Navigating Indian Defense Outreach with the Gulf

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Brief Analysis

As India seeks to grow in its self-reliance, developing more balanced relations with the Gulf will strengthen ties while helping to balance against Chinese influence in the region.

In May 2020, Prime Minister Narendra Modi announced that India would pursue Atmanirbhar Bharat (https://www.mea.gov.in/Speeches-Statements.htm?dtl/33285), or the ‘self reliant India’ initiative—a call for India to boost its independence in meeting its national security requirements and defense manufacturing. In exploring this new initiative, India should extend the tenants of the Atmanirbhar Bharat initiative to its relations with the Gulf. Initial steps such as the Indian army chief’s unprecedented visit to Saudi Arabia and the UAE (https://www.claws.in/indian-army-chiefs-first-of-its-kind-visit-to-saudi-arabia-and-uae-and-what-it-entails/) are necessary and important in this regard, but Indian-Gulf relations must be further developed and balanced. This development should focus on establishing greater Indian independence while deepening regional ties, all while remaining mindful of concurrent Chinese efforts in the region.

The Gulf already plays a crucial role in India’s economic development, social progress, and political ascendance (https://link.springer.com/book/10.1007/978-981-13-1978-5). In particular, the recent secret peace plan (https://www.indiatvnews.com/news/world/uae-brokered-secret-peace-plan-between-india-pakistan-692692) between India and Pakistan brokered by the UAE signifies the new role that Gulf states are likely to play in assertive mediation and involvement in Indian national security issues.

Yet a future of self-reliance will be hampered by India’s continued emphasis on the 3Es (economy, energy, and expatriates) (https://media.neliti.com/media/publications/327309-india-persian-gulf-relations-from-transa-19e6bcd5.pdf) approach when it comes to its relations with Gulf states. The consequences of the dependence engendered by this strategy have become particularly clear in the past year during the COVID-19 pandemic, when the country struggled to return Indian expats who had been working in the Gulf, pouring considerable resources and
time into their evacuation. So long as the kinds of Permanent Residency (PR) policies available in the West are not extended to Indian expatriates in the Gulf, such complexities cannot be avoided.

Instead, India needs to strike a more balanced relationship with Gulf countries that is not so reliant on large and vulnerable populations of expat laborers. By showcasing its capabilities in financial investment and technological innovation to the region, India should work to diversify its relationship with the Gulf, thereby developing a stronger presence.

Notwithstanding India’s role in Gulf’s food security and newly developed vaccine diplomacy, New Delhi needs to develop military, technology, and financial relations with Gulf states that give it a real foothold in the region. This kind of outreach is likely to involve investment, development projects, and military cooperation. In this sense, India not only needs to invest actively in the region, but also convince the regional players to invest in India and engage more in other non-conventional areas.

This question is particularly urgent given the substantive Chinese investments in and military cooperation with the Gulf as part of the Belt and Road Initiative (BRI) (https://www.cfr.org/backgrounder/chinas-massive-belt-and-road-initiative). More recently, China’s ‘Health Silk Road (https://www.cfr.org/blog/mapping-chinas-health-silk-road),’ an initiative used to market its medical and vaccine diplomacy in the region, is a notable counter to India’s own similar diplomatic outreach efforts. Likewise, Chinese Foreign Minister Wang Yi’s recent visit (https://www.scmp.com/news/china/diplomacy/article/3126823/chinas-foreign-minister-starts-middle-east-tour-iran-deal) to four Middle Eastern countries demonstrates a persistent Chinese diplomatic effort in the region.

China has approached the Middle East with caution and subtlety; Eyck Freymann (https://foreignpolicy.com/2021/02/25/influence-without-entanglement-in-the-middle-east/) has noted that China’s policy towards the Belt and Road Initiative (BRI) has avoided excessive publicity around its regional initiatives in the Middle East, in contrast to the publicity it has afforded its other movements.

With these efforts in mind, it is important to realize that competing with Chinese investments may never lead to India outweighing Chinese influence in the Gulf. Even so, India should invest further in building its relations with the Gulf to allow for a counterweight to Chinese investments.

China began to actively engage the region by signing ‘comprehensive strategic partnerships’ with major Gulf economies after its BRI project took off in 2013. China’s $400 billion strategic deal last year with Iran (https://www.forbes.com/sites/arielcohen/2020/07/17/china-and-iran-approach-massive-400-billion-deal/?sh=f4908022a168) is particularly significant because of its distinct military cooperation angle. Similarly, with Saudi Arabia, China has cooperated on joint military/counter-terrorism exercises. Reports also suggest that following the Saudi Aramco attack, China supplied Saudi Arabia with CH-4 UAV drones, which are similar to U.S.-manufactured US MQ-1 (https://www.neliti.com/publications/330722/chinas-great-game-in-the-gulf-implications-for-india) drones that the regime already possess. The UAE, Pakistan and Saudi Arabia have likewise purchased Wing Loong Model drones from China. And in August last year, China and Saudi Arabia also notably cooperated (https://www.mei.edu/publications/saudi-arabias-nuclear-program-and-china) in constructing a nuclear facility to extract uranium yellowcake from uranium ore. While these investments are seen as an attempt to counter U.S. influence in the region, India will still hold concerns about a growing Chinese presence in the Gulf.

In contrast, India is the second largest arms importer (https://sipri.org/sites/default/files/2021-
in the world, buying its arms mostly from Russia, France, and Israel. To make matters worse, India is also the third largest country in terms of defense spending. Thus, given the changing geopolitical landscape, not only does India need to diversify its defense trading partners, but it also needs to invest heavily in indigenization. In this regard, the Gulf not only provides a potentially vibrant market for Indian defense equipment, arms, and ammunitions that can be provided at a competitive and reasonable rate, but also provides an opportunity for joint ventures and investments in the defense field. This is the reason for the Middle East being selected as the second most preferred region in the Atmanirbhar Bharat initiative after South Asia.

Based on an interview with a defense official involved in formulating the Atmanirbhar Bharat initiative, there are a number of avenues India can explore in the Gulf. For one, India can invest in shipbuilding factories in coastal countries like Oman. It can also supply Indian short-range drones such as Idea Forge drones with high to middle altitude range, which can be utilized for situational awareness at ground levels, and loiter munitions such as MIDAS, used by ground troops on a tactical level. Similarly, India could boost its aviation industry by producing Indian helicopters like the Dhruv Advanced Light Helicopter (ALH) and its weaponized version, the ALH-WSI (weapon system integration). For weather forecasting, Weather Service International (WSI) and Hindustan Aeronautics Limited (HAL) have also produced single engine, fourth generation, multirole light fighter aircraft, such as the TEJAS. Battle and maneuver tanks such as Arjun MK1 and its variants may likewise find a good market in the Gulf. Moreover, Indian private industry giants such as ONGC Videsh Limited, which have already acquired 10 percent stakes in UAE offshore oilfields, could also be persuaded to venture into the defense sector. As these private players are already trusted partners in the region in oil extractions, their mandate can be extended to the defense sector as well.

Moreover, India can also look to establish an exclusive Defense Strategic Partnership with major Gulf countries. This is important as it not only provides impetus to its defense services in these countries and vice versa, but can also help the countries to work closely on securing the Sea Lines of Communications (SLOC) from any potential Chinese blockades in the future. In this regard, the Duqm port, which was offered to India by Oman, may be used as the first Indian base in the region to closely monitor Chinese activities and facilitate India’s work plan in the region.

The growing influence of a rival state in a region vital to India’s economy and, increasingly, its national security should be a powerful motivator for New Delhi. Indeed, as India builds on its policy of Indian self-reliance, developing a long-term policy that bolsters Indian engagement in the Gulf through investment, technology, and military cooperation is a proactive way to support these goals, especially given the interest China is already demonstrating.
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