

# ISAS Brief

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## Indo-Israeli Relations: Sailing in Uncharted Waters

*The maiden flight by an Air India jetliner from New Delhi to Tel Aviv on 22 March 2018 via Saudi Arabia's airspace signals many firsts for all three countries. It is also emblematic of the shifting geopolitical sands in the region. This paper looks at the significance of the flight and highlights some challenges that need to be addressed as well as the road ahead, particularly for India, in this new climate of cordiality in the Middle East.*

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Sometimes, truth is stranger than fiction. When an Air India jetliner flew from New Delhi and Tel Aviv over Saudi Arabian airspace on 22 March 2018, many people were flummoxed, both in India and the wider world. Few had expected such an occurrence to take place, given the history of animosity between Saudi Arabia and Israel. Well, it did happen and it signalled many firsts for New Delhi.

First, it was a diplomatic success for India as Saudi Arabia has had a long ban on flights heading in and out of Israel – the two countries (Saudi Arabia and Israel) do not have diplomatic ties with each other.

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Second, it also showed India's hugely improving relations with Israel, exemplified by the visit of India's Prime Minister Narendra Modi to Israel in July last year. In doing so, Modi became the first sitting Indian prime minister to visit Israel.<sup>2</sup> That visit was reciprocated by Israeli Prime Minister Benjamin Netanyahu when he travelled to India in January this year.

Third, it also showed the rapidly changing shape of things in the Middle East. In recent times, Saudi Crown Prince Mohammed bin Salman has been trying to project himself as a moderate. He had criticised former United States (US) President Barack Obama's policy towards Iran (which favoured dialogue and rapprochement) and has, in a recent interview, "backed Israel's right to exist".<sup>3</sup> Iran's growing clout in Syria, Yemen and Iraq may have made the Saudis anxious. The Saudi Prince is also trying to wean his country the Kingdom away from its excessive dependence on oil exports and is trying to develop the country as a global economic hub. This fits into the image that he is trying to project of himself and of Saudi Arabia. Both Israel and Saudi Arabia share anxieties about Iran's growing role in the region and beyond, and this could explain the easing of tensions between them.

## Challenges

However, several challenges remain and these need to be addressed before the full benefits of this maiden flight by Air India between India and Israel are realised.

First, New Delhi will need to do a delicate balancing act as it depends on Saudi Arabia and the other Arab countries for its energy resources, as well as on remittances from the huge number of Indian workers in these countries. The Modi government has been quite successful on balancing New Delhi's ties with the various countries in the Middle East. It will need to continue exercising sophistication in this respect.

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<sup>2</sup> "Modi in Israel: All that happened during PM's historic trip", Indian Express, *Indian Express*, 6 July 2017. <http://indianexpress.com/article/india/pm-narendra-modi-in-israel-benjamin-netanyahu-reuven-rivlin-all-that-you-should-know-about-this-historic-trip-4739085/>. Accessed on 2 April 2018.

<sup>3</sup> "Saudi crown prince recognizes Israel's right to exist, talks up future ties", *The Times of Israel*, 2 April 2018. <https://www.timesofisrael.com/saudi-crown-prince-recognizes-israels-right-to-exist-talks-up-future-ties/>. Accessed on 4 April 2018.

Second, Israel's national carrier, El Al, has petitioned an Israeli court against the granting of overflight rights only to Air India<sup>4</sup> by Saudi Arabia, which continues prevent other airlines from using the same route. At present, El Al flies to India but it avoids flying over Saudi Arabia and has to take a longer route.

Third, the flight route over Saudi airspace has the potential of being held hostage by developments in the Middle East, especially those between Israel and Saudi Arabia. It could also be impacted by developments on the Iran front. Saudi Arabia and Israel have concerns about Iran's nuclear capabilities and with the 2015 agreement which was signed by Iran with the US, the United Kingdom, Russia, France, China and Germany.

Fourth, there are also several other issues that need to be worked out. These include the profitability of the New Delhi-Tel Aviv route and the impending privatisation of the state-owned carrier Air India.

Fifth, New Delhi also has been developing its ties with Tehran. It has sent its first shipment of wheat to Afghanistan via Chabahar Port in Iran, marking a new beginning as far as economic interconnectivity in the region is concerned. The opening of this route allows New Delhi access not only to land-locked Afghanistan, but also to the energy-rich nations of Central Asia. It is also important for the North-South corridor which runs between India and Russia via Iran and Azerbaijan.

The inaugural shipment of wheat between India and Afghanistan was flagged off by the Indian External Affairs Minister Sushma Swaraj and her Afghan counterpart through a joint video conference held on 29 October last year. A statement from India's Ministry of External Affairs on this occasion noted, "The shipment of wheat is a landmark moment as it will pave the way for operationalisation of the Chabahar port as an alternate, reliable and robust connectivity for Afghanistan. It will open up new opportunities for trade and transit from and to Afghanistan and enhance trade and commerce between the three countries and the wider

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<sup>4</sup> "Israel's El Al petitions high court against flights via Saudi airspace", *Reuters*, 28 March 2018. <https://in.reuters.com/article/israel-india-el-al-arlns-saudi/israels-el-al-petitions-high-court-against-flights-via-saudi-airspace-idINKBN1H40U2>. Accessed on 4 April 2018.

region.”<sup>5</sup> The port of Chabahar in Iran is less than 100 kilometres away from the Gwadar port in Pakistan and is critical for India in the light of its non-participation in the Belt and Road Initiative (formerly called the One Belt One Road).

The need to ensure a good relationship with Iran is also important for India’s ties with Afghanistan, where New Delhi is one of the biggest donors. India has had a huge stake in the events in Afghanistan, especially after the hijacking of an Indian Airlines aircraft to Kandahar back in December 1999. New Delhi is also looking to develop the Chabahar-Zahedan rail link which will make access to Afghanistan even easier. During the visit of Iranian President Hassan Rouhani to India in February 2018, “India conveyed its readiness to support the development of Chabahar-Zahedan Rail line. IRCON, India, and CDTIC, Iran, which are engaged in discussions, were tasked to finalise the technical parameters and financing options for the project in a time bound manner. Both leaders encouraged greater efforts for cooperation in railway sector including supply of steel rails, turnouts and locomotives.”<sup>6</sup> However, in the light of Saudi Arabia’s and Israel’s view of Iran, India will need to carefully manage its relationship with Iran.

Meanwhile, India’s ties with Saudi Arabia have also taken off. During Modi’s visit to Saudi Arabia in April 2016, the joint statement issued on this occasion mentioned that, while “acknowledging the steady increase in bilateral trade over the last few years, the two leaders expressed satisfaction at the USD 39 billion [S\$51.1 billion] trade in 2014-15. Taking note of the excellent trade and economic engagement, with the two countries being among the top trading partners for each other, the two leaders agreed upon the need to further strengthen these ties, particularly through diversifying non-oil trade.”<sup>7</sup>

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<sup>5</sup> Ministry of External Affairs, India, Flag off of the first consignment of wheat assistance to Afghanistan through Chabahar port, 29 October 2017. [http://mea.gov.in/press-releases.htm?dtl/29062/Flag\\_off\\_of\\_the\\_first\\_consignment\\_of\\_wheat\\_assistance\\_to\\_Afghanistan\\_through\\_Chabahar\\_port](http://mea.gov.in/press-releases.htm?dtl/29062/Flag_off_of_the_first_consignment_of_wheat_assistance_to_Afghanistan_through_Chabahar_port). Accessed on 12 April 2018.

<sup>6</sup> Ministry of External Affairs, Government of India, India-Iran Joint Statement during Visit of the President of Iran to India, 17 February 2018. [http://www.mea.gov.in/bilateral-documents.htm?dtl/29495/India\\_Iran\\_Joint\\_Statement\\_during\\_Visit\\_of\\_the\\_President\\_of\\_Iran\\_to\\_India\\_February\\_17\\_2018](http://www.mea.gov.in/bilateral-documents.htm?dtl/29495/India_Iran_Joint_Statement_during_Visit_of_the_President_of_Iran_to_India_February_17_2018). Accessed on 10 April 2018.

<sup>7</sup> Ministry of External Affairs, Government of India, India-Saudi Arabia Joint Statement during the visit of Prime Minister to Saudi Arabia, 3 April 2016. <http://www.mea.gov.in/bilateral-documents.htm?dtl/26595/IndiaSaudi+Arabia+Joint+Statement+during+the+visit+of+Prime+Minister+to+Saudi+Arabia+April+03+2016>. Accessed on 5 April 2018.

While there are improvements in India relations with Iran, Saudi Arabia and several other Arab countries, India still faces challenges in the volatile region. The success of the maiden flight took place against the backdrop of the killing of 39 Indians by the Islamic State in Iraq. Their remains were brought back to India recently.

## **The Road Ahead**

It is hoped that the opening of this air route to Air India would lead to a surge in tourists from India to Israel and vice-versa in the near future. Foreign tourist arrivals in India stood at 10.2 million last year, which was hardly impressive, given the country's size. New Delhi is certainly keen to further enhance its tourist sector.

Israel and India are currently cooperating in several fields. One of them is in the defence sector – New Delhi is one of the biggest arms importers in the world. The Modi government has also been promoting the 'Make in India' initiative and Israeli companies could be willing partners in this initiative.

Israel is also a world leader in technologies like water-conservation, which would be relevant to India, especially for use in the drought-prone parts of the country. During Modi's visit to Israel, the two countries agreed to a "Strategic Partnership in Water and Agriculture", which would focus on water conservation, waste-water treatment and its reuse for agriculture, desalination, water utility reforms, and the cleaning of the Ganges and other rivers using advanced water technologies."<sup>8</sup> The Joint Statement issued on this occasion also mentioned "facilitating the promotion of travel and tourism in both directions, including through the further enhancement of air links between India and Israel."<sup>9</sup>

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<sup>8</sup> Ibid.

<sup>9</sup> Ministry of External Affairs, Government of India, India-Israel Joint Statement during the visit of Prime Minister to Israel, 5 July 2017. <http://www.mea.gov.in/bilateral-documents.htm?dtl/28593/IndiaIsrael+Joint+Statement+during+the+visit+of+Prime+Minister+to+Israel+July+5+2017>. Accessed on 3 April 2018.

During the Israeli prime minister's visit to India, the two sides "agreed to deepen cooperation in innovation, business and trade, space, homeland security and cyber, higher education and research, science and technology, tourism and culture."<sup>10</sup>

## **Conclusion**

The opening of this New Delhi-Tel Aviv flight route over Saudi Arabia signals both opportunities and challenges for New Delhi as it opens up new vistas in India's foreign policy towards Israel in particular and the Middle East in general. India has been a fence-sitter for long in international affairs. In the words of US President Franklin D Roosevelt, "A smooth sea never made a skilled sailor", India seems to have emerged from a difficult foreign policy past to become a stronger and more confident player on the global front, taking bold steps in the pursuit of its foreign policy objectives, including in the Middle East.

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<sup>10</sup> Ministry of External Affairs, Government of India, India-Israel Joint Statement during visit of Prime Minister of Israel to India, 15 January 2018. <http://www.mea.gov.in/bilateral-documents.htm?dtl/29357/IndiaIsrael+Joint+Statement+during+visit+of+Prime+Minister+of+Israel+to+India+January+15+2018>. Accessed on 4 April 2018.