

Persian Gulf Region and its importance for India

Syllabus- GS 2- Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

Why in News?

Ongoing indirect talks in between the U.S.A and Iran on reinstating Iran's nuclear pact.

Where is the Persian Gulf Region?

- ❖ The lands around the Persian Gulf are shared by **eight** countries namely, **Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.**
 - These all **eight** countries are **members of the United Nations.** United Arab Emirates (UAE), Bahrain, Saudi Arabia, Oman, Qatar, Kuwait are members of the Gulf Cooperation Council (GCC).
 - Out of Persian Gulf countries, Iran, Iraq, Kuwait, United Arab Emirates (UAE) and Saudi Arabia are members of OPEC.
- ❖ Being major producers of **crude oil and natural gas**, there is a **commonality of interest** among these countries.
 - This commonality of interest has given rise to **their own prosperity** and subsequently, **economic-political entanglements among them.**



Current emerging geopolitical scenario:

Rising Conflicts in the Region- Recently, the geopolitical factors and conflicts in the **West Asian region — Yemen, Syria, Libya —** aggravated global and regional relationships.

Declining Role of USA:

- ❖ The above mentioned conflicts have **hampered USA-Iran relations** that were to be premised on the multilateral agreement on **Iran's nuclear programme agreed to by western powers.**
- ❖ The **declining USA's commitment to sub-regional security** has raised more issues among the members of the **Gulf Cooperation Council (GCC)** due to political and ideological disagreement with Iran.

Emerging Split Within GCC:

- ❖ The recent **emergence of conflicting tactical and strategic interests** and subjective considerations has created a division among the members of the GCC.
- ❖ These divisions in the GCC are being aggravated due to following reasons:

- ✓ **Global economic crisis**
- ✓ **Immediate and longer-term impact of Covid-19 on regional economies**
- ✓ **Problems in the Organization of the Petroleum Exporting Countries (OPEC)**
- ✓ **Decline in oil prices**

Framework for Stability in the Region:

- **Regional as well as Global Security-** Any possible framework for stability and security in the region needs to ensure the **security not only on the regional terms but also on global terms.**
- Because the gulf regional security is not an issue among the Gulf States themselves, but it is also an external issue.

Other Important Aspects:

- **Peace and stability** in individual littoral states.
- Freedom to all states of the Gulf littoral to exploit their **hydrocarbon and other natural resources.**
- **Freedom of commercial shipping** in international waters of the Persian Gulf.
- Freedom of **access to, and outlet from, Gulf waters** through the **Strait of Hormuz.**
- The **prevention of conflict** that may impinge on the freedom of trade and shipping.

Strategic Importance of Persian Gulf Region for India:

- The relation with the region is based on the three factors namely-
 - ✓ **Economic cooperation:** India-Gulf trade in 2019-20 was nearly 19% of India's global trade, investment, and infrastructure development.
 - ✓ **Energy Cooperation:** About 53% of India's oil imports and 41% of gas imports come from the Gulf region.
 - ✓ **India Expatriates Community:** Around 8-9 million Indian reside in Persian Gulf Region and sending remittances of about \$40-50 billion that account for 2% of India's GDP and 2/3rd of total remittances to the country.

India as strategic partner:

- India has extended its strategic partnerships with Iran, Oman, Saudi Arabia and the UAE.
- Persian Gulf Region is an integral part of **India's extended neighbourhood** in terms of geographical proximity, expansion of interests and growing India clout in the region.