Southern Asia, India, and the Gulf Region: Understanding the New Geo-political Interface

T.V. Paul and Happymon Jacob*

One common tie that binds the Gulf region and the Southern Asian region is their recent and phenomenal geopolitical, politico-security and economic transformations. When juxtaposed against each other, these two regions have the potential to generate powerful forces that may affect the global order, whether positively or negatively.

This article makes the following broad arguments. First, there has been a precipitous increase in the collective vulnerabilities of the states of both regions; and this could encourage enhanced mutual cooperation and interdependence between them. Second, larger inter-regional politico-security issues have the potential to recast existing political realities and mutual rivalries within the two regions. Third, the US is likely to adopt a restrained posture toward the Gulf States (and more broadly, the Middle East) as it is focusing more attention to East Asia. Finally, India, a rising power, may emerge as the key pivot of an inter-regional stabilising process. In elucidating these main premises, we take the position that intense regional conflict and military rivalry between rising powers such as India and China is not inevitable as many analysts predict. Oil-producing states, especially in the Gulf region can play an important role in generating harmony among rising powers by undertaking certain cooperative actions.

This article begins with a discussion of the various important drivers of the inter-regional interplay of the Gulf and Southern Asian regions, namely energy supply, migration, terrorism, the proliferation of weapons of mass destruction (WMD), and in particular Iran’s search for nuclear weapons, and then examines their regional and intra-regional effects. The subsequent part substantiates the five key drivers of regional geopolitics. The article ends with a concluding note on some of the larger implications for the Gulf States and South Asia.

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Major Drivers of the Inter-Regional Interplay

Energy

Shared common cultural and religious heritage and the presence of a large number of South Asian expatriates in the Gulf area are factors that help define the contours of the interplay between the two regions. However, it is the vast reserve of energy resources in the Gulf, and the resultant cooperation, and competition for them by various countries, which arguably presents the most important driver of inter-regional interplay.

The Gulf is endowed with copious energy resources. According to the US Energy Information Administration (EIA), the Persian Gulf countries (Bahrain, Iran, Iraq, Kuwait, Qatar, Saudi Arabia, and the United Arab Emirates) produced about 28 per cent of the world’s oil in 2006, and have about 55 per cent (728 billion barrels) of the world’s crude oil reserves. The Persian Gulf also accounts for 41 per cent of total proven world gas reserves (about 2,509 trillion cubic feet).1 As energy demand increases, the next twenty-five years will see the world becoming increasingly dependent on the Gulf States for energy supplies:

By 2025, the Energy Information Administration estimates that the Persian Gulf producers will be exporting 36.4 million barrels of oil per day, more than doubling their current exports of nearly 17 million barrels per day (Energy Information Administration 2004). Developing economies of Asia will become particularly dependent on Gulf oil to sustain their economic expansion over the next two decades.2

It is only natural that countries such as India and China, with ever-increasing energy deficits, increasing domestic industrial production, and burgeoning economies, would aggressively pursue relations with the energy-rich countries of the Gulf region in order to avail themselves of more secure energy supplies. Indeed, China is the second-largest consumer of oil after the United States.

### Asia’s Heavy Dependence on Middle East Oil

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2020</th>
<th>Change</th>
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<tbody>
<tr>
<td>Total Middle East Exports</td>
<td>16.2</td>
<td>25.2</td>
<td>9</td>
</tr>
<tr>
<td>Asia</td>
<td>9.4</td>
<td>16.8</td>
<td>7.4</td>
</tr>
<tr>
<td>North America</td>
<td>2.8</td>
<td>3.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Western Europe</td>
<td>3.1</td>
<td>3.9</td>
<td>0.8</td>
</tr>
<tr>
<td>Other</td>
<td>0.9</td>
<td>1.3</td>
<td>0.4</td>
</tr>
<tr>
<td>Asia Share (%)</td>
<td>58</td>
<td>67</td>
<td></td>
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</tbody>
</table>

Almost half of the 7.5 million barrels of oil China consumes is imported from external sources. In 2007, China imported about 3.7 million bbl/d, making it the third-largest net oil importer in the world. As per EIA forecasts, China’s oil consumption has been steadily growing and will be 90.8 million barrels per day (bpd) in 2013. However, China’s domestic oil production has not shown much increase in the recent past. China may endeavour to increase its oil imports from the Gulf region. It is simultaneously active in diversifying its sources and looking to Russia, Kazakhstan, the Caspian basin, Africa and Latin America for fulfilling its needs. These suppliers could somewhat cushion China’s reliance on the Persian Gulf countries, but only up to a limited point and that only for the next several years. At the same time, India is also expanding its energy sources to various parts of the world, thus presenting itself as a possible strategic challenger to China’s quest for oil resources.

As a result, the competition for energy is currently gaining strength, between China and India not only in the Persian Gulf, but also in Africa, Myanmar, and Latin America. Indian companies have begun exploration and drilling in Africa; although China has traditionally experienced more success in the area. India has also been developing gas fields in Qatar, Oman, Iran and Yemen, with both offshore and onshore facilities. However, China’s development of the Gwadar port in Pakistan, and ports and pipelines in Myanmar and Sri Lanka has raised Indian concerns about security implications. This competition over energy is intermixed with pervasive competition for strategic primacy in Asia and the Indian Ocean region. Here, the increasing trade relations between India and China could mitigate the potential for conflict, but active policy initiatives are necessary to avoid unwanted competition and rivalry.

India’s relationship with the Gulf region, as well as with the Middle East, is multi-pronged, which offers it an advantage over China. India shares an historical, cultural, and religious, as well as intricate economic links with the region. It, therefore, amongst any of the major powers, has some of the strongest ties to the region. The recent past especially has witnessed an increase

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
<th>2030</th>
<th>2035</th>
</tr>
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<tbody>
<tr>
<td>OECD</td>
<td>46.8</td>
<td>45.8</td>
<td>45.2</td>
<td>44.0</td>
<td>42.6</td>
<td>41.1</td>
</tr>
<tr>
<td>India</td>
<td>3.3</td>
<td>4.0</td>
<td>4.9</td>
<td>6.0</td>
<td>7.4</td>
<td>9.0</td>
</tr>
<tr>
<td>China</td>
<td>9.0</td>
<td>11.1</td>
<td>13.2</td>
<td>15.0</td>
<td>16.4</td>
<td>17.6</td>
</tr>
</tbody>
</table>

The US, which has held an almost hegemonic sway in the affairs of the Middle East as well as the Gulf for decades, will feel the long-term impact of the two rising Asian powers, and their growing salience in the region. Despite increased domestic production as well as supply from friendly countries like Canada, the US will continue to require energy supplies from the Gulf to satisfy its own domestic needs as well as that of its allies like Japan. Washington is unlikely to loosen its hold on the region. “The United States currently imports roughly 60 per cent of the oil that it consumes, and the EIA expects this U.S. dependence on foreign oil imports to increase to 62 per cent of consumption by 2030.” Thus, one possible future characterisation of the Gulf energy scene could be fierce competition among the interested parties. The US, China and India (and possibly Japan) could enter into serious geopolitical competition for secure energy resources in the future. However, this competition need not be of intense military variety, but could involve limited naval competition and efforts by the parties to create trade-security linkages with individual Gulf States. The development of blue water navies by China and India, and the possible expansion of the Chinese naval presence in the Indian Ocean and Arabian Sea/Persian Gulf, could further transform regional dynamics. Russia may also increase its naval presence in the region. Nevertheless, the existence of other factors such as increasing terrorist threats from Africa, the Gulf region and more importantly a potentially Taliban-led Afghanistan, religious fundamentalism, and the relative economic decline of the US are likely to restrain US behaviour in the region paving the way for increased cooperation and geo-strategic harmony among key Asian powers and the US.

More than 16 million barrels of oil transit out of the Gulf through the 34-mile wide Strait of Hormuz, making the waterway an important pressure point on the world’s economy. Other than the Strait of Hormuz, the Gulf of Aden, the Suez Canal, the Malacca Straits, and the South China Sea are also vulnerable spots as far as energy transfer from the Gulf region to the rest of the world is concerned. Although it is possible for terrorists and pirates to strike at the heart of the global economy, for reasons of self-interest alone, the oil-importing countries are likely to attempt to create more tangible mechanisms to secure the transportation of energy through these areas. These measures may include providing physical security to ships, intelligence sharing and combating transnational terrorist and pirate networks. Non-state actors pose a clear and present danger to energy flows from the gulf region in many ways.
**Piracy**

The most significant threat to oil supply comes from pirates based in the failed or weak states of Africa and Asia. In recent years, piracy has emerged as a common threat to shipping through the Arabian Sea (especially in the Gulf of Aden) and the Malacca Straits. The collapse of Somalia has created a number of warlords and thugs who form pirate groups that intimidate ships in the region. They have conducted several audacious attacks and hostage taking situations, and have targeted large oil tankers passing through the waters. Similarly, in the Straits of Malacca, piracy has been an ongoing problem over several years. Piracy in these two areas has unfortunately managed to generate only ad hoc cooperation among the major powers and regional states themselves; however, it is here that the Indian Navy has been actively providing protection to sea-lanes. Over the years, maritime security has emerged as a key part of India’s plans for naval expansion. With China sending warships to the Gulf of Aden to protect its shipping through the area, it is obvious that greater coordination between the two powers might offer a major opportunity for naval cooperation in the region.

A strategic framework for the smooth transit and passage of oil from the region could be developed, with a transnational component designed to protect sea-lanes. Here the UN and regional organisations could nudge the US, the EU, China, India and Japan to cooperate more effectively. While piracy incidents did reduce drastically in 2012, the issue still needs to be addressed on an urgent basis. In any case, the decline has been due to “the pre-emptive and disruptive counter piracy tactics employed by the international navies. This includes the disruption of mother vessels and Pirate Action Groups”. Even if incidence of piracy declines in one year, it may come back sooner or later if states like Somalia remain vulnerable to collapse.

**Migration**

Migration of large-scale workforce is yet another factor that directs India’s relations with the Gulf States. Yet, due to the peculiar political systems of the Gulf, South Asian migrants carry little political or legal rights and their role in areas related to wider politico-strategic issues is therefore, somewhat limited. Given the increasing number of Indians working in the Gulf region (see table below), it is necessary for the Government of India to engage the Gulf leaders regarding the welfare of the Indians working and living there. Increased people-to-people interaction in commercial and business interests between the Gulf region and India can go a long way in strengthening the role of India as a compelling player there.
The Indian Diaspora in the countries of the
Gulf and its neighbouring regions 2012

<table>
<thead>
<tr>
<th>Countries</th>
<th>Indian Diaspora</th>
<th>NRI</th>
<th>PIO</th>
</tr>
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<tbody>
<tr>
<td>Bahrain</td>
<td>3,50,000</td>
<td>3,50,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Iraq</td>
<td>9000</td>
<td>8995</td>
<td>5</td>
</tr>
<tr>
<td>Kuwait</td>
<td>5,79,390</td>
<td>5,79,058</td>
<td>332</td>
</tr>
<tr>
<td>Libya</td>
<td>15,000</td>
<td>14,995</td>
<td>5</td>
</tr>
<tr>
<td>Oman</td>
<td>5,57,713</td>
<td>5,56,000</td>
<td>1713</td>
</tr>
<tr>
<td>Qatar</td>
<td>5,00,000</td>
<td>5,00,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>17,89,000</td>
<td>17,89,000</td>
<td>N/A</td>
</tr>
<tr>
<td>UAE</td>
<td>17,02,911</td>
<td>17,00,000</td>
<td>2911</td>
</tr>
<tr>
<td>Yemen</td>
<td>1,11,000</td>
<td>11,000</td>
<td>1,00,000</td>
</tr>
</tbody>
</table>


Terrorism

Apart from energy security and migration, the third driver of geopolitics in the Gulf that holds substantial implications for Southern Asia and the rest of the world is terrorism, stemming mostly from religious extremism. Unfortunately, regional states have not made an effort concerted enough to stem terrorism, with some regimes and/or elites choosing to provide tacit support as a “just means” of waging “war” against the US and US-supported regimes, or using it to highlight issues like Palestine and Kashmir. Other terrorist groups such as al-Qaeda, have more grandiose ambitions, which wish to establish an Islamic Caliphate stretching from Europe to Asia. Some such groups receive financial support from actors in the Gulf region, despite efforts by states to stem such flows.

Analysts have argued that US presence in the Middle East has proven counterproductive. Bowman traces the recent history of US operations there and argues that the US military presence has had a radicalising effect on the region. Radical elements and extremists have been using anti-American sentiment to justify their actions in the region. For instance, in 1998 Osama bin Laden, Ayman al Zawahiri and three other Islamist leaders from Bangladesh, Egypt, and Pakistan issued a formal declaration stating that it was the religious duty of Muslims to wage *jihad* against the US military personnel and civilians.

Religious extremism remains a major challenge in the region. Faryal Leghari writes that the Gulf States have indeed become more vulnerable to the threats emanating from terrorism due to al-Qaeda’s presence in the Middle East and its transnational networks. Militants from countries in the region such as Yemen and Saudi Arabia have contributed considerably to the ranks
of Islamist terrorist organisations based in Pakistan, and elsewhere in the world. These terrorists carry out attacks in Pakistan and Afghanistan, as well as in the Gulf.\textsuperscript{15}

Saudi Arabia provides a mixed example in this regard. Internationally, Saudi Arabia has received severe criticism for being the ideological and fiscal source of Islamic extremism in the region. Its “brand of religion, Wahhabi Islam, and its reputation for intense proselytizing have landed it in the global hot seat”.\textsuperscript{16} Home to most of the 9/11 attackers and Osama bin-Laden himself, Saudi Arabia has, to date, been looked upon with uneasiness and suspicion by the international community. However, under immense international pressure, the country has attempted to address the issue at home.\textsuperscript{17}

By “the spring of 2005, Saudi forces had either killed or incarcerated 24 out of 26 individuals on the kingdom’s most wanted list and issued a new list of 36 men. Radical clerics were warned to tone down their fiery sermons; more than 2,000 of them were either banned from preaching or underwent ‘re-education programs’. And the al-Haramain Islamic Foundation, the Riyadh-based charity responsible for disbursing $40–50 million annually with ties to Al Qaeda’s funding stream was also shut down by the Saudi Authorities.”\textsuperscript{18} The dogged persistence of religious extremism in Saudi Arabia despite such measures is because Wahhabism has been state-sponsored for an extended period.

Pakistan has been largely bankrolled by the United States and Gulf States such as Saudi Arabia. Nearly 70 per cent of Pakistan’s school system is made up of Madrassas that are supported with Saudi funding. The financial links between the Pakistani military/ISI with countries like Saudi Arabia demands more exploration. Indeed, Saudi Arabia has historically played a significant role in the growth of extremism in the region.\textsuperscript{19}

In the post-9/11 world religious extremism, the threat of terrorist violence and international pressures have forced the Gulf countries to cooperate in the global war on terror. However, this cooperation needs more teeth. Now that Pakistan is not just a breeding ground for Islamist terrorism, but also a target country, the Gulf States could persuade their fellow-Islamic states to counter terrorism with stronger measures. The provision of material services and moral collaboration could be extended to India, in order to assist them in counter-terrorist policy and practice. This is especially important as the US and its allies pull out of Afghanistan and the country is drifting back to civil war, with the Taliban remaining a potent force to contend with. Key elements of cooperation could be cutting of funds, closure of bank accounts and other
illegal terrorist financing activities, attempting to restrain the soft support of disgruntled populations, and more prominently, working to halt the tacit support provided by regimes and/or lacklustre policies by government officials. Additionally, improved intelligence cooperation and competency, extradition, and the prosecution of individuals in a timely fashion, are all areas where collaboration is possible.

**Greater Prospects of Nuclear Proliferation**

Another key driver of conflict in the region is the Iranian nuclear ambition. The prospect of Iran acquiring nuclear weapons in the coming years is reasonably strong. The Iranian acquisition is motivated by regional ambitions and the desire to use them as a form of status-equaliser and deterrent against the US and Israel, as also as a tool for regime survival. The Iranian regime considers nuclear acquisition a means to bolster its power position internally and externally. Internally, it may help to generate popular support and nationalism (what is commonly referred to as “rally around the flag” phenomenon) due to the fact that external opposition can generate internal cohesion. Outside of Iran, in the region, the expectation might be that weaker powers would engage in “bandwagoning”. In both these scenarios, the regime hopes to cement and extend its control over the Iranian society. American and Israeli pressures, especially of military variety, are likely to accelerate rather than reduce the chances of Iran’s nuclear acquisition. Since 2002, following the discovery of two nuclear facilities in Iran that are not fully open to the IAEA inspections, the international community has been understandably uneasy. Apart from its failure to honour its obligations under the nuclear Non-Proliferation Treaty, Iran has for a long time carried out its nuclear programme without the knowledge of the IAEA.

The US or Israeli-Iranian military conflict over the Iranian nuclear programme would, of course, lead to major security challenges in the region. For instance, Iran could try to block the supply of oil through the Strait of Hormuz, the narrow and key waterways through which much of the Persian Gulf oil passes. In fact, it has already threatened to do so. Iran also has a number of strategic tools that it could mobilise to frustrate the US military efforts in the region. They include hardening an alliance with Syria, and increasing support for Shiite groups in Iraq, like Hamas and Hezbollah, and groups such as Hazara in Afghanistan.

India has followed a somewhat pro-American line on Iran’s nuclear programme. It is unlikely to want to see the emergence of another nuclear
power in the region, given its own proverbial difficulties with Pakistan. However, given its long-standing relations with Iran, it is unlikely to support any military initiatives by Washington. India has been careful to avoid extreme positions in dealing with Iran and the US vis-à-vis Indo-Iranian relations, although it voted against Iran in the IAEA. More than energy needs, Iran is important to India’s strategic aspirations and regional geo-strategic posturing. Despite recent hiccups in Indo-Iranian relations that have troubled the otherwise smooth relations between the two countries, it is reasonable to posit that since there are many issues of convergence between them, their ties are likely to stabilise. Both countries are concerned about Wahabist extremism in the region, the return of the Taliban in Afghanistan, and the instability in Pakistan. Given this generally positive rapport, India could potentially play an important role in reducing tensions between Iran and the US. India’s cultural, historical and religious affinities with Iran may indeed place it in such a role in future.

**India as a Potential Security Guarantor of the Region**

The myriad of problems that accompany the copious amounts of resources in the Gulf region makes one thing abundantly clear: the geographical expanse straddling the Gulf and the Southern Asian region demands security guarantees and a security guarantor. Before the US took over this position in the 1970s, it was filled by the British, who played this role previously in the Middle East. While the traditional US strategies for the region are still very much in place and will be operational in the foreseeable future, it is becoming clear that the US may rethink its established policies in the Middle East, as many of its strategies are becoming increasingly counterproductive. It might, therefore, either try to withdraw partially from the region, or try to move towards a more cooperative engagement with the geopolitics of Southern Asian and the Persian Gulf interface. In other words, the US could look for more acceptable, better geopolitically located allies to co-manage the security issues of the region.

Let us examine this possibility. Would the US want India to help manage the regional security issues? Any attempt at answering this question must refer to the increasing strategic partnership between the two countries, which has been capped by the Indo-US civilian nuclear agreement. One of the implicit aspects of such a growing relationship has been that it has encouraged India to help manage and stabilise the regional subsystem. Indeed, the US has not discouraged Indian muscle-flexing against pirates in the energy transportation routes off the Somalian coast. The US and the international community might,
in future, ask for India’s help to secure these routes. A liberal reading of such a role would mean an internationally mandated responsibility for India to manage and address threats arising out of piracy and terrorism in the Arabian Sea and the Indian Ocean. Such a role could also see India’s entry into the security management mechanism of the Persian Gulf region. The second question is whether India has the desire to adopt such a role for itself. An answer to this could be gauged from two inter-related set of arguments: one related to India’s power aspirations, and the other related to India’s security and energy initiatives in the Persian Gulf and the larger Middle East region.

India has long made it clear to the rest of the world that it is a rising power, and it has been widely recognised as one. India as an emerging power has the potential to realign the power configuration within the region. Economic strength, democratic ethos, projection of soft power, large skilled population, technological advantages, and military capabilities will make it a power to reckon with, both regionally and in the world at large. Despite the many governance and economy related problems at home, India indeed is an emerging power.27

The nation also finds itself playing an important role in global and regional balances of power. India is widely considered one of the potential balancers in the new balance of power system. The current international system’s lone hegemon is positively prepared for the emergence of India as a balancer. China however, does continue to loom large in the US calculation regarding India as a potential regional balancer. It is likely to provide the biggest constraint on US hegemony in the years to come. China’s military expenditure and naval expansion are considered as attempts to develop hegemony over the South China Sea and South East Asia. More importantly, since the gravity of global economic activity is shifting to Asia and four out of the six balancers of power (the US, China, Russia, India, Japan and the EU) are in Asia, there are fears of China becoming an Asian hegemon unless an effective balance of power mechanism is constructed. Thus, the US engagement of India as a balancer of China is not outside the wisdom inspired by the balance of power system.

The Obama Administration’s Pivot to East Asia may not have many immediate and/or direct implications for India. However, the US might want India to eventually play a role in the American strategy towards East Asia, the Indian Ocean region and the Gulf. A major unstated aim of the American rebalancing is to checkmate the increasing Chinese presence in the region; and from an American point of view, the Indian role would be crucial for such a purpose. There are already indications that India has developed limited
strategic partnerships with Japan, South Korea, Taiwan, Australia, and many \textit{ASEAN} counties especially Vietnam. China in the meantime has been strengthening its ties with South Asian states such as Sri Lanka and Maldives in an effort to enter the Indian Ocean region more powerfully.

Keeping in mind the increasing importance of the Gulf in India’s geopolitical calculations, India has already started displaying its interest in the region. “In August 2007 the India Navy made port calls and conducted a number of naval exercises with all of the GCC member states. India has also been called upon to play a mediatory role between Iran and the West and to contribute to stability in Iraq.”\textsuperscript{28}

However, does India have the wherewithal to take on such a role? The answer is both affirmative and negative. A country that is riddled by internal as well as external security vulnerabilities and political uncertainties may not be in a position to concern itself with multiple security issues found in the region. This is more so because India lacks the material capacity to exert its influence in the region even if it wants to. Having said this however, the one factor that seems to be favouring such a grand strategic engagement with the Persian Gulf region is India’s development of a Blue Water Navy. In fact, the recent documents of the Indian defence establishment relating to its Naval doctrine do make mention of such a plan.\textsuperscript{29} Even though the Indian Navy’s plans for expansion are not as ambitious as Sardar K. N. Panikkar desired, “…make Indian Ocean India’s Ocean”,\textsuperscript{30} it is evident that the navy would like to play an important role in the regional affairs. In short, it may not therefore, be out of place to argue that India could potentially be the pivot of an inter-regional stabilising process.

\textbf{Conclusion}

The emerging geopolitical interface between Southern Asia and the Gulf region provides interesting scenarios and possibilities, ranging from fierce confrontation to constructive engagement. Most arguments put forward by analysts and commentators have painted a pessimistic scenario of this interface. We, on the contrary, have tried to highlight the potential for an alternative scenario based on cooperative security approaches. The primary argument that this article makes is that there has been a radical increase in the mutual vulnerability felt in the two regions and that this will generate potential for enhancement in mutual cooperation and interdependence between the Southern Asia and the Gulf. We also argue that the United States is likely to adopt a restrained posture in the Gulf region, and the larger Middle East, in the years
to come, thus paving the way for increased cooperation and geo-strategic harmony between the key Asian players and itself. The third argument that this article has put forward is that India can emerge as a potential pivot of an inter-regional stabilising process.

Several policy ideas emanate from this analysis. The foremost is the need for developing regional and inter-regional cooperation mechanisms, institutions and confidence building measures. The Gulf Cooperation Council (GCC) could take the initiative as the ASEAN states have done with the creation of ARF, in order to avoid power competition in the region. Second, the regional states should make fighting terrorism and piracy a major part of their security policies. They could do this with the help of Southern Asian states, especially India. Third, transforming Pakistan into a normal state should become a major objective of Gulf States. They must prevail upon Pakistan to restrain its intelligence and army, and lay stress on disengagement with terrorist actors; their past actions regarding these issues have proven to be self-defeating and dangerous. The tentacles of terrorism are spreading and it is only a matter of time until these groups will start posing challenges to regional states in the Gulf. Fourth, adequate protection of workers’ rights by Gulf countries, especially those coming from Southern Asia has major human rights implications as well as security relevance. Finally, the Gulf States could engage in several cooperative ventures with other regional players, such as India, to make use of it as a pacifier and balancer within the region.

Notes:

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Washington Quarterly, 31:2 pp. 77–91

8 Ibid.


12 Bowman, “After Iraq.”

13 Ibid.


17 Ibid.

18 Ibid.


20 One of the key means by which terrorist financing has been taking place is through the Hawala system of transfer of money from the Gulf based networks and their links in countries such as Pakistan. Robert Looney “The Hawala: The Terrorist’s Informal Financial Mechanism,” Middle East Policy 10(1), Spring 2003. pp. 164-67.


22 Ibid.

23 On this see, Michael Richardson, Asia’s Middle East Oil Dependence: Chokepoints on a Vital Maritime Supply Line (Singapore: Institute of Southeast Asian Studies, 2007.

24 On these see Imad Mansour, “Iran and Instability in the Middle East,” International Journal, Autumn 2008;941-64.

25 India had twice voted against Iran at the IAEA, in 2005 and 2006. The first occasion was
to condemn Iran for not meeting its obligations under the Non-Proliferation Treaty (NPT) and in 2006 to report Iran to the UN Security Council.


28 Ibid.
