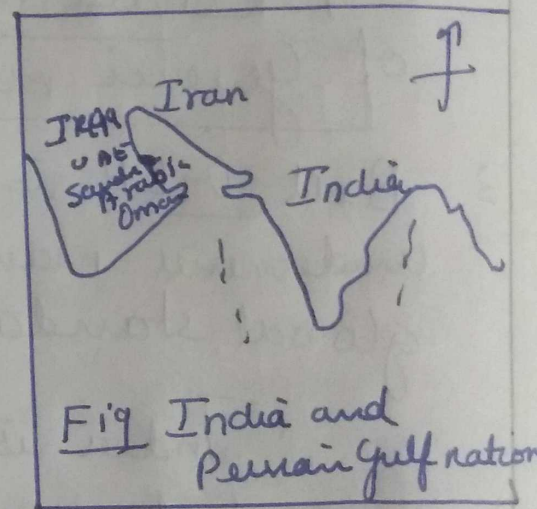


It is time for India to recalibrate ties with Persian Gulf and seize the new strategic possibilities with the region. Analyse.

Till the recent past, India's relation with Gulf nations was given priority towards oil resources and its employment opportunity for Indian diaspora. But in 21<sup>st</sup> century, India has to evolve its relation towards investment, research, cultural-cooperations, strategic political and economic relations.

Indian diaspora employment:

1. India has its largest diaspora in Gulf after USA.
2. Thus employment of Indian demography in construction, real-estate, refineries etc, will create win-win situation.
3. (e.g) Kerala's -  $\frac{3}{4}$  of Foreign employment for its overseas citizens and NRI.



Finance and investment:

1. India can utilise the FDI from Gulf in domestic manufacturing capacity building

2. (e.g) Saudi Arabia's rigging technology can be used for investment in Mumbai High Region
3. As it is a rich region, India can use its finance in India's road and infrastructure projects

### Remittance from Gulf Region:

1. India's Balance of Payment has narrowed deficit in recent years primarily due to remittance
2. The remittance is in turn used as domestic investment to spur demand and consumption in Indian economy.
3. (e.g) Kerala's state economy runs primarily through remittance — Ministry of Finance

### International North South Transport Corridor:

1. India needs support from Persian Gulf nations like Iran, Saudi Arabia to ease transportation of goods through EU.
2. Thus new era of trade and development of India's export to EU needs Persian Gulf nations ties and good will.

India should maintain good relations with West Asia to reduce piracy and to maintain its control over the Indian Ocean in a mutual beneficial manner.