

The Idea of Dubai: Why the Emirates Matter for India

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Summary

Since late February 2026, Iranian drones and missiles have struck Dubai's airport, luxury hotels and financial districts – the very symbols of a city that has, over four decades, fashioned itself into a global hub. Despite periodic scepticism about the sustainability of the 'Dubai model', the city and, more broadly, the United Arab Emirates remains central to India's prospects for economic prosperity and national security.

The rise of Dubai and the United Arab Emirates (UAE) was neither accidental nor inevitable. It was the product of a deliberate political bet: that openness, connectivity and economic diversification could overcome the structural constraints of geography and demography. Although the UAE is well endowed with oil resources, it was the first in the region to look ahead to develop non-oil sectors – trade, logistics, tourism, finance and real estate – underpinned by regulatory frameworks that drew consciously on Anglo-American models of open capitalism. In doing so, it offered one of the clearest modern examples of how global integration can substitute for natural resource endowments. Its current focus on high technology, especially artificial intelligence, is part of that strategy.

This transformation made Dubai and the UAE, more broadly, the Middle East's indispensable intermediary. When Beirut's financial system faltered, when Bahrain's regional prominence receded and when other Arab centres struggled with political turbulence, the UAE stepped forward. It created a space where commerce could flourish above politics and where diverse communities could coexist with relative ease.

To be sure, the UAE is not a democracy. However, in a region where democratic experiments have struggled to take root, the Emirates' emphasis on economic opportunity, administrative efficiency and social openness has produced outcomes that many democracies have failed to match – particularly in promoting growth, diversity and religious tolerance.

The current conflict casts a long shadow over this achievement. The United States (US)-Israel war against Iran and Tehran's decision to widen the theatre of conflict have brought the UAE directly into the line of fire. Indeed, the [Emirates has borne the brunt](#) of Iranian missile and drone attacks – far more than Israel itself.

Tehran's rationale is not difficult to discern. The UAE has cultivated close ties with Israel; more importantly, it has become a central node of a [deeply interconnected global economy](#). Targeting Dubai is, therefore, not just about punishing a regional partner of Israel, but also about raising the economic costs for the Gulf and, by extension, for the wider world.

In that sense, the attacks on Dubai signal a shift in the geography of conflict – from territorial contestation to the disruption of global networks. The vulnerability of Dubai is inseparable from its success as a hub of globalisation.

Nowhere is the UAE's importance more vividly illustrated than in its relationship with India and the wider South Asian region. Nearly eight million people from the Subcontinent live and work in the UAE. India alone accounts for [about 4.4 million expatriates](#) which make up more than a third of the UAE's population. Pakistan, Bangladesh, Sri Lanka and Nepal together contribute another 3.5 million people. Collectively, they constitute more than half of the UAE's population.

The economic relationship is equally significant. The UAE is India's third-largest trading partner and second-largest export destination, with bilateral trade approaching US\$100 billion (S\$128 billion) in recent years. Ambitious targets to [double this figure](#) by the early 2030s underline the strategic intent on both sides. The UAE also remains a major supplier of hydrocarbons to India, reinforcing its role in India's energy security.

In recent years, the partnership has acquired new depth. Cooperation now spans defence, technology and connectivity. India and the UAE are key partners in developing the India-Middle East-Europe Economic Corridor. The UAE has emerged as a key partner in new multilateral arrangements such as the [I2U2](#), alongside India, Israel and the US. For India, the UAE is not merely a bilateral partner; it is a gateway to global markets, capital flows and technological collaboration.

Beyond economics and strategy lies a deeper, more intangible dimension of the UAE's importance for India. At a time when both the Middle East and the Subcontinent are regularly convulsed by religious and sectarian tensions, the UAE has consciously cultivated an [ethos of tolerance and coexistence](#).

The presence of churches, temples, gurdwaras and mosques serving a population drawn from more than 200 nationalities is not incidental. It reflects a governing philosophy that seeks to reconcile faith with pluralism. Through interfaith initiatives, legal reforms and the promotion of moderate religious discourse, the UAE has positioned itself as a counterpoint to the forces of extremism that have destabilised parts of Middle East and South Asia alike.

This dimension of Dubai's identity is often overlooked in strategic analysis. Yet it may be among its most consequential contributions. It offers a concrete demonstration – however imperfect – that modernity, economic openness and cultural diversity can coexist in a non-Western setting.

For India, the stakes in the survival and success of the UAE are high. Few external partners combine economic scale, human connectivity and strategic alignment in the way the Emirates does. A stable UAE sustains the livelihoods of millions of Indian citizens, anchors critical trade and energy flows and provides India with a vital platform for engaging the wider world – from Africa and Europe to the Americas.

Equally important, the UAE reinforces an external environment that is broadly conducive to India's rise: one defined by economic openness, physical connectivity and political moderation rather than ideological confrontation. Its success strengthens India's own westward economic and strategic expansion; its instability would impose immediate costs – on remittances, trade routes, diaspora security and regional balance. At a time when the world order is fragmenting, the UAE stands as one of the few functioning bridges between regions, economies and cultures. For India, preserving that bridge is a question of strategic necessity.

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