy under President Donald Trump’s administration, and India’s growing interest within the Gulf region driven by its economic and trade ties, energy stakes, and presence of some 7 million Indians within the Gulf are important factors pushing India and UAE to reinforce their engagement. The UAE features a special place even among the Gulf countries. UAE’s syncratic culture, business-friendly atmosphere, willingness to take a position within the Indian economy, and its important role in maintaining peace and stability within the region are really praiseworthy. Hence, the third high-level visit between India and the UAE in last two years underlines the importance of attachment of both countries in accelerating the pace of economic process and maintaining regional peace. (I)

Security and Defence Engagement

Another significant pillar of India-UAE ties has been reflected within the growing cooperation in the security, and defense sector. Given this state of flux in West Asia, India considers the UAE as an important partner who takes care of peace and stability within the region. With the rise of worldwide terrorist organizations, and thus the spread of radicalism in Gulf, and South Asia, India looks forward to strengthen security cooperation with the Gulf countries, in order to combat terrorist threats and radicalization. Similarly, UAE and India are looking forward to strengthen defense cooperation to ensure peaceful maritime trade, and deny opportunities for global terrorist organizations to line up. In February 2016, agreements were linked to boost cooperation in defense and security through joint defense training and exercises. Indian and Emirati militaries have regularly participated in defense exhibitions in India and UAE and discussions are happening to explore opportunities for joint production of defense equipment in India, and thus, the selling of Indian military equipment to the UAE. Taking the connection forward, on January 18, 2017, India approved the bilateral pact on maritime education and training. During the visit of Prince Al Nahyan in February 2016, the two sides had agreed to 'enhance cooperation to strengthen maritime security within the Gulf and the Indian Ocean region which is crucial for the security and prosperity of both countries'. Meanwhile, the Union cabinet approved a MoU to facilitate and promote maritime transport, simplification of customs and facilitation of use of existing installations for the disposal of waste. India has also announced its willingness to extend assistance to the UAE to understand its Mars Mission in 2020. A joint statement has also been issued in January 2017, emphasizing the need ‘to provide further impetus to this relation, including joint exercises, training of naval, air, and land forces, and participation in defense exhibitions, etc. New Delhi considers the UAE as its valued partner and thus, the visit of the Prince is predicted to open doors for bilateral cooperation in many new areas. The rapidly expanding cooperation encompasses the areas of defense, maritime security, space, civil nuclear energy, defense manufacturing, industries, and collaboration between security agencies with an eye fixed to establish cooperation within the identified fields of defense manufacturing and technology, including through studies, research, development, innovation and cooperation between public and private sector institutions of the two countries’. A number of MoUs were also signed between the two countries during the crown Prince’s visit including cooperation in areas of cyberspace, maritime transport, prevention of human trafficking and agriculture.

Cooperation in energy sector

Energy plays an enormous role in India's engagement with the Gulf countries and thus, the UAE is not any exception. In fact, since 2014, India and the UAE have made significant progress regarding cooperation within the energy sector. India is an energy hungry country and depends on imports for quite 80 percent of its energy needs. The Persian Gulf fulfills nearly 60 percent of India's energy imports and thus, the UAE is among one of the leading sources for energy imports, apart from Saudi Arabia. In 2017-18, India imported about US$9.08 billion worth of petroleum from the Emirates which constitute 6.86 percent of India's total value of energy imports. Though UAE's share in India's energy import bill has witnessed a drop in 2017-18, it's likely to increase after the signing of the agreements for a one-tenth share in ADNOC's Lower Zakum offshore oil field and UAE's promises to help India props up its strategic oil reserve. In fact, this spurt in Indo-UAE relations features big energy component. The two countries decided to expand this transactional energy relation to a strategic partnership. This might include enhancing two-way investments in energy sectors in both countries. India has shown willingness to require an edge within the upstream sector within the UAE which can alleviate the market fears and improve UAE's place within the worldwide
energy space. At the same time, the UAE has agreed to require an edge within the downstream sector in India which may help India prop its strategic oil reserves and help expand the petrochemicals and petroleum products industry in India that currently contributes nearly 20 percent of India's total exports. Expectations are there that investments from United Arab Emirates will not only help in capacity building but create much-needed employment opportunities and will contribute toward reducing the negative balance of external trade in the future. (2)

Investments

Attracting global investments has been a priority area of Prime Minister Modi and this has been a serious aspect of his diplomatic engagement with global leaders. Variety of projects introduced by the Modi government like Make in India, Smart City, Startup India, etc. are focused on attracting foreign investments. This is often true for the Gulf countries also because the UAE which has promised to bring significant investments in India, including the promised deal of a US$75 billion investment fund. The progress on this investment fund has been sluggish and India's slow bureaucracy and bottlenecks in providing the specified administrative clearances are partly to be blamed. Emirati ambassador to India Ahmed al-Banna had alluded to the present saying the "truth is in India's court" when probed by Indian media on the status of the infrastructure fund that was allegedly to be signed during the January 2017 visit of prince al-Nahyan. Nonetheless, there is a big jump in Emirati investment in India, since, 2014-15. The UAE is the 10th largest global investor in India and therefore, the leading country within the Middle East with a cumulative investment of US$5.75 billion between April 2000 and March 2018. In fact, 2017-18 witnessed one among the very best inflow of FDI from the UAE amounting to US$1.05 billion. Additionally, many UAE companies have investments in India through sister concerns and joint ventures and consistent with the MEA, total investments in India from the UAE including the FDI is US$8 billion and this is often mainly concentrated in five sectors: services (10.33 percent), land (9.97 percent), power (9.54 percent), airline (8.44 percent) and hospitality industry (7.82 percent).

Combating Extremism and Terrorism

India and UAE see one another as important players in maintaining peace and stability in their respective regions, and have reinforced their partnership in countering terrorism, combating radicalization and preventing terror finance through intelligence sharing and shutting contacts between their National Security Councils. The growing strategic partnership between New Delhi and Abu Dhabi is often seen in their approach towards fighting terrorism and extremism. The foremost significant support from the UAE came to India after the URI attack when Abu Dhabi sent out a really clear public statement suggesting India to require decisiveaction against perpetrators of the attack.27 Even on Pathankot attack, the UAE supported India. While India has stepped up its efforts to counter terrorist threats, it’s become essential to underline that the matter it’s been facing is thanks to terrorist groups operating from Pakistan. Though India’s relations with the UAE and other countries within the Gulf and West Asia is independent of their engagements with Pakistan and Indo-Pak relations, India has stepped up efforts to boost the difficulty of cross-border terrorism and use of faith to incite terror activities against India, during its engagements with these countries. This was visible within the joint statement issued during the visit of Abu Dhabi’s prince also as within the statements issued during Prime Minister Modi’s visit to Saudi Arabia (April 2016), Iran (May 2016) and Qatar (June 2016). The growing extremist activities within the region are of great concern to the Malé. The assassination of 5 UAE diplomats in Kandahar on January 10, 2017, have raised serious concerns in Abu Dhabi regarding the fear attack on their citizens in Afghanistan. Consistent with media reports, Pakistan’s Directorate for Inter-Services Intelligence and therefore, the Haqqani Network was considered to administer that terror attack. Media reports suggest that the UAE diplomats were targeted due to growing defense, and strategic cooperation between India and the UAE. Despite such sporadic incident, India-UAE strategic cooperation is probably going to grow in future. The holding of first Strategic Dialogue on January 20, 2017, may be a signal of growing engagement in addressing security issues within the region. There are, however, other dimensions to the growing affinity between India and UAE, especially a robust cultural component. During the visit of Prime Minister Modi, the government of Abu Dhabi announced plans for building the primary Hindu temple in Abu Dhabi and allocated land for it.

Challenges

Though the two sides have shown greater desire to reinforce bilateral relations, and therefore there are not any outstanding issues or disputes between India and the UAE, there are some challenges to be overcome to understand the complete potential and promises of the growing relations. As far as investments are concerned, the systemic problem faced thanks to slow implementation from Indian side may be a major obstacle. Because the UAE side lacks the technical expertise and human resources, it’ll be India’s responsibility to make sure proper returns for the investments and to stay the UAE curious about Indian market. On the opposite hand, Indian companies operating within the UAE also face problems. Thanks to lack of clarity in many aspects of economic regulations, labor laws and lack of transparency on a part of Emirati businesses. While there are immense economic opportunities for Indian businesses within the UAE, these obstacles prevent their ts full realization. While trade and energy are two of the foremost significant aspects of Indo-UAE bilateral ties, the bilateral trade has come down significantly within past four years. Therefore, as India expands its sources for energy imports, it’ll need to check out other sectors to reinforce bilateral trade. Potential areas include defense trade, food and agricultural products also as automobiles. There is also a requirement to smoothen problems faced by Indian migrants. Thanks to cumbersome and strict regulations that favour the Emirati employers and sometimes results in serious problems for Indian workers, especially unskilled workers. It is also been noticed that workers from other nationalities including Filipinos and Bangladeshis are replacing Indian workers and it’s reflected in slight dropped by the remittances inflow from UAE to India in recent years. (3)

Way forward

As India and UAE anticipate reinforcing their bilateral relations, there are areas that provide further opportunities and will be tapped to further the ties. India is home to at least one of the best human resources as far because medical community cares and its private hospitals have the required infrastructure, facilities and expertise to a supply world-class medical aid within a fraction of the value spent in developed countries. Hence, medical tourism is often a crucial area where India can attract Emiratis. There are further untapped potentials within the arena of renewable energy. The value for production and transmission of solar power within the UAE are a fraction thereto of India, and this is often a priority area for the UAE government. There is a scope for improving the investment climate in India to draw in UAE businesses. India features a huge market and there is a big prospect for growth in industry, services sector, agriculture and allied industries. There are untapped potentials as far as Indian health industry and medical sector cares. Indian companies expertly during this area can invest within the renewable energy sector in UAE. In business regulations are eased and therefore, the times spent on getting clearances are often reduced, it can cause major investments from Gulf and Emirati investors. India had a number of the best education institutions in engineering and management fields and given their cost-effective and world-class education, they will be a serious attraction for Gulf and Emirati students who are trying to find acquiring the education and better skills. Further, there is a requirement for enhancing the people-to-people contacts for familiarization and increasing interactions between think tanks, researchers and through academic exchanges. In defense sector, there is a requirement to further enhance cooperation through joint training programs for Indian and UAE officers. India also can increase the amount of Emirati officers who can avail training in its defense schools. This may cause greater familiarization within the defense
establishment as both the countries move towards enhancing greater defense engagement. The visit of Prince Al Nahyan is a crucial step towards building a replacement strategic partnership. Under the present dispensation at Delhi, India-UAE ties have witnessed a replacement level of synergy and cooperation. There is also significant potential within the education and training sector. Since May 2014, the United Arab Emirates (UAE) has emerged as India’s ‘most preferred partner’ within the Gulf region. This is often largely due to the pragmatic policy outlook towards the Gulf region supported the policy of ‘Look West’ under the Modi government. The recent award of UAE’s highest civilian honor ‘Zayed Medal’ to Prime Minister Modi highlights the growing importance of Indo-UAE ties. This includes its growing cooperation with countries like UAE, Iran, Saudi Arabia, Bahrain, Iraq, Egypt, Oman, Qatar and Israel who supported a five-factor policy: the security of expatriates, securing of energy resources, attracting investments, expanding counter-terrorism partnership, and increasing connectivity, West Asia has emerged as a ‘key outreach region’. Historically speaking, the bilateral ties between India and therefore, the Gulf region have a ‘civilizational context’ going back to the age of exchanges between Indus Valley and Mesopotamian civilisations. Within the last five years, both countries have strengthened cooperation in areas like economy, trade and investment, energy, defense and security, space research and counter-terrorism. Diplomacy, which mixes fine balancing of frequent high-level visits, summit meetings, and personal bonhomie with the leaders and efforts to seize new areas of cooperation, has not just allowed India. The two states remain ‘natural business partners’ gave their ancient spice, and pearl trade. This was the primary ever by an Indian PM within the last 35 years, which underlined the new shift and focus to strengthen bilateral relations. It had been followed by inviting prince Al Nahyan to be the Chief Guest at India’s Republic Day celebrations in January 2017. These steps marked a ‘new change and orientation’, sending a robust message of solidarity and connect with the UAE. In the past few years, as many as ‘four high levels’ visits have taken place between both the countries led by prince Zayed Al Nahyan and PM Modi. Considering the new strategic dimensions of this relationship, the very best civilian award to PM Modi by the UAE government speaks of its desire to further strengthen bilateral cooperation. Over the years, each side had strengthened mutual ties with one another. It remains necessary because UAE is not only the most important trading partner for India but also India’s second largest export destination in West Asia. The new boost to Indo-UAE ties was given during the historic visit of PM Modi to Abu Dhabi in August 2015. Wider economic cooperation remains the key area of interest within the newly found resonance of Indo-UAE ties making a shift from business cooperation to an era of Comprehensive Strategic Partnership, diversifying economic cooperation, fight against extremism, broadening energy sector engagement, increased civil society engagement and customary era of Comprehensive Strategic Partnership because the relationship between both the states unfolds, the diversifying economic cooperation, fight against extremism, broadening energy sector engagement, increased civil society engagement and customary positions to mitigate global challenges shall remain the hallmark of this transformation. (4)

Conclusion

Though the countdown of gradual improvement of India’s bilateral relations with the West Asian nations had begun in early nineties, but there was a radical transformation in their relations since Prime Minister Narendra Modi took office in 2014 and the pace of progress in the development of Indo-West Asian relations in the last five years has quickened. The prospect of a comprehensive strategic and economic partnership with the UAE is an indication of this dramatic change. The expansion of the scope of this bilateral relationship to encompass defense and security elements as well as trade signifies the continued advancement of India’s relations with its West Asian neighbors. However the pace of realizing a full spectrum strategic partnership faces some challenges largely due to some structural economic and administrative issues within the parameters of India’s political structure and the deteriorating regional political situation in the Gulf. But in spite of these existing challenges, PM Modi’s relentless efforts in improvising and culminating a powerful Indo-UAE bonding has raised the momentum of strong bilateral ties between them and opened a new horizon and new possibilities for a prospective strategic and economic partnership in the future. Under such circumstances, the way forward for New Delhi is to seize the momentum and develop a greater basis for a strategic partnership to safeguard its core national interests while avoiding regional entanglements.

Notes and References

(1) Dipanjan Roy Chaudhury; “Bridging the Gulf: UAE-India relations have turned a new, exciting corner” The Economic Times, July 12, 2018.

(2) The Hindu, August 24, 2019.
