

GS FOUNDATION BATCH FOR CSE 2024

International Relations- 14

(West Asia)



West Asia

In the West Asia, there are three key powers. Saudi Arabia, Iran and Israel. They push and pull between these three and they are mutually contradictory world views has kept West Asia unstable and a geopolitical hotspot.



Significance of West Asia:

- 1. The Middle East accounts for 31% of global oil production, 18% of gas production, 48% of proved oil reserves and 40% of proved gas reserves.
- 2. Land bridge to Asia, Europe and Africa.
- 3. It has important centres of religions like Islam, Judaism and Christianity.
- 4. Geopolitical playground for global powers.
- 5. Key Sea Lanes of Communication and choke points.
- 6. Centre of global instability due to <u>terrorism</u>, factional wars, migrant crisis and <u>nuclear aspirations</u>.

Key facts about the region:

- 1. Saudi Arabia is a monarchy while both Iran and Israel are democracies.
- 2. Saudi Arabia is the leader of sunni world, Iran is s Shia nation while Israel is Jewish and has conflict with the Palestinian people.
- 3. Both Israel and Saudi Arabia are allies of USA while Iran has conflict with USA and is in Russia's camp.
- 4. <u>Israel is a nuclear power and a technology leader</u>, Saudi Arabia is a energy leader while Iran energy exports have been restricted by U.S. sanctions.



- 5. Iran's <u>support to the militias in the region like Hezbollah in Lebanon and Houthi</u> rebels in Yemen directly goes against the interests of Saudi Arabia and Israel.
- 6. Saudi Arabia looks at looks at <u>Iran's democracy and Muslim Brotherhood as a threat</u> to its monarchy.
- 7. However, in recent times there have been shift in the geopolitics of the region. <u>UAE</u>, a close partner of Saudi Arabia has gone along with Israel to form I2U2. Saudi Arabia is also in talks with Iran and it has rejected the USA calls for increasing oil production in the wake of high crude prices due to Ukraine war and subsequent sanctions on Russia.

Gulf Cooperation Council:

- A Constitution was initiated in March 1981 and was signed by the Gulf Heads of State (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the UAE) on May 25-26, 1981 at Abu Dhabi, the UAE. Consequently, the Gulf Cooperation Council (GCC) came into existence.
- 2. The GCC is a political and economic alliance of countries in the Arabian Peninsula.
- 3. All current member states are monarchies, including three constitutional monarchies(Qatar, Kuwait, and Bahrain), two absolute monarchies (Saudi Arabia and Oman), and one federal monarchy (the United Arab Emirates).
- 4. During the Arab Spring in 2011, Saudi Arabia raised a proposal to transform the GCC into a "Gulf Union" with tighter economic, political and military coordination, regarded as a move to counterbalance the Iranian influence in the region.

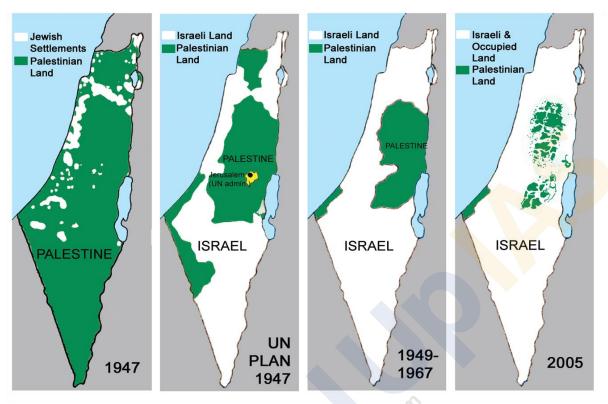
Peninsula Shield Force

- The Peninsula Shield Force (Peninsula Shield) is the military arm of the Gulf Cooperation Council (GCC).
- It is intended to deter, and respond to, military aggression against any of the GCC member countries: Bahrain, Kuwait, Oman, Saudi Arabia, Qatar, and the United Arab Emirates.



ISRAEL

History of Israel-Palestine Conflict:



In 1947, the United Nations adopted Resolution 181, known as the Partition Plan, which sought to divide the British Mandate of Palestine into Arab and Jewish states. On May 14, 1948, the State of Israel was created, sparking the **first Arab-Israeli War**. The war ended in 1949 with Israel's victory, but 750,000 Palestinians were displaced, and the territory was divided into 3 parts: the State of Israel, the West Bank (of the Jordan River), and the Gaza Strip.

In June 1967, Israel re-emptively attacked Egyptian and Syrian air forces, starting the Six-Day War. After the war, Israel gained territorial control over the Sinai Peninsula and Gaza Strip from Egypt; the West Bank and East Jerusalem from Jordan; and the Golan Heights from Syria.

In October 1973 (Yom Kippur War), Egypt and Syria launched a surprise two-front attack on Israel to regain their lost territory but lost.

In 1979, **Camp David Accords** were signed between Egypt and Israel led to Egypt recognizing Israel diplomatically. It was followed by Jordan with the **Israel-Jordan Peace Treaty** (1994). In 2020, four more Arab states (the UAE, Bahrain, Morocco and Sudan) normalized relations.



Significance of Israel:

- 1. Most important USA partner in West Asia.
- 2. Only democracy in the region.
- 3. A de-facto nuclear power.
- 4. A key partner in fight against terrorism.
- 5. A reliable partner in exporting state of the art defence platforms, platform upgradations during critical times.
- 6. Technology leader in defence manufacturing, UAVs, Agriculture, precision farming etc.

India-Israel Relations:

India announced its recognition of Israel in 1950 itself, however, embassies were opened in 1992 when full diplomatic relations were established.

PM Modi undertook an historic first ever visit by an Indian PM to Israel in July 2017, during which the relationship was upgraded to a 'strategic' level. India also dehyphenated its Israel-Palestine relationship.

Defence & Security:

- India is Israel's largest buyer of military hardware.
- ➤ SIPRI Report for 2013-17: Israel accounted for 11% of India's arms imports in 2013-17. Russia, the country's top arms supplier, accounted for 62% India's arms imports in 2013–17, followed by the US (15%) and Israel (11%).
- Proposals for joint ventures under the Make in India initiative including transfer of technology as well as joint R&D in defence and security fields.
- Joint Working Group on Counter-Terrorism.
- Cooperation in the areas of border management, internal security and public safety, police modernization and capacity building for combating crime, crime prevention and cybercrime were established by the committee.

Economic and Commercial Relations

- From US\$ 200 million in 1992 (comprising primarily trade in diamonds), bilateral merchandise trade stood
- at US\$ 5.02 billion (excluding defence) in 2016- 2017. Trade in diamonds constitutes more than 53% of bilateral trade.
- India is Israel's third largest trade partner in Asia after China and Hong Kong.
- In recent years, Israel has taken a strategic decision to strengthen economic relations with India, China and Japan.
- > Stakes for public sector, Indian oil and gas companies in the huge gas reserves in the Mediterranean Sea off the Tel Aviv coast could also be one attraction.



Agriculture:

- ➤ 22 India-Israel Centres of Excellence for cooperation in agriculture have been inaugurated so far, of the 28 centres that are planned as of now.
- India has benefited from Israeli expertise and technologies in horticulture mechanization, protected cultivation, orchard and canopy management, nursery management, micro- irrigation and post-harvest management particularly in Haryana and Maharashtra.
- Israeli drip irrigation technologies and products are now widely used in India.

 Recently, an Indian company Jain Irrigation acquired 100% stakes of an Israeli drip-irrigation company, Naandan.

Water Management: Israel is known as the land of innovations in water management. In 2013, of the total water available in Israel almost 16% came from desalinating seawater and another 22% came from recycling wastewater. Interestingly, almost 62 per cent of the irrigation water used in Israel comes from recycled and brackish water. Such recycling endeavours has relevance for water-stredssed India.

India's policy on Israel-Palestine issue:

- 1. India's policy on Israel-Palestine conflict has seen a shift. It has gone from being unequivocally pro-Palestine for the first four decades, to a tense balancing act with its three-decade-old friendly ties with Israel. In recent years, India's position has also been perceived as pro-Israel.
- 2. Since 2014, India has abstained many times from voting on Israel- Palestine issue.
- 3. During visit by PLO chief Mahmoud Abbas in 2017, the <u>reference to East Jerusalem</u> went missing.
- 4. Since 2017, there is omission of any reference to East Jerusalem as the capital of a Palestinian state. There is hyphenation of "Haram Al Sharif/Temple Mount", equating claims of both Israel and Palestine.
- 5. In February 2018, <u>Modi became the first Indian Prime Minister to visit Israel without a parallel visit to Palestine</u>. This was <u>de-hyphenation of the relationship</u>. India would deal with each separately.

India-Iran Relations

Independent India and Iran established diplomatic relations on 15 March 1950. During much of the Cold War, relations between India and the erstwhile Imperial State of Iran suffered due to their differing political interests: India endorsed a <u>non-aligned position but fostered strong links with the Soviet Union</u>, while Iran was an open member of the Western Bloc and enjoyed close ties with the United States.



After the <u>Iranian revolution in 1979</u>, relations between the two states strengthened momentarily. However, <u>Iran's continued support for Pakistan in the India–Pakistan conflict and India's close relations with Iraq during the Iran–Iraq War greatly strained bilateral ties.</u>

India and Iran signed a defence cooperation agreement in December 2002.

Significance:

- 1. In the absence of cooperation from Pakistan, India's route to reaching Afghanistan, Central Asia, Eastern Europe and beyond.
- 2. A regional military power.
- 3. Located at the key choke point along Strait of Hormuz and Persian Gulf.
- 4. Key partner in stabilising Afghanistan and shared concern about terror emanating from there.
- 5. Critical to India's energy security
- 6. Opportunity for investment in connectivity initiatives, energy projects, fertiliser plants etc.
- 7. Market for Indian products like rice, tea etc.
- 8. Cultural and civilizational linkages

Connectivity: Iran is key to India's connectivity with Central Asia and Eastern Europe. Both nations are members of INSTC and Ashgabat agreement.

Energy Cooperation: Iran has been central to India's energy security. However the energy trade is limited due to US sanctions on Iran.

Investment: India has invested in Chabahar port. Investment in Railways (Chabahar to Zahedan) and Farzad B gas reserves could not materialise due to Western sanctions and delay in investment on the part of India.

In September 2022, Iran has offered ONGC Videsh Ltd (OVL) and its partners a 30% interest in development of the Farzad-B gas field in the Persian Gulf.

Challenges:

- 1. Iran's animosity with the USA and the West.
- 2. Iran's Nuclear ambitions
- 3. Continuous sanctions by the USA and West limits scope for Economic Cooperation.
- 4. Iran's hostilities with nations in the region like Saudi Arabia and Israel.
- 5. Iran's involvement in destabilising the region through proxies.
- 6. A hardline leadership in Iran, its position on Kashmir issue and frequent commentary on India internal matters.
- 7. Iran is part of BRI initiative and is increasingly getting closer to China. Both have signed a 25-year \$400 billion agreement.



8. Delay in project execution by India has led to Iran cancelling Indian projects. E.g.-Farzad-b gas field

Limitations (Chabahar):

- Increasing its footprint via Chabahar runs into <u>trouble with U.S. sanctions</u> again at a time India-U. S. ties are at their closest.
- There are questions on <u>impact on India-Israel relation</u> particularly after I2U2, which has enemical relations with Iran.
- Not increasing its cooperation with Iran and building on possibilities offered by Chabahar would mean <u>India losing the connectivity race to its western flank entirely</u>, as well as its plans to circumvent Pakistan.
- The \$400 billion China-Iran connectivity project of 2020 could upend India's plans inside Iran as well.

USA-Iran

- Negotiation with Iran on restoring JCPOA has been going on through back-channels.
 Both sides are accusing each other of not being serious.
- West imposed sanctions on Iran for supplying drones to Russia during Ukraine crisis and Human Rights sanctions to punish Tehran's response to protests in the wake of 22-year old Mahsa Amini death in police custody has further complicated the matter. Iran has accused the West of organising Unrest in Iran.
- In February 2023, Bloomberg reported about IAEA inspectors finding enrichment to 84%, close to 90% required for making a bomb. However, Iran has maintained that it does not want a bomb.
- **Israel** has said that "<u>all possible means</u>" are on the table to prevent Iran from getting a nuclear weapon.
- During Joe Biden's trip to West Asia, <u>USA and Israel signed a joint strategic declaration reinforcing a common front against Iran</u>, where the US vowed to use "<u>all elements in its national power</u>" to stop Tehran from acquiring nuclear weapons. President Biden has said that the U.S. would use force, if need be, to prevent Iran from developing a bomb. He also said that Israel would be safer with a new US nuclear deal with Iran.
- Washington has put Islamic Revolutionary Guard Corps (IRGC) on foreign terrorist list.
 Biden has said that IRGC won't be taken off the list even if that meant no nuclear deal.
- On Nuclear deal negotiations, Israel has taken a strong stance. It has said that diplomacy won't stop Iran from going nuclear. It asked USA to "put a credible military threat on the table."



India - Saudi Arabia Relations:

Saudi Arabia has been a strategic partner of India since the signing of the Riyadh Declaration in 2010.

Economic Relations:

- In FY 2019-20, bilateral trade was valued at US \$33.09 billion, which has increased to \$48.2 billion in 2021-22.
- India's major exports include basmati rice, textiles and garments and machinery, while it imports organic and inorganic chemicals, metal scrap, leather, gold and oil from Saudi Arabia.
- Both nations are expected to expand trade and cooperation and joint ventures in telecommunications, pharmaceuticals, health services, information technology, biotechnology, agriculture, construction projects, energy and financial services.
- During his visit to New Delhi in February 2019, the Crown Prince had committed to invest over \$100 billion in sectors of priority in India.

Strategic Partnership Council Agreement

- India-Saudi Strategic Partnership Council was formed to <u>coordinate on strategically</u> important issues.
- > The council will be headed by the Prime Minister and Crown Prince Mohammed and will meet every two years.
- India is the fourth country with which Saudi Arabia has formed such a strategic partnership, after the UK, France and China.

Energy Cooperation:

- Saudi Arabia is currently <u>India's third-largest supplier of crude oil</u> providing about 18 % of its energy needs. It also has a major role in India's <u>Strategic Petroleum</u>

 Reserves (SPRs).
- 32% of the LPG requirements of India are met by Saudi Arabia.

Indian expatriates: The <u>4.1 million-strong Indian community</u> in Saudi Arabia is the largest expatriate community in the Kingdom and is the 'most preferred community' due to their expertise, sense of discipline, law-abiding and peace-loving nature.

Pilgrimage and culture: Haj pilgrimage is another important component of bilateral relations. India sends second highest pilgrims after Indonesia.



Recent Shifts:

- India is showing signs of <u>overcoming its reluctance to forge security</u>

 <u>partnerships</u> with the Gulf states whose security apparatuses had long been closely associated with Pakistan.
- India and Saudi Arabia are moving from a purely buyer-seller relationship towards a closer strategic partnership that will include Saudi investments in downstream oil and gas projects.
- Saudi Arabia took a <u>positive approach towards abrogation of Article 370 in</u>

 Jammu and Kashmir.
- India fits perfectly into Saudi Vision 2030, aimed at reducing dependency on oil, diversifying Saudi economy and making it a modern, vibrant society.
- The UAE and Qatar recently held good talks with Iran. Iranian President has already visited Qatar and Oman this year.
- Iran and Saudi Arabia have held five rounds of talks in Baghdad.
- Saudi Crown Prince visited Turkey in June 2022, which was first visit since murder of Jamal Khasoggi.

Saudi vision 2030: A centralised development plan under which Saudi Arabia will undergo a transition phase from the long-established conservative Muslim society to a path of modernisation. The country will focus on sectors such as tourism, housing, defence, trade, and investments to diversify the sources of economic revenue.

Under Saudi Vision 2030, **Saudi Green Initiative** was launched, aimed at increasing Saudi's reliance on clean energy, offsetting emission and protecting the environment. Aims at about 50% energy through renewable and clean sources by 2030.

Abraham Accord:

It refers to the agreement reached between Israel, Bahrain and the UAE to normalise relations between the three. This has been brokered by the USA. It marked the first public normalization of relations between an Arab country and Israel since that of Jordan in 1994.

- As per the agreements, the UAE and Bahrain will establish Embassies and exchange ambassadors with Israel.
- Both will work together with Israel across a range of sectors, including tourism, trade, healthcare and security.
- The Accords also open the door for Muslims around the world to visit the historic sites in Israel and to peacefully pray at Al-Aqsa Mosque in Jerusalem, the third holiest site in Islam.

12U2:

It involves India, Israel, UAE, and USA. It is also termed as <u>QUAD West</u>. The platform is an initiative of USA to strengthen alliances in the region after Abraham accord. The first



meeting of the group took place virtually in October 2021. First summit-level meeting took place in July 2022.

- It is also seen as <u>normalising Israel's relationship with the Arab world</u> and developing a <u>common front against Iran</u>.
- It is also an effort of <u>USA to present India as an alternative to China for the West</u> Asian nations.
- The initiative can <u>reduce tensions and bring stability to the region</u>.
- The goal of USA is to <u>reduce its presence from West Asia</u> so that it can <u>focus in the Indo-Pacific</u> and managing China.
- Presence of India underscores the <u>acceptance of India stakes in West Asia and West</u>
 Asian nations' eagerness to engage with India beyond trade.
- Normal relationship between Israel and gulf nations will give greater manoeuvring space for India in the region.
- It could advance India's strategic playing ground beyond the Gulf into the Levant and eastern Mediterranean, when the new group embraces Greece, Cyprus and Egypt within its ambit.
- The UAE is a trading hub for India due their ease of business rules. After having turned its back to RCEP, <u>Dubai can be that hub for India to tap new markets</u>.
- It gives the <u>US a qualitatively different re-entry point back into the region as a partner</u>, rather than a hegemon, at a time when China is trying to create a place for itself in the region.

Challenges:

I2U2 has three of Iran's enemies coming together. Many in Iran have been watching with dismay India's growing closeness to the US and Israel, therefore India might have to work harder to assuage Iranian sensitivities.

India-Middle East-Europe Corridor





During the G20 summit in Delhi, Saudi Arabia, the European Union, India, the United Arab Emirates (UAE), France, Germany, Italy, and the United States all signed a MoU committing to work together for a India-Middle East-Europe Economic Corridor (IMEC).

The project will have Railway lines connecting the UAE to Israel vis Saudi Arabia and Jordan, as well as electric cables to enhance digital connectivity and pipes for clean hydrogen export.

It will consist of two distinct projects:

- 1. **The Eastern Corridor:** This corridor links India with the Arabian Gulf. It features railroads, ship-to-rail networks, and road transport routes.
- 2. **The Northern Corridor:** This corridor connects the Gulf region to Europe. This incorporates similar transportation infrastructure, including rail, ship-to-rail links, and road networks.

Significance of the corridor:

- It offers an alternative to China's Belt and Road Initiative (BRI).
- It can deepen India's engagements with the Arabian Peninsula through trade route, strengthening the political and strategic ties with the region.
- Indo-US collaboration: The project showcases how India and the U.S., along with Israel and the UAE, can partner in developing joint economic projects through forums like the I2U2.
- **Stability in the region:** Since UAS, Saudi Arabia and Israel are part of the project, deepening cooperation between three key players in the region can bring stability to the region.
- A more secure route to Europe: The route bypasses key choke points like Bab-el-Mandeb and Suez Canal, providing a safer connectivity from Asia to Europe.

Challenges:

- 1. The European leg of the projects terminated at Greek port of Piraeus (largest port in Eastern Europe) whose two-third ownership is with the Chinese company Cosco.
- 2. **Logistical and Connectivity Challenges:** Implementing the project involves multiple modes of transportation that necessitate extensive coordination among the participating nations.
- 3. The ambitious nature of project demands substantial financial investments for timely completion.
- 4. The deep financial ties between China and the Arab Gulf limits the ability of IMEC or any similar development project to challenge Beijing's influence in the region.



5. The ongoing Hamas-Israel conflict and such conflicts in future may cast shadow over the benefits of the project.

Recent changes in the region:

- Saudi has <u>opened its airspace for Israeli civilian aircrafts</u> and has permitted direct flights from Israel for Hajj pilgrims.
- Saudi has also agreed to normalise its relations with Israel. In exchange for opening formal ties with Israel, the Saudis have asked the <u>United States for security</u> <u>guarantees</u>, help <u>developing a civilian nuclear program</u> and <u>fewer restrictions on US</u> arms sales.
- In March 2023, <u>Iran and Saudi Arabia agreed to re-establish relations after years of hostility</u>.
- Turkey is also exhibiting diplomatic dexterity. Despite differences with Egypt over Libya, the East Mediterranean waters and Turkey's affiliation with the Muslim Brotherhood, Turkey has gone for mending its relations with Egypt.
- Turkey has also made overtures to Saudi Arabia. Besides <u>accepting the Saudi court verdict on</u> the Khashoggi murder case, Turkey has indicated it could <u>work with the Saudis against the Houthis</u> and facilitate the post-war political process.
- Qatar has made outreach to Egypt. It has moderated its ties with the Brotherhood, toned down anti-Egypt broadcasts on Al Jazeera television, and is being seen as a major potential investor in Egypt's flagging economy. To promote regional peace, Qatar's Foreign Minister has called for a structured dialogue of the Gulf countries with Iran, affirming its view that Iran is a major presence in the regional security scenario.
- Syria back In Arab League. Saudi and Turkey foreign ministers visited Syria. Iran president also visited Syria. There is growing clamour for normalcy in the region.

Xi Jinping visit to Saudi Arabia

Purpose: To attend the <u>first China-Arab States Summit</u> and the <u>China-GCC Summit</u> and on state visit to Saudi Arabia. This is his first to Saudi Arabia since 2016.

- Both elevated the ties to <u>Comprehensive Strategic Partnership</u>.
- Both agreed to <u>hold summits every two years</u>.
- The joint statement showed <u>alignment on most issues</u> from space research, digital economy and infrastructure to Iran's nuclear program, the Yemen war and Russia's war on Ukraine.

Xi urged his GCC counterparts to "make full use of the Shanghai Petrol and Gas Exchange as a platform to conduct oil and gas sales using Chinese currency."

Chinese Interests in West Asia:

1. China sees Saudi Arabia as its key ally in the Middle East as the biggest oil supplier.



- 2. A shared suspicion of Western countries, especially on issues such as human rights.
- 3. Joint investment in China for refinery and petrochemical complex
- 4. China looks to <u>deepen its relationships with countries in the Middle East</u> amid growing strains in its ties with the US and other Western nations.

Saudi and Gulf Interests:

- 1. Saudi Arabia and Gulf states have been <u>deepening ties with Russia and China over</u> recent years as <u>US commitment to the region has come under question</u>.
- 2. Saudi Arabia sided with Russia and did not delay cut in oil production.
- 3. Gulf states don't want to take sides in polarize world and want to keep their options open.
- 4. They see China as a reliable long-term customer which needs energy.
- 5. They also need <u>Chinese investment and technology cooperation</u> to diversify their economy and prepare themselves for a post-fossil fuel world.
- 6. They are also attempting to <u>diversify their security partnership beyond USA</u>.

Gulf states' issues with USA:

- 1. Prince Mohammed bin Salman was angered by Biden's vow at the outset of his administration to consider him a pariah over Jamal Khashoggi murder.
- 2. They are aggrieved due to lack of support of Biden administration against Houthis in Yemen and Shia militias on its refineries.
- 3. US restriction on arms sales as undermining Washington's traditional role as underwriter of its security needs.
- 4. USA's attempts to revive nuclear deal with Iran
- 5. Conditionalities put by USA and its pressure to take sides in geopolitical competition.
- 6. Attempts at putting the price cap on energy shifts the power from producers to consumers. Gulf states and concerned about it as they can be the next target.

Saudi rejects US request to delay oil production cut:

- USA asked Saudi Arabia, de-facto leader of OPEC to delay the decision of cutting oil production.
- This would have cooled energy prices, that increased due to Ukraine crisis and sanctions on Russia and would have helped in tackling inflation.
- Would have strengthened western position against Russia by reducing prices of Russian energy and thus financial setback for Russia.
- Domestic factor: Would have helped Democrats led by Joe Biden in mid-term elections.
- However, Saudi Arabia rejected US request. Saudi argued that the decision was based on economic factors and needs of Saudi economy. The decision is being seen as pro-Russia.
- US lawmakers called for re-evaluation of relations with the kingdom.



Recent decline in Saudi-USA Relations:

- Obama administration decision to sign JCPOA and remove sanctions on Iran.
- Saudi <u>assertive policy under Prince Salman</u>. E.g.- Blockade of Qatar, Intervention in Yemen
- Killing of Jamal Khashoggi and Biden's vow during election campaign to isolate Saudi prince.
- US ended support for Saudi operation in Yemen, including related weapon transfer.
- US is <u>reducing its engagements in the Gulf</u> and <u>Saudi Arabia is looking to diversify its</u> security partners.
- Western attempt of Price cap on Russia- seen as a power shift from producers to consumers.
- China negotiating <u>truce between Saudi Arabia and Iran</u> has been seen a coup against USA in West Asia China's emergence as a key regional player

Gulf states' issues with USA:

- 1. Prince Mohammed bin Salman was <u>angered by Biden's vow at the outset of his</u> administration to consider him a pariah over Jamal Khashoggi murder.
- 2. They are aggrieved due to <u>lack of support of Biden administration against Houthis in Yemen</u> and Shia militias on its refineries.
- 3. US restriction on arms sales as undermining Washington's traditional role as underwriter of its security needs.
- 4. USA's attempts to <u>revive nuclear deal with Iran</u>
- 5. Conditionalities put by USA and its pressure to take sides in geopolitical competition.
- 6. Attempts at putting the <u>price cap on energy</u> shifts the power from producers to consumers. Gulf states and concerned about it as they can be the next target.

Saudi Arabia-Iran Deal (Brokered by China)

In March 2023, Iran and Saudi Arabia agreed to re-establish relations after years of hostility. Both nations agreed to re-establish diplomatic ties, respect each other's sovereignty and maintain non-interference in the other's domestic affairs.

The agreement also reinstates two previous accords:

- I. On security cooperation signed in 2001
- II. Dealing with economic, technical, scientific, and cultural ties, signed in 1998.

This agreement ends <u>seven</u> <u>years of diplomatic estrangement</u> between the two Gulf neighbours. Previous attempts brokered by Iraq and Oman had not succeeded in any breakthrough.

China's Foreign Minister Wang Yi, described deal as a "victory for dialogue, a victory for peace." This goes against impression about the US in Ukraine crisis, where there is no dialogue or diplomatic breakthrough.



Interests of each nation:

- 1. **For West Asian nations**, China is an attractive partner. It has substantial <u>energy</u>, <u>trade</u>, <u>investment</u>, <u>and technology-related ties with West Asia</u>. It is the region's largest buyer of crude oil, a major trade and investment partner, and is also rapidly <u>expanding its</u> role as a technology-provider in most countries.
- 2. Both Iran and Saudi Arabia have paid a heavy financial price for their rivalry from Syria to Yemen. There is also concern about a **shadow war escalating into a larger conflict**.
- 3. **Iran:** Hampered by US sanctions, <u>Iran has moved to deepen its relations with Russia and now China</u>. In turning to Beijing to mediate with the Saudis, **Iran is elevating China** in the region and seeking to **escape the isolation imposed by Washington**.
- 4. **Saudi Arabia:** The priority for the kingdom is to <u>end the Yemen conflict</u>. The lethal attacks from the precision missiles of the Houthis, said to have been provided by Iran, are a threat to national infrastructure and morale.
- 5. Saudi Arabia is also <u>diversifying its engagements beyond USA</u> and looking for new partners.
- 6. For China, West Asia is crucial for the realisation of China's Belt and Road Initiative (BRI), with regional states being important for logistical connectivity, and investment, consultancy, and contracting partnerships.
- 7. China has been seeking military bases of its own in the region as it pursues energy resources and influence beyond Asia. China's interests require a stable regional environment.
- 8. The deal "boosts Beijing's ability to project an image of itself as a constructive actor for peace. The normalisation is also being linked with **ultra-right government in Israel** and <u>limiting the window of engagement between Saudi and Israel</u>. The deal can dash Israel's hopes for normal ties with Saudi Arabi and an anti-Iranian coalition with Saudi Arabia.

Challenges:

- Saudi-Iran differences will be difficult to resolve: They result from Saudi Arabia's deep sense of strategic vulnerability vis-à-vis its northern neighbour and concerns that might destabilise regional states through the use of Shia proxies.
- There are doubts about change in Iran's approach till JCPOA is signed again.
- <u>Polarised polity in both USA and Israel</u>, Upcoming Presidential elections in the USA further limit scope for any US waiver to Iran.
- Israel's profound apprehensions about Tehran's nuclear program is another challenge. Israel has said that it'll take military actions against any Iranian nuclear program.
- Since Saudi Arabia has deep security cooperation with the USA, a <u>larger security role</u> <u>by Beijing in the region remains doubtful</u>. So, Beijing is no position to enforce the agreement.



• There are apprehensions about Iran limiting its export of ideology and footprints across the region under the present conservative leadership in Tehran. The agreement seems to be an outcome of compulsion emerging from diplomatic isolation.

Suggestion:

- Iran will need to play a more pro-active role to assure its neighbour of its benign intentions, an effort that would gain credibility with China's active engagement with the two regional powers.
- Need for revival of JCPOA, managing Israel's aggressive actions.

Ongoing Israel-Hamas Conflict:

Hamas attack on Israel: Operation Al-Aqsa Storm

- In a sudden mid-night raid, Hamas gunmen used Moto Cycles, paragliders, speedboats to enter Israel.
- Hamas fired around 5000 missiles to overwhelm the Israeli air defence and damaging the densely populated areas.
- They Killed more that 1200 Israelis, took 240 civilians as hostages.
- Mohammad Deif (Leader of Hamas Military Wing) termed the attack as a response to 16-year old blockade of Gaza.
- The timing was crucial. The attack was on 50th Years anniversary of Yom Kippur war in October 1973.
- It was seen as failure of the famed Israeli intelligence agencies.
- Seen as effort to derail the normalisation of Arab-Israel Relations.

Reasons:

- After Abraham Accord, I2U2 and IMEC Corridor, it seemed that there was normalization of Arab-Israel relations. Thus attack could be aimed to derail the normalization.
- Hamas saw the Palestinian issue getting side-lined from region's geopolitics.
- Moreover, Israel-Saudi normalization would lead to Iran getting side-lined in the region.

Israel's response:

- In response, Israel launched "Operation Iron Sword." PM Netanyahu declared that Israel is at war.
- ❖ Israel targeted with air strikes, targeting key installations of Hamas.
- ❖ Israel has asked civilians living near Gaza strip to evacuate the areas.
- ❖ Total death till now is more that 21,000 with civilian making up 61% of total deaths from airstrile.

United Nations in a non-binding resolution passed on 27th October has called for an immediate ceasefire in Gaza and full and unhindered access to humanitarian aid in the Gaza



Strip, as well as for Israel to revoke its call for northern Gaza's evacuation. It also calls on parties to abide by international law and for "the immediate release of all civilians". UNSC has also called for "extended humanitarian pause."

At a UNSC resolution calling for ceasefire in Gaza, USA vetoed it.

India's Position:

- After the attack, <u>India condemned terrorism in the strongest language and stood</u> with <u>Israel</u> over the attack, although it hasn't designated Hamas as a terror group.
- has called on <u>Israel for restraint</u>, <u>dialogue and diplomacy and condemned the death</u>
 <u>of civilians</u>, and along with the U.S. and Australia, called for "humanitarian pauses"
 in bombardment, but has not so far called for a "ceasefire".
- At the same time, India has reaffirmed its support for a "two-state solution" including a sovereign, viable state of Palestine existing in peace alongside Israel.
- India has sent <u>70 tonnes of humanitarian assistance including 16.5 tonnes of medicines and medical supplies</u> via Egypt to Gaza.

