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When the Immediate Dominates the Long Term

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The recent visit of External Affairs Minister Salman Khurshid to Saudi Arabia, which one by an Indian External Affairs Minister happened more than five years ago, was a missed opportunity to place the bilateral relations on a firmer footing. As happens to most decision in India, immediate pre-occupations overshadowed long-term strategic perceptions.

This was not by design but was inevitable when uncertainty hovers over the fate of thousands of Indians working in Saudi Arabia. Enacted in 2011, the *Nitaqat* law (or categorisation) is aimed at increasing employment opportunities for Saudi nationals and is part of the Saudisation of the labour force. It seeks to reduce the level of educated unemployment among Saudi youth, the principle force behind popular protests and turmoil in many Arab countries since early 2011.

It is understood that the Indian expatriate community immensely contributes to the growth and welfare of Saudi Arabia and other countries in the Persian Gulf region. Otherwise, there would not be over six million Indians making a living in the Gulf. At the same time, the expatriate Indian labourers are guest workers whose tenure is contractually defined. In other words, they cannot demand a job as a right; it is a privilege bestowed upon them.

Seen in the wider Indian context, the *Nitaqat* law which favours the Saudis, should not be surprising especially when sons-of-the-soil is the effective vehicle for many political journeys. A number of political agitations and protests in India emerged when people of other States were seen to be taking over the legitimate jobs of locals. Yet, the impending departure of over 1,00,000 persons before the July 3 deadline is a logistical nightmare, especially when most of their passports have been impounded by their employers or the workers are overstaying.

The social impact of Saudi returnees is a nightmare not only for the immediate families but also for the respective State Governments. Many dreams will be shattered, families will be forced to come to terms with the sudden disappearance of fortunes and there will be social tension, pressures and upheavals. Hence, the political leaders of Kerala, the State which has the largest number of workers in the Gulf region, were the first to raise the hype and pressured the Union

Government to intervene. Thus, Khurshid's visit came within the broader context of *Nitaqat* and its political snowball in India.

It is, however, essential to understand a few uncomfortable issues. Migration to the Gulf is a voluntary individual choice driven by economic incentives or compulsions. Dire economic conditions often drive many to seek fortunes in unknown deserts. At about two million, Indians are the largest expatriate community in Saudi Arabia, and there are about seven million foreign workers in the country of 26 million residents. In other words, one fifth of the residents of Saudi Arabia are expatriates or foreigners.

This ratio is acute in other countries of the Gulf as well, where the citizens constitute a minority *vis-à-vis* the total resident population. No country, however benevolent, can sustain this asymmetry for long. In recent years, a number of Arab leaders have been questioning the long-term sustainability of excessive dependence upon foreign labour. Thus, even before the Arab Spring, 'Arabisation' of employment had been high on the social agenda of some of the oil-rich countries.

Moreover, the expatriate workers are contractual labourers whose tenure is fixed. Despite long residence, Arab countries in general do not give citizenship through naturalisation. In many countries, Arab women married to foreigners cannot transfer their citizenship to their husbands and hence to their children. Thus, the presence of a large number of illegal workers implies that they are overstaying or staying illegally. Intervening on behalf of those who knowingly violated the rules of the host countries is not easy for any Indian Government.

The presence of illegal workers also impedes India's ability to speak on behalf of the expatriate community and their legitimate concerns and complaints. Saudi Arabia is not the only country where there is a large-scale presence of illegal Indian workers and one can notice them even in resource-less and aid-dependent countries such as Jordan or the war-torn Lebanon.

Is Saudi Arabia only about *Nitaqat*, remittances and Hajj? Unfortunately not. The country is far more important for India than commonly understood. It has been an integral part of India's search for energy security and during 2011-2012 accounted for about 16 per cent of India's total hydrocarbon imports. During this period, it was also India's fourth largest trading partner accounting for over \$36 billion worth of trade.

Saudi Arabia is also a land of opportunity. Since the September 11 attacks, there is a perceptible shift in Saudi attitude towards the West, and as part of its hedging strategy, Riyadh is looking for other partners, especially in Asia — both for economic ties and political support. During his visit in April 2008, then Foreign Minister Pranab Mukherjee sought to entice Saudi investment in India's massive infrastructure programmes. Follow-up measures are a perennial Indian problem; same holds true for the visits of King Abdullah to India in 2006 and Prime Minister Manmohan Singh four years later.

Anyone interacting with the Saudi intelligentsia can fathom the degree of its anxiety over Iran and its power projection capabilities. The anxiety is genuine and palpable. There is a general perception among some Arab intelligentsia that India is insensitive towards their apprehensions regarding Iran. Not long ago, Indian leaders refused to accept that third countries could be

mutually friendlier towards both India and Pakistan. The tension and anxiety of Arabs over Iran are more severe than erstwhile Indian concerns *vis-à-vis* Pakistan.

One need not agree with Riyadh's reading of Iran and its ambitions, but India has to engage with Saudi leaders and understand their fears *vis-à-vis* Iran and the possible course they might take. This is a pre-condition if India is to avoid being caught in the Arab-Persian rivalry. Indeed, Khurshid could have used the opportunity to smoothen the differences between the two countries over the Syrian crisis where New Delhi is wobbling and ineffective.

The *Nitaqat* controversy is yet another example of domestic politics playing an excessive role in India's foreign policy formulation. Unless handled sensibly, the foreign policy of an aspiring great power will be governed by street politics rather than strategic foresight. Though important, the immediate fate of Indians has overshadowed far more serious bilateral issues *vis-à-vis* Saudi Arabia. One can safely say that Khurshid's visit was a wasted opportunity.

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