

Chapter 8

Persian Gulf, Palestine and Israel

Historical and Emotional Bonds

The Persian Gulf region is indeed very special for India. The Arabian Sea has linked, rather than divided, the Arab world and India. As a neighbouring region with very close people-to-people ties to India, this region has historically always figured very high in India's external ties. Trade, culture, religion, language, philosophy and science and technology have bound the people of India and the Arab world over many centuries. No wars have been fought between Arabs and Indians. No bilateral disputes have marred the relationship. Arab traders have been visiting India since at least the 8th century. Many of them settled down in India and married local girls, the origin of Kerala's Moplah community. There was movement of both traders and pilgrims in the other direction too, and many Arabs have Indian ancestry. To this day, there is a large community of Indians in Yemen and of Yemenis in Hyderabad. This peaceful interaction with the Arab world, which resulted in the confluence of ideas, art, literature, and much else, has left an indelible imprint on India's history, culture and civilization. Under British rule, the Arab Gulf States were further integrated with India, as they were administered from India, and the Indian Rupee was the currency in circulation locally in the Gulf. For the Arabs,

India, particularly Mumbai, was their preferred destination for medical treatment and recreation, and many Arabs bought prime property in Mumbai. This tradition continues to this day. Yet, for all the common factors that dictate a close relationship between this region and India, post-Independence India had no influence for a considerable period in Saudi Arabia, the largest and most influential Arab State in the Persian Gulf.

Opening with Saudi Arabia

Saudi Arabia, home to Islam's holiest shrines in Mecca and Medina, has always had a special pull for the 160 million or so Indian Muslims. Hundreds of thousands of Indian Muslim pilgrims visit Saudi Arabia every year for *Haj* and *Umrah*. Their interests and needs constitute an exceedingly important political parameter for any Indian Government, which is why all Indian Ambassadors to Saudi Arabia and Indian Consuls General in Jeddah have been Muslims, the better to be able to visit the holy cities and look after the interests of the Indian pilgrims. This focus regrettably cuts into the time and attention that is paid by the Indian Government and its envoys to Saudi Arabia's intrinsic geopolitical importance—as an important player in a complex and fast-changing regional and global scenario, as the largest economy in the region, as the world's largest oil producer and exporter, as world's largest holder of investible petrodollars, as the largest global employer of Indians and, of course, as the leader of the Islamic world—particularly after the decline of Egypt. Thus Saudi Arabia matters hugely to India. But India's relations with that country remained strained for many decades. This was partly because of the Cold War divide and partly due to the machinations of Pakistan. Pakistan has enjoyed considerable influence in Saudi Arabia for three principal reasons—the Islamic factor; its assiduous and systematic cultivation of the Saudi royal family members and its close cooperation in the security field with Saudi Arabia.

After an exchange of visits by the King of Saudi Arabia and the Prime Minister of India in the mid-1950s, there was no high-level visit from India till that of Prime Minister Indira Gandhi in 1982. The King of Saudi Arabia visited India again only in January 2006, more than half-century after the last visit by a Saudi King to India. Recognizing the strategic significance of the visit, the Indian Government extended special protocol honours to the Saudi King. In the Delhi Declaration that was, unprecedentedly for the Saudi side, signed by King Abdullah and Prime Minister Manmohan Singh, both sides recognized the visit as a historic one that heralded a new era in bilateral relations. It was for the first time in more than a quarter century that India gained direct access to the Saudi leadership that till then had been hesitant to treat India in anything but the most routine way, notwithstanding the considerable commercial interests of Saudi Arabia in selling oil to India and of India in getting jobs for Indian workers in Saudi Arabia. As a result of the visit, new horizons opened up in energy sector cooperation. India acknowledged Saudi Arabia as a trusted and reliable source of oil supplies. There was an agreement on developing a strategic energy partnership based on complementarities and interdependence involving reliable, stable and increased volume of crude oil supplies to India through 'evergreen' contracts, upstream and downstream investments in the oil sector in Saudi Arabia, India and third countries, and joint ventures for gas-based fertilizer plants in Saudi Arabia. Counter-terrorism, information technology, agriculture, biotechnology, educational and cultural exchanges were other areas identified for cooperation.

Important as the agreements on energy and other areas were, the principal significance of the Saudi King's visit was political. India's decision to honour the Saudi King by inviting him as Chief Guest on India's Republic Day was imaginative and astute. The Saudi King's acceptance of the invitation and the conscious inclusion of India in his first trip outside the region, particularly his participation as Chief Guest in India's Republic Day celebrations, sent a very public message to the people of India and the world that Saudi Arabia regards its relationship with India as important. The significant signal picked up by the

rulers and the people of the Arab world was that India is a friend with whom more intensive and extensive contacts should be established. A number of other Arab Gulf leaders have visited India in the ensuing months and years to build closer ties. In this way, India has managed to make a significant breakthrough in changing perceptions about it among the Arab Gulf countries. Their earlier hesitations about India had emanated from two factors: (a) Pakistan's successful exploitation of the politics of Islam to prejudice the Arab countries against India and (b) the coolness that crept into India's relations with the Arab States of the Persian Gulf because of India's stand on Saddam Hussein's invasion of Kuwait in 1990.

Against the background of the hitherto desultory India–Saudi Arabia relations, it was nothing short of revolutionary that the two countries should have agreed to develop a broad strategic vision and to recognize that the stability and security of the Gulf region and the Indian sub-continent are closely interlinked. This highly successful landmark visit has opened a new chapter not only in India–Saudi relations but also in relations between India and the Arab Gulf States as a whole. It is, therefore, particularly regrettable that the follow-up to Saudi King Abdullah's visit to India has been so tardy, resulting in the loss of momentum built up in 2006.

India and Iraq

Iraq is the most important of the other Arab Gulf States. Even though India established diplomatic relations with Iraq in 1947 and signed the Treaty of Perpetual Peace and Friendship with it in 1952, India was not happy with Iraq's participation in the West-sponsored Baghdad Pact. Iraq's new military leaders noted India's recognition of the new government in Iraq following the 1958 coup. Iraq's withdrawal from the Baghdad Pact brought satisfaction to India. During the 1960s, India–Iraq relations improved. Iraq remained neutral in the 1965 India–Pakistan war. Relations between India and Iraq improved dramatically in the mid-1970s as a result of a personal

decision by President Saddam Hussein. Iraq supported India on vital issues like Kashmir. India, for its part, trained a large number of Iraqi defence personnel. Many Indian experts and professionals got work in Iraq. Indian companies too were very active and executed several construction projects in Iraq. India also developed an affinity towards Iraq as the only secular Arab country. Both collaborated within the framework of the non-aligned movement. With India and Iraq both having close ties to the Soviet Union, India greatly benefited from a three-way swap deal whereby Iraq paid off its debts to the Soviet Union by supplying large quantities of Iraqi oil to India, which was paid for by India through export of goods to the Soviet Union in rupees. Good relations were established between the ruling parties in both countries, a legacy that led to the Oil-for-Food scandal that erupted in 2005 and cost Minister of External Affairs Natwar Singh his job. This legacy of mutual goodwill has not been lost.

Foreign Minister Gujral's public embrace of Saddam Hussein when he visited Iraq during the first Gulf crisis in 1990 may have been undiplomatic, but it was nevertheless a spontaneous and heartfelt instinctive gesture that conveyed the warm feelings that India had for Saddam Hussein who was regarded as a friend of India. It is noteworthy that the decision of the Government of Prime Minister Chandrashekhara during the 1991 Gulf War to provide refuelling facilities to US military aircraft drew such a sharp protest that the government had to suspend the facility. India opposed sanctions against Iraq and supplied food and medicines to that country. India, which was then a member of the UN Security Council, abstained on Resolution 686 that outlined the requirements for Iraq to comply with the ceasefire. In 1998, when India conducted its nuclear weapons tests, Iraq supported India.

If the First Gulf War of 1991 crippled Iraq, the US invasion in 2003 has shattered the country. By this time, India was seriously trying to improve relations with the US, which no doubt influenced its decision not to formally oppose the war against Iraq. India came under tremendous pressure from the US to send troops to Iraq in 2003, and it was only the shrewdness and political sagacity of Prime Minister Vajpayee that prevented this from happening. It is also possible that India's

traditional friendship with Iraq influenced India's decision. At any rate, the goodwill for India among the people of Iraq was definitely an important factor that enabled India to secure the release of the kidnapped Indian truck drivers in Iraq in 2004. It also seems to have influenced India's decision to allocate a relatively generous \$20 million in bilateral assistance for Iraq's reconstruction and another \$10 million to the International Reconstruction Fund Facility for Iraq launched in 2004 by the UN and the World Bank. As the violence in Iraq escalated, and in order not to provoke the Iraqi groups fighting the military forces of the US and its coalition partners, India thought it prudent not to replace its Ambassador who came away when his term expired in 2005, but it has kept open a small diplomatic Mission in Baghdad. Movement of Indian labour to Iraq remains banned since 2004 but many Indians, desperate for lucrative but risky jobs offered by the contractors to the US armed forces in Iraq, seem to have quietly slipped into Iraq. Unfortunately, as India's policy towards Iraq over the last few years has been perceived as having been crafted under US influence and pressure, India has lost some of its traditional goodwill and influence in Iraq. Whenever peace returns to Iraq, India will have to pick up the pieces of its relationship with Iraq and try to deal itself back into the situation. Meanwhile, many private Indian companies are doing business in the Kurdistan region of Iraq, which is functioning quite autonomously, is directly connected by air to international airports in the region and is quite safe.

People-to-People and Economic Ties with the Gulf

India has historically had close and cordial ties with Oman, geographically the closest country in the Persian Gulf region. As early as in March 1953, India signed with the Sultan of Muscat and Oman (the earlier name of Oman) the Treaty of Friendship, Commerce and Navigation. Meaningful people-to-people and trade relations with the other Arab Gulf countries began only after the oil boom of the early 1970s that brought unprecedented prosperity to the region. Indians flocked to the region

as new job opportunities opened up there. Today, there are nearly 5 million Indians—no one is sure of the exact number—working and living in the Arab Gulf States, and constitute about 20 per cent of the total population in the smaller Gulf States. The largest concentrations of Indian workers are in Saudi Arabia and the United Arab Emirates. Indians are among the favoured foreign workers in all the Gulf countries because they are relatively more disciplined, do not get involved in local politics and create little trouble. If their numbers have not increased even more it is only because the Gulf countries for internal reasons have imposed informal limits on the number of workers that can come from any one country. Indian workers, both blue collar and white collar, have played a tremendous role in ensuring the sustained growth and prosperity of the Arab Gulf countries. Behind the glitter of Dubai is the sweat and toil of foreign workers, including Indians. Indians have traditionally flocked to the Gulf because of the comparatively better employment opportunities and higher wages available there, but India's recent strong economic growth has increased both employment opportunities and wages in India for many who earlier tended to gravitate towards the Gulf.

Looking after the welfare of these Indians is a high priority for all Indian diplomatic and consular establishments in the Gulf. This includes, in the first place, taking steps to ensure that unscrupulous local employers do not exploit the Indian workers, working out suitable arrangements with local authorities for setting up Indian schools, and a whole range of consular issues. The welfare of Indians working in the Gulf region is a politically sensitive issue for both the Central and many state governments, particularly in southern India, which send a large number of migrant workers to the Gulf. The remittances of workers from the Gulf still constitute a sizeable proportion of India's foreign exchange earnings in the services sector though not as large as it used to be even a decade ago. It is the frequent travel to and from India of these workers that makes the India–Gulf region the most profitable sector for the airlines of both India and the Arab Gulf countries. In the future, as their own populations grow, the Arab Gulf countries will have to provide jobs for locals in the first instance. It is

possible that the demand for labour from India may go down or that the skills required may change. India has to anticipate possible trends and work out ways to handle a changed situation; otherwise the closing of a traditional employment avenue could create social and political unrest in the affected parts of the country.

India's trade with the Arab Gulf countries is also quite significant. It is rapidly growing, even though much of it is third country trade routed via ports like Dubai. India and the Gulf Cooperation Council countries—Saudi Arabia, Kuwait, Qatar, Bahrain, United Arab Emirates and Oman—are also negotiating an FTA. The Persian Gulf region is an important destination for setting up projects and exports like consultancy services and information technology. Education, health care and tourism are other promising areas of cooperation. There is a long-term congruence of the interests of the Arab Gulf countries and India. The Arab Gulf countries realize that India offers a large and attractive workforce that brings much needed manpower and skills. After 9/11, the oil-rich among them are now looking to diversify their investments away from the West into economically attractive investment schemes and projects in countries that give them a high level of comfort. India is keen to get Arab investments for infrastructure projects in India particularly in the oil, gas and petrochemicals sectors, and has taken some steps in this direction such as holding an Indo-Arab Investment Projects Conclave. However it needs to be far more pro-active and imaginative in tapping the burgeoning Arab petrodollars, perhaps through a special strategy geared for Arab investors. Apart from the economic and financial benefits that such investments would bring to both sides, they would serve a larger strategic purpose. Through its large semi-permanent work force, India has acquired enduring stakes in the stability and prosperity of the Persian Gulf region. If the Arabs were to invest their wealth in India, they too would develop long-term stakes in India's continued economic growth and prosperity. Such enduring linkages between India and the Arab world will strengthen mutual interest in ensuring the stability, development and prosperity of both sides.

Organization of Islamic Conference (OIC) Politics

The role of the OIC has become a minor irritant in India's relations with the Arab world. The OIC was set up in 1969 to promote solidarity among the Islamic countries following the arson attack on the Al-Aqsa mosque in Jerusalem. India was invited to the first conference convened in Rabat, and the Indian Ambassador did participate and make a speech. However, when a high-level Indian delegation arrived in Rabat, it was not allowed to participate because of Pakistan's objections. Over the last four decades, the OIC has become a sprawling organization of 56 members that is more in the nature of a club that is useful for networking and conducting business on the sidelines than for any intrinsic worth it may have. The OIC does, however, regularly adopt resolutions on Kashmir reflecting the Pakistani position. These are routinely adopted without any discussion. India has wisely not allowed the OIC issue to cloud its real interests with the OIC member-countries.

From time to time, suggestions have been made that India could become an Observer or even a Member in the OIC. This is not at all a viable option because, as an Observer, India would have to tacitly accept OIC resolutions in whose formulation it plays no role. It also does not become India, with the second largest Muslim population in the world, to be a mere observer in an organization that claims to represent the interests of Muslims. Moreover, India would have to battle Pakistan to get itself associated with the OIC, which is not worth India's while since there are no great Indian interests at stake in the OIC. Perhaps the most compelling reason for India to stay away is a domestic political one. It is not at all desirable, and politically risky, for a secular State like India to formally associate itself with an avowedly religious international organization as that could create an unnecessary political and communal backlash within India.

The Iran Conundrum

Although a dominant power in the Persian Gulf, Iran itself is primarily a land power. India's contacts with Iran have been traditionally over land, not across the Arabian Sea. With the formation of Pakistan in 1947, India and Iran, or Persia as it was known till 1935, lost the geographical contiguity they had enjoyed for centuries. As a result, Indian policy-makers to some extent failed to appreciate that from a strategic perspective India has to deal with Iran as a neighbouring country. The rhetoric frequently used about Iran and India's historical-cultural ties has substance—certainly insofar as it concerns north India, whose history, culture and language have been shaped to a considerable degree by Persian influence. Nor should India and the world forget that despite its strategic location Iran is one of the few major countries in Asia that managed to maintain its independence and was never colonized, unlike many of its neighbours, including India. In all the demonizing of Iran in the West after the 1979 revolution, few bother to recall that the revolution itself was a reaction to the CIA-sponsored coup that overthrew Iranian Prime Minister Mossadegh in 1953 and the subsequent savagely autocratic rule of the Shah of Iran, who became the darling of both the West and Israel. It is important to recall all this because the outside world needs to handle Iran with respect and be conscious of the sense of national pride and self-achievement in the sophisticated Iranian mind that draws inspiration and strength from its rich and deep-rooted heritage of civilization and culture. For India, another harder and more pressing reality is that relations with Iran have a domestic political dimension. As the largest Shia country and home to some of the holiest shrines of the Shia community, Iran remains influential among India's large Shia population, which can be an important swing vote in elections.

The development of India's relations with Iran has not followed a consistent pattern. It is noteworthy that Iran was one of the first countries with which India signed a Friendship Treaty in March 1950. The early promise of friendship could weather neither the politics of the Cold War nor India-Pakistan

animosity and conflicts. After the overthrow of Mossadegh, Iran under the Shah got enmeshed in the strategic plans of the West and became a member of various Western-sponsored regional organizations like the Baghdad Pact and later CENTO, while India's orientation was more towards the Soviet Union and the NAM. Nor did Nehru's friendship with fellow-NAM founder and socialist President Nasser of Egypt go down well with a conservative monarchy like the Iranian Shah's. Iran's role in supporting Pakistani machinations to prevent India from attending the 1969 OIC Summit at Rabat added to the strains in India-Iran relations. It was only after Pakistan's defeat in the 1971 war, which changed the balance of power in South Asia decisively in India's favour, and the passing away of Nasser, that both sides took steps to improve relations. Prime Minister Indira Gandhi and the Shah of Iran exchanged visits in 1974. However, India's own turbulent domestic politics of the second half of the 1970s, followed by the Iranian Revolution of 1979 and the almost decade-long war that Iran fought with Iraq, then a close friend of India, once again derailed this relationship. From the early 1990s, starting with Prime Minister Narasimha Rao's visit to Iran in 1993, relations have maintained a steady upward graph, with regular exchange of high-level visits, including the highly symbolic visit of President Khatami to India as Chief Guest for India's Republic Day celebrations in 2003.

Unfortunately, relations once again took a sharp dip in 2005 following India's position in the International Atomic Energy Agency (IAEA) in September 2005 and February 2006 on transferring Iran's dossier on its nuclear programme from the IAEA to the UN Security Council. This step by India generated resentment and mistrust against India in Iran, jeopardized the future of the already-concluded Liquefied Natural Gas (LNG) contracts between India and Iran, and probably led Iran to conclude that India is neither a serious nor a reliable strategic partner. It also polarized political and public opinion in India and destroyed the traditional foreign policy consensus in India cutting across party lines that has been a great strength of Indian foreign policy since Independence. Following these episodes, India's handling of its relations with Iran has also

become a litmus test of India's willingness and ability to follow an independent foreign policy. The cloud in bilateral relations was lifted only as a result of Iranian President Ahmadinejad's brief stopover in New Delhi in April 2008, when the Indian side went out of the way to reassure him that it would follow an independent policy towards Iran and not succumb to US pressure.

This is most welcome, since Iran does matter greatly to India from a strategic perspective. It makes eminent sense for India to have a good understanding with Iran, as it is Pakistan's neighbour and a very influential actor in the Persian Gulf. Iran is also the key country for India's access to strategically important Afghanistan and Central Asia. In order to gain access to Afghanistan and later to Central Asia too, India has built a road from Zaranj in western Afghanistan to Delaram on the garland road that will provide connectivity to Herat and Mazar-e-Sharif. A proposal is under consideration to develop Iran's Chabahar port and connect it by rail with Iran's existing railway network. India, Iran and Turkmenistan have an arrangement to facilitate transit of Indian goods via Iran to Turkmenistan, while India, Iran and Russia have taken steps to develop a North–South Corridor that is intended to provide faster and cheaper connectivity between India and Russia via Iran and the Caspian Sea. Iran and India closely cooperated in supporting the Northern Alliance in Afghanistan against the Taliban in the 1990s. After the destruction of Iraq, Iran is the only country to India's west that stands in the way of complete US domination of Southwest Asia.

Iran is and will remain important for India's long-term energy security, as it possesses the world's second largest reserves of both oil and gas. It is in recognition of this reality that a few years ago India took the significant step of de-linking the Iran–Pakistan–India (IPI) gas pipeline project from the overall relationship with Pakistan. In a sharp reversal of the position it had been taking on the issue for the preceding two-and-a-half years, India agreed during President Ahmadinejad's visit to India in April 2008 to fast-track discussions on the IPI gas pipeline project. But the stipulated deadlines have been missed, and India went slow on the IPI project as it focused

on nailing down the India–US nuclear deal. Iran for its part also needs to look at the IPI project as a strategic project that would have long-term economic and political benefits, rather than try to squeeze maximum profits. The IPI project holds the possibility of bringing enormous economic and geopolitical benefits to all three countries. On the energy front, it would provide Pakistan and India with plentiful gas supplies for many decades. Politically, it would be a huge confidence-building measure between India and Pakistan that could create the momentum for a fundamental transformation of India–Pakistan relations. The project would be a political coup for Iran, as it would undermine the US policy to sanction and isolate Iran. Gas exports to Pakistan and India would give Iran valuable long-term customers and a steady stream of much-needed revenue. The project would also provide reassurance to the Indian business community to make investments in Iran, something that Iran needs badly. As a regional energy project, the gas pipeline project could form the nucleus of a regional cooperation arrangement between South Asia and Iran, which would have a very positive impact on long-term regional peace and stability.

As Iran's nuclear programme is the single most important issue that has cast a shadow on India–Iran relations since 2005, India's attitude to Iran's nuclear programme needs to be critically examined. India's approach has been conditioned by it wanting to keep on the right side of the US and other world powers as it worked for the Nuclear Suppliers Group (NSG) to give India an exemption from the prevailing NSG guidelines on transfer of nuclear fuel, equipment and technology to India. India has made it clear that it does not want Iran to acquire nuclear weapons. It has taken the sensible line that Iran has the right to peaceful uses of nuclear energy including enrichment but that, having signed the Nuclear Non-Proliferation Treaty (NPT), Iran must adhere to its international obligations and commitments. However, the determination of this should be by the International Atomic Energy Agency (IAEA), not the US or the so-called international community. It is, of course, illogical that India should be asking other States to observe their obligations under an international treaty that India itself

has not signed. India's is simply a practical and prudent, even if inconsistent, position. India does not wish to see another nuclear weapons state in the Persian Gulf region, since that would spur other countries like Saudi Arabia, Egypt and Turkey to also acquire nuclear weapons, leading to the destabilization of the whole region. Despite US attempts to establish such linkages, India has not been assisting Iran's nuclear programme except as permitted by the IAEA. Following the imposition of UN Security Council sanctions on Iran in February 2007, India amended its export guidelines to prohibit export of any materials or technology that could contribute to the development of a nuclear weapons capability by Iran.

From Iran's point of view, a strategic relationship with an important country like India is worthwhile because it lessens Iran's isolation. India could also be a source of important defence equipment and technologies for Iran. Although India and Iran have agreed at the highest level on the desirability of defence cooperation, including training and exchange of visits, Iran would like to proceed much faster and further on this aspect of relations. India is reluctant to do so. India's hesitation may be related to the sensitivities of Israel, which is a valued defence partner whose feathers India would not like to needlessly ruffle. For Iran, however, defence cooperation is part of the overall strategic relationship with India, and it feels that it is entitled to hold back on cooperation on energy if it does not get satisfaction from India on matters of strategic importance to Iran such as the nuclear issue and defence cooperation. India's relations with Iran have created some discord between India and Israel.

Palestine Question and Strategic Relations with Israel

India's policy towards Israel has been intimately linked to India's support for the Palestinian cause and the impact India-Israel relations have on India-Arab relations. India's position on the Palestine question has its roots in India's freedom

movement. As a party that was opposed to partitioning of India on religious grounds, the Congress Party could hardly be expected to endorse the goals of the Zionist movement that eventually led to the creation of Israel. Mahatma Gandhi himself expounded India's perspective clearly and in detail in an editorial in the *Harijan* of 11 November 1938, a major policy statement that continues to guide India's policy on Palestine to this day. Despite his sympathy for the Jews who had been subjected to discrimination and persecution for centuries, Mahatma Gandhi was clear about the rights of the Palestinians. He said:

My sympathy does not blind me to the requirements of justice. The cry for the national home for the Jews does not make much appeal to me... Why should they not, like other peoples of the earth, make that country their home where they are born and where they earn their livelihood? Palestine belongs to the Arabs in the same sense that England belongs to the English or France to the French. It is wrong and inhuman to impose the Jews on the Arabs... Surely it would be a crime against humanity to reduce the proud Arabs so that Palestine can be restored to the Jews partly or wholly as their national home.

India has always supported the establishment of a sovereign, independent, viable State of Palestine, within well-defined and recognized borders, through a negotiated and comprehensive solution that takes into account the legitimate interests and grievances of all the parties concerned. This has been reflected in India's voting pattern on this issue in the United Nations, and in the activist role that India has traditionally played in drafting and steering resolutions on this subject in NAM. India was the first non-Arab country to recognize the Palestine Liberation Organization (PLO) as the 'sole legitimate representative of the Palestinian people', and later gave the PLO office in New Delhi full diplomatic recognition. Similarly, India was the first non-Arab country to recognize Yasser Arafat as the President of Palestine. Arafat had a special rapport with India's leaders, especially Prime Minister Indira Gandhi. India's policy on Palestine is a very

sensitive political issue in India. India's traditional support for the Palestinian cause enjoys across-the-board political consensus in India, reflected in the unanimous Parliamentary resolution adopted in 2006 on Israel's invasion of Lebanon.

In keeping with this approach, India joined the Arab countries in opposing the partition of Palestine, and it was only in 1950, two years after Israel came into existence, that India granted *de jure* recognition to the State of Israel. However, India did not establish full diplomatic relations with Israel. Israel was permitted to have only a consular presence in Mumbai, not the exchange of Embassies with India it so dearly wanted. This situation lasted for many decades. But its resident Embassy in Nepal since 1961 did give Israel a useful window into India. So long as the Congress Party was in power, the traditional policy on Israel continued, although Jawaharlal Nehru himself was candid enough to publicly acknowledge in 1958 that this was 'not a matter of high principle' and 'this attitude was adopted after a careful consideration of the balance of factors'. In the late 1970s under Prime Minister Morarji Desai's Janata government, India began to deviate from its policy, presumably as part of Desai's own pro-West orientation and his desire that India should follow a policy of 'genuine non-alignment'. Israel's Defence Minister Moshe Dayan was invited to India in 1978 on a secret visit. India's interests were primarily to explore the possibilities of cooperation with Israel in intelligence sharing on terrorist and separatist organizations and in getting defence supplies. The visit did not lead to any substantive outcome, as word of it leaked out to the Indian media and this predictably started off a political controversy about India's support to the Palestinian cause and India-Arab relations. It was not till 1992, after the Middle East Peace Process at Madrid in 1991 between Israel and the Arab States had begun, and the break-up of the Soviet Union had changed the geopolitical balance decisively in favour of the US, that India felt emboldened to exchange diplomatic Missions with Israel.

Since then, however, relations have rapidly grown in all fields, especially in the military field. Israel has emerged as a significant and reliable source of defence supplies and advanced sensitive defence technologies, second only to

Russia. Many of the items and technologies supplied by Israel to India are unavailable from elsewhere. India particularly appreciated Israel's willingness to supply military equipments and ammunition during the Kargil operations in 1999 and Operation Parakram in 2002. There is also useful mutually beneficial cooperation in the intelligence domain. India has reciprocated by recently launching for Israel its TECSAR spy satellite, even though this has been projected as a purely commercial deal. However, the military relationship is, deliberately, underplayed by India and overplayed by Israel. There is a vibrant relationship in non-military sectors too, including agriculture and science and technology and a sizeable volume of trade (more than \$3 billion), much of which is accounted for by trade in diamonds.

The valuable political support that the Jewish lobby provides in the US makes Israel a desirable partner for India. An understanding and supportive US attitude has facilitated the transfer to India of many technologies and equipments produced by Israel over which the US has a veto. As India and the US have come closer over the last few years, there have been some tentative moves to forge a trilateral strategic relationship between the three countries. Speaking to the American Jewish Committee in May 2003, India's former National Security Adviser Brajesh Mishra seemed to hint at a trilateral grouping of, or at least close cooperation among, India, Israel and the US based on the complementarities and common interests that bring India closer to both the US and Israel. The Jewish lobby was used to garner support in the US Congress for the India-US nuclear deal, but the unfortunate price that India seems to have had to pay was to cast the controversial votes in 2005 and 2006 referring Iran's dossier on the nuclear question from the IAEA to the UN Security Council, and the insertion of the Iran factor in the Hyde Act that was passed by the US Congress in December 2006 to facilitate the India-US nuclear deal.

Whatever the other benefits that an overtly close relationship with Israel may have for India, it is politically difficult and very risky for any Indian Government to ignore negative public perceptions within India, especially among Muslims, about Israel's harsh and unjust treatment of the

Palestinians. This has been a particular dilemma for the UPA Government, which for more than four years depended on the outside support of the Left parties, which have been regularly calling for ending India's defence and security cooperation with Israel. Although nothing in India's relations with Israel has changed in practice, an impression gained ground that there has been a certain cooling in India's relations with Israel under the UPA Government. It is true, however, that the UPA Government, more than earlier governments, cannot be seen as being too close to Israel and has always tried to politically balance its relations with Israel and Palestine. That is why there are relatively few high profile political-level exchanges between India and Israel. From the Israeli side, there was a visit by Israeli President Weizman in 1996 and another by Israeli Prime Minister Sharon in 2003, but this has not been reciprocated by any visit from India to Israel at the level of Head of State/Government. Even though Indian Ministers and Chief Ministers of states have been regularly visiting Israel, no Indian Defence Minister has ever done so, despite the intense interaction in the defence field. In the future, the challenge will be to sustain the high level of India's mutually beneficial relationship with Israel without upsetting influential domestic constituencies. The Arab countries themselves, including Palestine, who are trying to work out a deal with Israel, and maintain informal relations with Israel, do not seriously object to India's relations with Israel. In fact, they quietly hope that India could be a moderating influence on Israel.

Need for an Activist Indian Policy

India's policy towards the Persian Gulf region has to be based on the fundamental assumption that the destinies of India and the Persian Gulf, be it the Arab Gulf States or Iran, will remain considerably intertwined. West Asia and the Persian Gulf is very much part of India's extended and strategic neighbourhood. What happens here directly affects India's security and other vital interests. India's interests require that this region remain

peaceful and stable. Any widespread disorders could affect India's energy security. Even more important, they would displace millions of Indians living and working there, creating enormous social and economic disruptions, with unpleasant political consequences, within India. India had a taste of this when thousands of Indians fled Kuwait in the aftermath of the 1990–91 Gulf crisis. Since then, the number of Indians working in this region has increased manifold. There is simply no way that India can evacuate the Indians from the Gulf in a hurry, whether by ship or by air. Therefore India has to follow policies that ensure peace and security in the Persian Gulf region. Considering India's stakes in the region, it is very disconcerting that there has been such a paucity of high-level visits to the region. Even visits of the Minister of External Affairs have been infrequent. Thankfully, with Prime Minister Manmohan Singh's visits to Oman and Qatar in November 2008, there appears to be a belated realization of the need to correct the situation.

The Persian Gulf region is also of enormous strategic importance for the world as a whole. When they were under British rule, administered from India, the Arab Gulf States acquired a strategic importance, as control over this region was essential to secure the sea route from Britain to India and to defend Britain's Indian possessions. This region was virtually a British lake. On Britain's departure from the Persian Gulf region in 1970, the US took over the policeman's role. The US today has an overwhelming military presence in all countries of the region except Iran, which is being threatened by the US. The autocratic regimes have for many decades enjoyed a cozy relationship with the US. They have entered into military alliances or arrangements involving military bases and supply of sophisticated military equipment with the US. In return, the US has acted as a guarantor to secure these regimes from any possible popular upheavals.

Unfortunately, this has led to only a superficial stability in the Persian Gulf. The reality is that there is no region in the world that is more volatile than the Persian Gulf. The monarchies, emirates, sheikhdoms and dictatorships of the region are potentially unstable, particularly as their rapid



population growth has created a large demographic bulge of young people whose economic expectations and political aspirations may be difficult to fulfil. Sudden democratization may not be the right answer, as it could unleash forces that would be difficult to contain. Today, some of the most crucial and complex contemporary global problems and issues such as energy security, Islamic fundamentalism, global terrorism, Israel–Palestine, Iraq, Iran and Afghanistan have their roots in this part of the world. All of these are linked in one way or another to the US presence in the region or to the pressure that Israel, a close US ally, exercises on the countries of the region. Pakistan too has considerable security ties and influence in the Gulf region, including through a fairly large non-resident population of workers.

There are many complex, messy and contradictory relationships that compound the potential instability of this region. Some of these are a psychologically embattled, small but militarily dominant Israel versus a large and belligerent Iran and a traditionally hostile Arab world; a Shia-dominated, militarily superior and revolutionary Iran that threatens the hitherto unquestioned leadership of the Islamic world by a rich Sunni Saudi monarchy, even though both countries now seem to recognize the need to work out a mutually acceptable arrangement; the deep but unspoken fear among the small oil and gas-rich States of the larger potentially predatory States of the Persian Gulf. Then there is large, rich and strategically located Iraq, perhaps supine today, which can decisively swing the regional balance of power, no matter whether it stabilizes or breaks up.

In West Asia, the Palestinian problem that has defied solution for six decades is not merely a matter of deep global concern, but of real danger. With the passage of time the Palestine problem has become more intractable than ever. More than anything else, it centres on the fact that Palestinians, who had been living in Palestine for centuries, have been evicted from their land, and turned into refugees in other countries or virtual prisoners in the West Bank and Gaza, or second-class citizens in Israel. It is a supreme irony that Israel, which is fanatical about the right of Jews anywhere in the world to

migrate to Israel, refuses to countenance that the Palestinians driven out of their homes too have a similar right to return to their traditional homes. Frustration and hopelessness among the Palestinians has led to desperation, reflected in suicide bombings. But Israel is not secure. In fact the insecurity of the Israelis has increased. The Palestinian question is the principal factor that unites Muslims around the world and that led four decades ago to the formation of the OIC. It is an issue that has spawned terrorism and al-Qaeda, created avoidable suspicion of Islam in the West and threatens to re-ignite the medieval conflicts between Islam and Christianity. The inability of the world to resolve the Palestine question is an important factor behind the ongoing conflicts and confrontations in Afghanistan, Iraq and Iran.

The ongoing war in Iraq and the US–Iran confrontation are causing deep concern worldwide. Matters would obviously reach a flashpoint if Iran were to actually develop nuclear weapons and proclaim that it had done so, or were Israel and the US to launch a preemptive strike against Iran. Regardless of the outcome, such a step would create enormous pressure on other States in the region to develop nuclear weapons. It would lead to some asymmetrical Iranian response against a US base or ships in the Persian Gulf or against Israel, thereby triggering off a series of chain events that would destabilize the region and perhaps the world too. Countries like Kuwait, Qatar and Bahrain are worried that any attack on an Iranian nuclear facility such as Bushehr would lead to nuclear radiation leaks that could pollute their oil and gas producing regions. This would ruin their economies, create a global energy crisis and throw out hundreds of thousands of Indians and other expatriates from their current jobs. Truly, any war in the Persian Gulf would have a domino effect. In short, the outcome of a shooting war over Iran would be completely unpredictable and highly dangerous. As history shows, a seemingly small event too can kindle a larger conflagration since the whole region is a tinderbox. Wisdom lies in preventing the situation from developing to such a stage. This means that there is need for active diplomacy and a somewhat different approach than what has been tried so far.

India needs to evolve a policy framework and a security paradigm for this region that would protect its national interests in the Persian Gulf–West Asia region. India must anticipate different scenarios and corresponding responses so that it is not caught off-guard. While India's interests and assets are considerable in this part of the world, its influence on the ground is meagre. Regrettably, having a minimal security presence in a region of vital national importance, India lacks the levers to protect its interests in a crisis situation. India's military contacts are principally in the field of training and showing of the flag through periodic visits by Indian ships. The only Gulf country with which India regularly holds naval exercises is Oman. This is not adequate. Fortunately, indications are that the countries of the region would welcome a greater Indian security presence in the region. India too is gradually shedding its inhibitions about getting more deeply involved in Gulf security. Although the US has toyed with the idea of India having a greater presence so that it could relieve pressure on the US itself, India must not be seen as an appendage to US policy in this part of the world. The US may be on good terms with the current rulers of the region, but there is widespread anti-Americanism among the public. India's long-term interests dictate prudence in following policies that are seen as serving larger US purposes. Interests also diverge. The US does not have to worry about the safety and welfare of millions of its citizens; India does. The US may choose at some time in the future to disengage from the region; India simply cannot because the Persian Gulf is its neighbourhood.

As the only large power located in the geographical proximity of the Persian Gulf, India has to take on some responsibilities for the region's security and stability. Various US-sponsored peace initiatives have floundered because all countries, even Israel, do not sufficiently trust the US. Moreover, the US objective is seen as the preservation of US and Israeli domination of the region. India, which enjoys good relations and a considerable degree of trust among all the players in this region—the Arab States, Israel and Iran—is perhaps uniquely placed to play a role, even take the initiative, to bridge the differences of the antagonists. India should seriously

work towards trying to develop a regional security structure like the ARF that brings together all the key players from within and outside the region. The 'Manama Dialogue' organized every year since 2004 by the London-based International Institute of Strategic Studies (IISS) provides a model for a formal inter-governmental structure. This presumptive organization, which could perhaps be called the Gulf Regional Forum (GRF), would bring together Saudi Arabia, Yemen, Oman, United Arab Emirates, Bahrain, Qatar, Kuwait, Iran, Iraq, Israel, Palestine, Jordan, Syria, Lebanon, Egypt, India, Pakistan, Afghanistan, China, Japan, European Union and Russia. Such a framework could provide a forum for dialogue, leading on to confidence-building measures and perhaps even preventive diplomacy that would promote stability in the region from India to the Mediterranean. A collective security forum where the presence and influence of the US is balanced by the presence of other powers would provide a desirable level of comfort to the various players, particularly Iran, and reassure them that they are not a source of, but part of the solution to, the problem of Gulf security and stability. The very fact that mutual antagonists like Israel, Iran and Saudi Arabia can sit down at the same table would be an enormous step forward in creating mutual confidence. Shia–Sunni antagonisms have abated. Riyadh and Tehran are reaching out to each other. There is much less Arab hostility to Israel than there has been for decades. The time is opportune for such an initiative.