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Solidarity and Stability Deal: Gulf Countries

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Why in News

Recently, Gulf states signed a '**solidarity and stability**' deal at the 41st **Gulf Cooperation Council (GCC) summit** held in Al Ula, Saudi Arabia.



Key Points

- **Background:**
 - **Sanctions on Qatar:**

In June 2017, Saudi Arabia and its allies, the United Arab Emirates (UAE), Bahrain and Egypt severed ties with Qatar and imposed a naval, air and land blockade on the country.
 - **Reasons:**
 - Qatar was **charged to be too close to Iran** and backed radical Islamist groups.
 - The country was **alleged to support and fund terror** through its support of Iran and **Muslim Brotherhood** (a Sunni Islamist political group **outlawed by both Saudi Arabia and the UAE**).
- **Solidarity and Stability Deal:**
 - Members of the **GCC** signed a deal in **AlUla, Saudi Arabia** to remove all the sanctions over Qatar and **re-open their land, sea and air borders to Qatar**. Bahrain, Kuwait, Oman, **Qatar**, Saudi Arabia and UAE are the members of **GCC**.
 - **Reason:**

To unite efforts to promote the Gulf region and to confront challenges that surround them, especially the threats posed by the **Iranian regime's nuclear and ballistic missile programme** and its **plans for sabotage and destruction**.

Gulf Cooperation Council

- GCC is a **political, economic, social, and regional organisation** which was **established by an agreement concluded in 1981** among Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and UAE in view of their special relations, geographic proximity, similar political systems based on Islamic beliefs, joint destiny and common objectives.
- The structure of the GCC consists of the **Supreme Council (the highest authority), the Ministerial Council and the Secretariat General**. The Secretariat is located in Riyadh, Saudi Arabia.

India's Relation with Gulf Region

- **India and GCC:**
 - The economic and political relationship of India with the GCC has improved in recent years.
 - The friendly relation has been reflected in the **bilateral trade** of around USD 121 billion and **remittances** of USD 49 billion from a workforce of over nine million.
 - GCC suppliers account for around **34% of India's crude imports**.

- **India and Iran:**
 - India has always **shared a friendly relationship with Iran**. But the India-Iran relation faces one of the most complex phases at all times due to the USA's pressure which has politico-economic impacts.
 - In May 2018, the USA abandoned the nuclear deal (**Joint Comprehensive Plan of Action**) and **reinstated economic sanctions against Iran**.
- **India and Qatar:**
 - Recently, **India's External Affairs Minister met the top leaders of Qatar** and discussed strengthening the economic and security cooperation between the two countries.
 - India shares a **friendly relation with Qatar** and even at the time of sanctions on Qatar, India maintained a cordial relation with the oil rich nation.
- **India's Overall Role in the Region:**
 - India has **avoided involvement in local or regional disputes** in the region, since Indian interests do not entail power projection but necessitate **peace and regional stability**.
 - The Gulf is among India's **top trading partners**. The **deepening energy interdependence** is marked by growing volumes of energy imports into India. There is also the prospect of substantive investments from the Gulf into the **Indian hydrocarbon sector**.
 - The number of Indian **migrant workers in the region** stands at more than **7 million**.
 - The expansion of the political engagement has been matched by the **growing security cooperation, especially on counter-terrorism**.
 - India and its Gulf partners are also **taking tentative steps towards defence cooperation**.
 - For example participation of Saudi Arabia, Oman, Kuwait, and others in **India's mega multilateral Milan Exercise**.

Way Forward

- The Gulf region has historical, political, economic, strategic and cultural significance for India. **India-GCC Free Trade Agreement (FTA) can provide a boost to the relations**.
- It has been assessed that Saudi Arabia is a fading power whereas UAE, Qatar and Iran are emerging as the new regional leaders. **Oman and Iraq will have to struggle to retain their sovereign identities**.
- Thus, **Indian interests would be best served** if the **stability in the region** is ensured through cooperative security since the alternative, of competitive security options, cannot ensure durable peace.