

# Perspective: Enhancing Cooperation in West Asia

### Why in News

Recently, India, UAE, USA and Israel held their first quadrilateral foreign ministers meeting. This crucial meeting took place during India's Union Minister of External Affairs' ongoing visit to Israel.

#### **Key Points**

- The New QUAD: The meeting is being called by the media as the <u>Western QUAD</u> as it is a strong manifestation of the changes in west Asian geopolitics and formation of another Quad like grouping in the Middle East.
  - The alliance is not yet institutionalised but a physical meeting of these four nations has been planned for November, 2021.
- Key Highlights:
  - Economic growth, trade, climate change, energy, maritime security along with generally expanding economic and political cooperation in the west-Asian region.
- Abraham Accords: In September, 2020, Israel, UAE and Bahrain signed <u>Abraham Accords</u>
  brokered by the US which has subsequently led to normalising of relations between Israel and a
  number of Arab Gulf countries.
- India's West-Asian Policies: Until now, India's west Asian policies have largely insisted on keeping its bilateral relationships separate from each other.
  - This is the first step to bring those relationships with UAE and Israel together and merge them.

## India's Relationships with USA, UAE and Israel

- India-USA: India-US bilateral relations have developed into a "global strategic partnership", based on shared democratic values and increasing convergence of interests on bilateral, regional and global issues.
  - The US is India's second largest trading partner and replaced Mauritius as the second largest source of <u>FDI</u> into India during 2020-21.
- India-UAE: The UAE is currently India's third-largest trading partner and India's second-largest export destination after the US.
  - Recently, India and UAE formally launched negotiations on the India-UAE CEPA.
  - The <u>UAE is the eighth-largest investor in India.</u>
    - A number of investments are coming from the UAE to develop India's infrastructure and to develop the economic corridor between India and the Arabian gulf.
  - India is also the largest expatriate community in the UAE and has played a major role in the economic development of the UAE.
- India-Israel: India has a <u>long-standing and deep relation with Israel</u> beginning with defence and has now incorporated technology, investment and trade.
  - The <u>strategic cooperation</u> between the two countries began during the Sino-India War of 1962.
  - India is **Israel's third largest trade partner in Asia.** Trade in diamonds constitutes close to 40% of bilateral trade.
  - Also, Israel has been among the top four arms suppliers to India for almost two

decades now (military sales are worth around USD 1 billion every year).

- India and Other West Asian Countries: On a bilateral level, India has excellent relations with west-Asian countries.
  - It is **among the very few countries which have good relations with Iran** while the other three countries don't share the same.
  - Although the UAE is making some initiatives in this regard, there are still some grave problems relating to the revival of the <u>Joint Comprehensive Plan of Action (JCPOA)</u> or the <u>Iranian nuclear deal.</u>
- Areas of Cooperation in the New QUAD:
  - Connectivity: India along with UAE and Saudi Arabia is building a connectivity corridor that runs from India to the Arabian gulf across the Arabian peninsula to Israel, Jordan and from there to the European Union.
    - If this corridor is completed then India will be able to cut the cost of moving a container significantly (for instance from Mumbai to Greece by over 40%).
    - This connectivity was not deliberately developed yet, partly because the northern element of west Asia; Iraq, Syria, Lebanon, Iran and Afghanistan, is becoming increasingly unstable.
      - India needed to have an alternative & more stable economic corridor running through the area.
  - **Technology:** All the countries are recognising the significance of technology in the present era.
    - Israel is called a startup nation already. India has been also developing a widening startup ecosystem of its own.
    - UAE also recognises that the future of the world economy is not going to be built around just hydrocarbons, oil and gas. It needs to work in the technology sector too.
    - UAE and Saudi Arabia have begun investing massively in new technologies in India and in Israel.
      - The political ground for all these partnerships was set up by the Abraham Accords which effectively allowed UAE and Israel to work together.

### **Challenges Associated**

- **Challenges for Israel:** As far as the quest for peace and resolution of the Arab-Israeli problem is concerned, the Abraham Accords are a major breakthrough.
  - However, the other states in the region are still reluctant to maintain friendly bilateral relations with Israel.
  - Also, at the grassroot level, the Israel-Palestine conflict is still a major area of concern.
- Internal Conflicts of the Arab World:
  - Iran-Saudi: Besides the Israel-Palestine issue, the <u>Shia-Sunni conflict between Iran</u>
     and <u>Saudi Arabia</u> is also going on which is also running through Iraq, Syria, Lebanon and Yemen.
  - Somalia: India has had many unpleasant issues in the Somalian coast because of the breakdown of the state system in Mogadishu (capital of Somalia).
  - Yemen: In Yemen, there is likelihood of international warfare between the two groups (Shia and Sunni) spilling over into the <u>Red Sea</u>, Bab-El-Mandeb and the Gulf of Aden which would be a major concern for maritime security.
    - That's where cooperation between UAE, Israel and the US becomes really significant.
- Possible Splitting of Countries: The internal conflicts in the Arab world will possibly lead to the significant partners of India like Iran split from the former into another group.
  - The developing situation will lead to the creation of two groups one with China, Pakistan, Russia, Iran and Turkey while India, Israel, USA and UAE are likely to be on the other side.
- China's Expanding Role in the Middle-East: India must also look at the presence of China which has been expanding its footprint in the region.
  - Iran: Iran relies on China as its largest trading partner. In March 2021, <u>China also agreed</u>
     to invest \$400 billion in Iran over 25 years in exchange for a steady supply of oil to fuel
     its growing economy.
    - China is also concluding a security and military partnership with Iran.
    - Growing Chinese footsteps in Iran will have a long-lasting impact on India's

relationship with not only Iran but also on Afghanistan and Central Asian nations.

- Israel: Israel's Haifa port has been expanded by China; more than one and a half billion dollar investment in Haifa has been made by China.
  - China is also **building the Ashdod port** which is the **only port Israel has in the mediterranean.**
  - A strategic ally of India and China getting so close to China is a matter of concern for both the countries.
- UAE: Also UAE was one of the first countries that got Huawei's (A Chinese MNC) assistance for its 5g project.



- Seizing the Opportunity: The new QUAD is a win-win proposition for all the countries concerned. India needs to play a more active role as far as west asia is concerned.
  - It will be quite significant for India as there is a lot of increasing instability in the region politically and economically.
  - India must navigate this area which is full of landmines, very cautiously because the fundamental interests of India; energy security, food security, workers, trade, investment and maritime security lie in this region.
- **Reassuring Other Partners in West Asia:** Two countries, specifically, need to be reassured that this new arrangement is not aimed at them; Iran and Egypt.
  - The North-South corridor (from Chabahar port (via Afghanistan) and Bandar Abbas port (via Uzbekistan) to Central Asia) is now under pressure due to the <u>Taliban regime in</u>
     <u>Afghanistan</u> and the likelihood of China becoming a dominant player.
    - India must assure Iran that it is still interested in building the corridor.
    - For India, Iran is important in relation to the present context of Afghanistan. **India** must deal with the challenges both diplomatically and strategically in this region.

- India needs to assure Egypt too because in many ways the connectivity corridor and some
  of the elements of maritime security will infringe on the suez canal, the red sea and
  Egypt's dominance in that area.
  - Egypt has friendly relations with all the four countries in this alliance but it must be reassured that it will not be impacted economically or politically.
- Mutual Cooperation Among the Four Countries: The four nations need to see where their interests converge; health, science & technology, infrastructure, maritime security etc.
  - Some of the US companies are being encouraged to reduce their presence in China. The companies are looking towards India as a probable station where the new factories and workforce can be relocated.
    - India can provide a major source of stability for the supply of workforce.

Vision

 Large workforce from India, capital from the UAE and the technology and skilled manpower from US and Israel can be put together for synergising the productive aspects.

#### Conclusion

- There are several sectors where the four countries can collaborate further, technology and connectivity being significant ones of them.
- There are challenges in dealing with the complications of the West Asian region. Balancing the rival countries diplomatically and strategically in order to maintain friendly relations with each of them is essential for India.

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