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Bridging the Gulf: On India, defence ties with Gulf nations

Context

- The **recent visit of United Arab Emirates President** Sheikh Mohamed bin Zayed Al Nahyan to New Delhi, though brief, marked a significant moment in India–UAE relations.
- With only a single meeting held with Prime Minister Narendra Modi, the visit nonetheless resulted in several important outcomes.
- While economic cooperation remained central to the discussions, the announcement of negotiations towards an India–UAE Strategic **Defence Partnership** emerged as the most notable development.
- This proposed agreement, **unprecedented in India's relations with the Gulf**, must be understood against the backdrop of an increasingly volatile West Asian geopolitical environment.

Strengthening Economic Ties Between India and the UAE

- India and the UAE already share strong economic ties. The UAE is India's **third-largest trading partner,** its second-largest export destination, and a major source of foreign investment.
- The two countries further strengthened this partnership through commitments to double bilateral trade to **$200 billion, a $3 billion LNG agreement**, and new UAE investments in Gujarat.
- These initiatives build upon the Comprehensive Economic Partnership Agreement signed in 2022 and reflect a deepening economic interdependence.
- However, while significant, these measures largely reinforce existing economic trends rather than introduce a strategic shift in relations.

The Strategic Defence Partnership: A New Dimension of Cooperation

- The proposed **Strategic Defence Partnership** represents a new dimension of engagement between India and the UAE.
- As the first defence framework of its kind between India and a Gulf nation, it signals a move beyond economic cooperation into the sensitive sphere of security.
- Although specific details remain undisclosed, the announcement has attracted attention across West and South Asia, where regional security dynamics are closely interconnected.

Regional Geopolitical Tensions and Shifting Alliances

- The timing of the **defence talks is particularly significant** given the growing rift between the UAE and Saudi Arabia.
- Once allies in the coalition against the Houthi uprising in Yemen, the two nations are now engaged in a **power struggle**, especially in Sudan, alongside a breakdown in communication between Sheikh Mohamed bin Zayed and Saudi Crown Prince Mohammed bin Salman.
- This rivalry, increasingly described as a Gulf cold war, coincides with wider regional instability, including protests in Iran, uncertainty surrounding the Gaza ceasefire, U.S. interventionist rhetoric, and **Israel's bombing of Qatar in 2025.**
- Saudi Arabia's subsequent push for a mutual defence pact with Pakistan, with possible Turkish involvement, further illustrates the emergence of competing security blocs.

India's Diplomatic Caution and Strategic Reassurance

- In this complex environment, India's defence discussions with the UAE risk being interpreted as **alignment with one side** of a regional contest.
- Acknowledging these concerns, Indian officials have sought to reassure both domestic and international observers.
- Foreign Secretary Vikram Misri clarified that the **proposed defence agreement does not imply India's involvement in hypothetical future** conflicts in West Asia.
- Despite these assurances, India must remain sensitive to regional perceptions, as misinterpretations could strain its carefully balanced foreign policy.

India's Stakes in the Gulf Region

- India's cautious approach is shaped by its **substantial interests** in the Gulf. Nearly ten million Indians live and work in the region, making stability there a critical national concern.
- Furthermore, the Gulf remains a vital source of energy for India, particularly as sanctions have restricted access to alternative suppliers.
- India's long-term connectivity initiatives, including the Chabahar port, the International North–South Transport Corridor, and the India–Middle East–Europe Economic Corridor, also depend on cooperation among diverse regional actors, all of whom are affected by the current instability.

Conclusion

- The proposed India–UAE **Strategic Defence Partnership** reflects growing trust and expanding engagement between the two countries.
- At the same time, it underscores the challenges India faces in navigating an increasingly **fragmented and volatile West Asian** geopolitical landscape.
- With deep economic, energy, and human stakes across the region, India must pursue deeper partnerships without becoming entangled in regional rivalries.
- **Strategic restraint, diplomatic balance**, and cautious engagement will therefore remain central to India's approach in the years ahead.

Bridging the Gulf: On India, defence ties with Gulf nations FAQs

Q1. What was the most significant outcome of Sheikh Mohamed bin Zayed's visit to India?

Ans. The most significant outcome was the announcement of negotiations for an India–UAE Strategic Defence Partnership.

Q2. Why is the proposed defence partnership considered unprecedented?

Ans. It is unprecedented because it would be India's first strategic defence framework with a Gulf country.

Q3. How does regional instability affect India's foreign policy choices?

Ans. Regional instability forces India to act cautiously to avoid being drawn into competing regional alliances.

Q4. Why is the Gulf region strategically important for India?

Ans. The Gulf is important for India due to its large Indian diaspora, energy supplies, and connectivity projects.

Q5. What position has the Indian government taken regarding the defence talks?

Ans. The Indian government has stated that the defence talks do not imply India's involvement in future regional conflicts.

Source: The Hindu

Is India Prepared for the End of Globalisation?

Context

- Recent statements by U.S. President Donald Trump linking trade concessions to political approval illustrate a deeper transformation in the world economy.
- What is eroding is not only international commerce but the political framework that once governed it.
- The liberal system of **globalisation** is giving way to **mercantilism**, where economic exchange is subordinated to national interest and coercive bargaining.
- This shift marks a decisive break from the post-war order and signals a return to power-driven economic relations.

Globalisation as a Political Order

- Globalisation was never merely about markets. It was a political arrangement that shaped how states organised economies and interacted through **multilateralism**.
- This order rested on assumptions of open markets, mobility of capital, and rule-based cooperation, and it was closely associated with **liberalism** and institutional legitimacy.
- The weakening of shared rules and collective restraint has undermined this system, replacing cooperation with transactional bargaining rooted in **sovereignty** and strategic self-interest.

Historical Foundations of the Global Economy

- The global economy long predates liberal norms. Early integration relied on force, extraction, and unequal exchange, benefiting industrialised nations at the expense of colonies.
- The mid-20th century marked a turning point, as newly independent states and war-torn economies demanded a rules-based order.
- International **institutions** emerged to provide legitimacy and manage power asymmetries. Even unilateral actions were justified through normative language.
- The open abandonment of such restraint today reflects a fundamental historical reversal.

Unintended Consequences of Liberal Globalisation

- The liberal order generated significant economic expansion but also deep structural distortions.
- Rising **inequality** emerged as returns to **capital** far outpaced gains for **labour**, hollowing out manufacturing regions and intensifying migration pressures.
- These stresses fuelled political backlash and the rise of **populism**, as economic insecurity was channelled into nationalist sentiment.
- A second destabilising force was the rise of **China**, which integrated into global markets while retaining strong **state** control over finance, production, and information.
- This model allowed China to accumulate economic and geopolitical **power** without fully adhering to liberal norms.
- Persistent **trade** imbalances and export-driven growth constrained the industrial ambitions of poorer nations, reshaping global hierarchies.

The Return of Mercantilism and Decline of Multilateralism

- Together, inequality and geopolitical rivalry transformed how major economies viewed cooperation.
- Global engagement increasingly appeared as a constraint rather than a benefit. States turned inward, privileging industrial policy, border control, and economic coercion.
- Trade **surpluses** became symbols of strength, while deficits were framed as vulnerabilities.
- This environment encouraged **nationalism** and eroded confidence in shared governance, accelerating the collapse of the liberal multilateral order.

Consequences for the Developing World

- The retreat from cooperation has been particularly damaging for **developing** International **aid** is now frequently conditioned on donor interests, while weakened institutions reduce collective bargaining power on issues such as climate change and financial regulation.
- At the same time, domestic pressures are rising as youthful populations demand jobs, mobility, and dignity.
- Without a supportive global framework, these states face heightened economic and political fragility.

India’s Position in the Emerging Global Order

- India occupies an uneasy position in this shifting landscape. It is geopolitically significant but constrained by internal weaknesses.

- Over the past decade, the country has failed to translate favourable **demographics** into broad-based productivity.
- While potential exists in digital public **infrastructure**, renewable energy, and services, limited state **capacity** and uneven **governance** hinder progress.
- Social stratification has deepened, weakening national **cohesion**.
- In a mercantilist world, such constraints carry long-term costs. Without sustained investment in human development and more inclusive **growth**, aspirations of global leadership risk remaining symbolic.
- Claims of becoming a **Vishwaguru** cannot substitute for robust institutions and economic foundations.

Conclusion

- The erosion of liberal globalisation represents a systemic shift toward **power-centric economic relations.**
- Mercantilism, nationalism, and strategic competition have displaced cooperation and shared norms. For developing nations, this new order narrows opportunities and amplifies vulnerabilities.
- India's future relevance will depend not on rhetoric, but on strengthening institutions, enhancing state capacity, and rebuilding a social contract capable of sustaining inclusive growth in an increasingly unforgiving global economy.

Is India Prepared for the End of Globalisation? FAQs

Q1. What does the return to mercantilism signify in the global economy?

Ans. It signifies a shift toward using trade as an instrument of state power rather than mutual economic cooperation.

Q2. Why was globalisation more than just free trade?

Ans. It was a political order based on shared rules, institutions, and multilateral cooperation among states.

Q3. How did inequality weaken the liberal global order?

Ans. Rising inequality fuelled economic insecurity and populist politics that challenged liberal norms.

Q4. Why did China's rise disrupt the multilateral system?

Ans. China gained economic power through global markets while retaining strong state control outside liberal rules.

Q5. What limits India's influence in the emerging global order?

Ans. Low state capacity and insufficient investment in human development constrain India's global role.

Source: The Hindu
