

## **RAPPORTEURS' REPORT**

### **4<sup>th</sup> WEST ASIA CONFERENCE**

#### **“Ten Years of Political and Economic Transformation in West Asia: Challenges, Lessons and Future Trends”**

**February 26-27, 2020**

The Manohar Parrikar Institute for Defence Studies and Analyses organised the 4<sup>th</sup> West Asia Conference on the theme “Ten Years of Political and Economic Transformation in West Asia: Challenges, Lessons and Future Trends” on February 26-27, 2020. The two-day conference was divided into six different sessions focussing on several themes including regional security scenario, role of external powers, regional economic scenario, the changing nature of conflict and India's engagements with West Asia. Over 25 speakers from 15 countries participated in the deliberations. Various speakers from the West Asian region underlined the upheavals the region has undergone over the last decade, and emphasised the need for the regional countries, its leaders and the people to find solutions from within, instead of looking outward for solutions. The Hon'ble Minister of State for Road, Transport and Highways, Government of India, General Vijay Kumar Singh, PVSM, AVSM, YSM (Retd.) inaugurated the conference and delivered the keynote address.

#### **Inaugural Session**

**Welcome Remarks:** Amb. Sujan R. Chinoy, Director General, Manohar Parrikar IDSA.

**Keynote Address:** General V. K. Singh PVSM, AVSM, YSM (Retd.) Hon'ble Minister of State for Road, Transport and Highways, Government of India.

**Vote of Thanks:** Colonel Vivek Chadha (Retd.), Research Fellow, Manohar Parrikar IDSA.

Director General, Manohar Parrikar IDSA, **Ambassador Sujan R. Chinoy** delivered the welcome address. He informed the audience of the institute being renamed after Shri Manohar Parrikar who was not only Indian's Defence Minister from 2014 to 2017 but also the President of IDSA. Amb. Chinoy underlined that on February 9, 2020 Manohar Parrikar IDSA completed 55 years of its existence as one of India's oldest and best-known think tanks.

While discussing the importance of this year's West Asia Conference, Amb. Chinoy noted that the West Asian region is undergoing a profound transformation, amidst growing nationalism, regionalism, and diminishing multilateralism. In this situation, trade and technology are being weaponized, and developmental finance is being used for strategic means.

The Director General further underlined the political and economic turmoil facing the different parts of the region. He noted that unravelling of Joint Comprehensive Plan of Action (JCPOA), the drone attacks in two Saudi ARAMCO oil Facilities in September 2019 and the killing of Islamic Revolutionary Guard Corps (IRGC) commander, General Qassem Soleimani, in January 2020 have complicated the security situation in Gulf. Syria, Libya and Yemen continue to face sectarian, ethnic and tribal divisions and Iraq is yet to recover from the US attack of 2003. In the meantime, despite the military defeat, the threat of Islamic State persists in Iraq, as well as the region.

Amb. Chinoy noted that economically the region's growth is almost half of what it was before 2011. In post 'Arab Spring' scenario, West Asia is going to face world's highest unemployment

rates and slowest GDP per capita growth. Due to the disruption in the production and supply of oil, the region's exports to India, Japan, South Korea, and China are also hindered. Non-OPEC oil suppliers such as the US are emerging as important oil producers and exporters undermining the monopoly of the OPEC in the global oil market. India's reliance, for example, on the Gulf countries has reduced due to it buying oil and gas from the US worth US\$ 10 billion in 2019-20.

Under these changes, Amb. Chinoy noted, India's 'Look West' policy has shifted to 'Link and Act West' policy, which is reflected from Prime Minister Narendra Modi's visit to countries such as Saudi Arabia, Israel, Iran, Palestine, Jordan, Oman, UAE, Bahrain and Qatar. He stated that defence diplomacy is a key pillar of this policy, based on countering terrorism and ensuring maritime and cybersecurity, investing in defence manufacturing, and promoting greater interaction between armed forces. From the perspective of West Asia, India is becoming more acceptable as a regional stakeholder. This, Amb. Chinoy underlined, was reflected in the Organisation of Islamic Cooperation's (OIC) invitation to India to participate as a guest country in the plenary of OIC Foreign Ministers' Meeting in Abu Dhabi in March 2019.

On India's policy to engage with competing actors in the region, the Director General noted that India would continue with its strategic autonomy and will maintain friendly relations with all the countries including Israel and Palestine, and balance its ties with Iran and Saudi Arabia. He expressed hope that the conference will be able to provide new perspectives on how India will deepen its mutual understanding, cooperation and friendship with the region. He concluded by welcoming the delegates and expressing his gratitude to the minister for agreeing to inaugurate the conference.

**General Vijay Kumar Singh, PVSM, AVSM, YSM (Retd.)** Minister of State for Road, Transport and Highways, Government of India, inaugurated the conference and delivered the keynote address. The honourable minister began his remarks by underlining the fast-changing geopolitical scenario in West Asian. He noted that the significant geopolitical location and vast resources of the region have always attracted global attention. For India, the region is important because not only it is an "extended neighbourhood" but also because of the historical and cultural links they share. General Singh noted that since 2011, the region has witnessed continuous turmoil and the movement to establish democracy that instigated 'Arab Spring' did not succeed. He states that what needs to be analysed now is if the situation will persist in the future.

The minister then gave an account of the challenges, which the different countries in the region are facing. In Yemen, he observed, the rise of competing and conflicting ideologies, which has precipitated into a civil war and a humanitarian crisis. Iraq, in his opinion, is in the process of stabilization, reconstruction and regular development. However, it must be noted that the footprints of the Islamic State (ISIS) still exists. While the Syrian economy seems to be developing, the ISIS is present here as well as taking advantage of the conflicting groups. Meanwhile, Turkey's military offensive in North-Eastern Syria has caused a humanitarian crisis. Jordan is moving towards growth in the mining and tourism sector. The female population of the country are performing well in the education sector, which seemed to be good news for the female population of the entire region. However, the minister opined, the future for Jordan too, remains uncertain.

General Singh expressed concerns about the sharp rise in tensions between the US and Iran after the killing of IRGC commander General Qassem Soleimani. The honourable minister posed several pertinent questions during his address, for instance, how and why did ISIS take

such strong roots in Iraq and Syria? Has it been removed entirely or is there a chance of resurgence? How to identify the fault lines among GCC countries, and how to resolve the diplomatic concern that has arisen due to the Turkish offensive in Syria?

From the perspective of India, the honourable minister pointed out that around 50 percent of India's annual remittance is contributed by Indian expatriates in West Asia. He underlined that the West Asia and North Africa (WANA) region is India's largest trading partner. Therefore, India should try to ensure the region's peace and stability. There are already cooperation mechanism between India and the WANA region in fields of anti-piracy, money laundering, terror financing, and counterterrorism among others. However, India should strive to be a more trusted friend. Defence diplomacy is one way to increase bilateral trust and friendship.

Finally, while discussing what steps the region can take to control the unstable situation, the honourable minister felt that there is a need in WANA region to analyse its problems deeply and try to resolve them individually without any outside help, focus on economic growth and alleviating the problems facing the people. The honourable minister also took questions from the audience leading to an engaging session.

Colonel Vivek Chadha (Retd.), Research Fellow, Manohar Parrikar IDSA delivered the vote of thanks.

- *Prepared by Dr. Paulami Sanyal*

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## Session - I

### **Political and Economic Transformation in West Asia: An Overview**

**Chair:** Amb. Sujan Chinoy, Director General, Manohar Parrikar IDSA

Speakers:

1. Mr. Saied Khatibzadeh, Vice President for Research and Director General, Institute for Political and International Studies (IPIS), Tehran
2. Mr. Fouad Siniora, Former Prime Minister of Lebanon
3. Prof. Nabil Fahmy, Distinguished Professor, The American University in Cairo and Former Minister of Foreign Affairs, Egypt
4. Dr. Dlawer Ala' Aldeen, President, Middle East Research Institute (MERI), Erbil, Iraq
5. Amb. Talmiz Ahmad, Former Ambassador of India to Saudi Arabia, UAE, Oman

**Director-General Amb. Sujan Chinoy** opened the session with his preliminary remarks underlining the significance of the session, and inviting the speakers to express their views on the chosen subject freely. He underlined that the ministerial speech by Gen. Singh has set the tone for the conference for it to proceed in a productive direction.

**Mr. Saied Khatibzadeh** in his presentation (via Skype) on **“Iran and the Region”** noted that some of the central problems facing the West Asian region included the zero-sum and militaristic approach of external players, while regional players follow policies of exclusion without cohesion vis-à-vis issues like Yemen and Qatar. He characterised the situation facing the region as “post-Pax Americana,” with the illegitimate exit of President Donald Trump from the JCPOA. Wars are the “new normal” in the region while international relations theory tells us that wars are the exception in the international system. As for the role being played by individual countries, Mr. Khatibzadeh noted that Riyadh’s “expansionism” policy has resulted in “problem of acceptance” towards a country, which was seen until recently as the “big brother.” While Iraq is trying to get back on its feet, Russia is the new Middle Eastern power and the only player that has access to all the capitals of the region. Iran, he stated, had maintained a posture of “strategic patience,” by not responding to Trump’s withdrawal from the JCPOA, for more than a year. He also noted that Iran was open towards finding solutions and does not seek escalation.

Former Prime Minister of Lebanon, **Mr. Fouad Siniora** shared his thoughts on **“Political and Economic Transformation of West Asia”** and pointed out that the situation in the region is extremely chaotic with borders being redrawn and the dismantling of the state structures in Yemen, Syria, Iraq, Lebanon, as well as Libya and Sudan in Africa. He stated that Trump’s “Deal of the Century” to resolve the Israeli-Palestinian conflict was primarily designed to help the re-election of Mr. Trump and Mr. Netanyahu in respective countries, and was against the international law as well as the Madrid and Oslo Peace Accords. To restore “strategic balance,” he called for exploring the idea of one democratic state in Israel-Palestine, as the two-state solution was an “illusion.” He argued that Iran’s “meddling” in the internal affairs of the countries of the region is unacceptable and noted that as a result of ongoing conflicts, more than 30 million people have been displaced, and that more than 60 million people were dependent on humanitarian aid. He called for the empowerment of Arab moderates and secular forces and the need to stand up to Iran’s interventionist policies.

**Prof. Nabil Fahmy**, Distinguished Professor, The American University in Cairo and Former Minister of Foreign Affairs (Egypt), in his presentation on **“The Winds of Change in the**

**Middle East”** noted that some positive developments have indeed taken place in the recent past. These included among others the defeat and diminishing lure of Da’esh, reconciliation moves among Palestinian factions. But there is the danger of the situation getting worse, particularly in places like Iraq and Libya. He stated that blaming foreigners for the ills of the region would not lead to any solutions. Given that more than 68 per cent of the population of the region is below the age of 35 years, he called for pro-active measures to provide better governance and build a new economic framework, underpinned by the realisation that the region cannot continue to depend on natural resources and cannot live beyond its means, going forward. He urged for greater cooperation with non-Arab partners and cautioned that the vision of regional dominance of countries like Turkey or Israel or Iran is a “poisonous pill of self-destruction.”

**Dr. Dlawaer Ala’ Aldeen**, President of Middle East Research Institute in Erbil, in his presentation on **“Iraq and the Region”** stated that Iraq is a prime example of the leadership failures rampant in the region, with similar stories being played out in Libya, Lebanon, Palestine and Yemen — all fragile states. As the state structures have disintegrated, some non-state armed groups (NSAGs) have been accorded legitimacy, which leads to their becoming parasitic on state patronage, whereas those NSAGs, which are not accorded legitimacy have resorted to violence. Apart from fragile state structures and NSAGs, Iraq also has sub-state players like the Kurdistan regional government, with independent foreign policy, defence policy, taxation system but “no flag at the UN.” Dr. Aldeen stated that the US policy in Iraq is entirely Iran-based and that Iraq will collapse if the US withdraws. He noted that Turkey does not have a foreign policy but only “cross-order” policies and that the Russian focus in the region is primarily limited to Syria.

**Amb. Talmiz Ahmad** presented his views on **“Domestic and Regional Challenges to State Order in West Asia.”** He underlined that the discourse on “Judeo-Christian heritage” is of recent origin and there was no such thing as “Judeo-Christian” before the Second World War. He pointed out that historically the competitions and collaborations between the Arabs, Persians, Jews and Turks have shaped the region since historical times. From 1948, Israel has also emerged as a key factor. He pointed to the deep dis-satisfaction domestically in most countries of the region due to leadership failures and the trauma of violent jihadism. He noted that the ‘Arab Spring’ aggravated the conflicts within the region and pointed out that the Arab states are not a “strong” state but a “feared” state and that the insecurity of the leaders was born out of their illegitimacy. There was no space for moderates, and the state order celebrates divisions, with the sectarian divide becoming more significant. The US and Israel, in his view, have the “license to kill” in the region. Amb. Ahmad noted that India is well placed to help re-shape regional order.

- *Prepared by Mr. S. Samuel C. Rajiv*

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## Session - II

### **Regional Security and External Players in West Asia**

**Chair:** Amb. Niraj Srivastava, Former Indian Ambassador to Denmark and Uganda

**Speakers:**

1. Dr. Ebtesam Al Ketbi, President, Emirates Policy Centre, Abu Dhabi
2. Mr. Piotr Kortunov, Program Coordinator, Russian International Affairs Council, Moscow
3. Prof. Efraim Inbar, Founding President, The Jerusalem Institute for Strategy and Security, Jerusalem
4. Dr. Mansour Almarzoqi, Assistant Professor and Director of the Center for Strategic Studies, Prince Saud Al Faisal Institute for Diplomatic Studies, Riyadh
5. Dr. Randa M. Slim, Director, Program on Conflict Resolution and Track II Dialogues, Middle East Institute, Washington DC
6. Dr. Muddassir Quamar, Associate Fellow, Manohar Parrikar IDSA

**Ambassador Niraj Srivastava** opened the session reflecting upon the historical reasons for regional instability, tracing the developments that led to the unravelling of the Ottoman Empire and the creation of the new states after the World War I. Continuing to talk about the developments that led to the World War II, he argued that West Asia further grappled with the creation of new, artificial states in this period. He underlined that claims to new territories and vested interests of external players exacerbated the situation and added to existing tensions that one continue to see play out in the region.

**Dr. Ebtesam Al Ketbi**, President, Emirates Policy Centre in Abu Dhabi, was the first speaker of the session and spoke on **“Key Trends and Drivers in the West Asian Regional Security.”** Starting her presentation with a vision for a sustainable future for the region, she argued that enhancing implementation of international law and the UN charter and taking effective political action to fulfil aspirations of the people are a prerequisite. This would put the focus on development and economic partnership and renaissance of people in the region.

Dr. Ketbi argued that the fundamental lesson to take away is that the West Asia region is fed up with conflicts, tensions and violence. It is time for this region to hold on to political solutions and calm, and focus on the benefits of partnership, cooperation and risks of hegemony and zero-sum conflicts. For years, there have been repeated calls to establish a collective security system in the Gulf region, the Arabian Sea, the Indian Ocean, and the Strait of Hormuz that includes Arab Gulf countries, Iran, Iraq and Yemen. Today, this call seems more urgent than ever in light of the recent escalation between the US and Iran. In 2019, the security of commercial tankers, energy security, and security of waterways was at high risk. All of this had an impact on the global economy and requirements of sustainable security environment between the Gulf, on one side, and Asia, the Indian Ocean and Europe and the West, on the other. Arab Gulf countries are not satisfied with the regional balance of power, which eventually leads to the exhaustion of the capabilities of Arab countries, Iran and Turkey. This would have a negative impact on development and governance, ultimately fuelling extremism, terrorism, divisions and discourse of hatred. This would raise the cost of security and armament for all. She further argued that energy security has become an integral part of India's strategic partnership with a number of energy-rich countries. This, of course, puts energy security on top of India's foreign policy agenda. In her view, what increases the significance of this issue

for New Delhi is the fact that other competitors of India in the Gulf region have their own similar calculations and sensitivities with regard to energy security and safety of the waterways.

The next speaker **Mr. Piotr Kortunov** from the Russian International Affairs Council in Moscow spoke on the **“Future of the JCPOA: Can the Nuclear Deal Be Salvaged?”** Discussing the current state of US-Iran relations, he said that the beginning of 2020 witnessed a sharp escalation in the crisis between Iran and the US. The assassination of General Qassem Soleimani has once again brought Washington and Tehran closer to the point of a military escalation. In the context of a looming disaster, he posed a question – are we heading towards seeing a nuclear Iran? With the deterioration of relations between the main parties to the JCPOA and the growing dissatisfaction in Tehran with the measures undertaken by Europe to mitigate the effect of American sanctions on Iran, the future of the agreement no longer looks as bright as it did in 2015. The killing of Soleimani has pushed Tehran to go as far as announcing the complete abandonment of the JCPOA provisions, removing the last nuclear restrictions, which limited the number of centrifuges the country could operate. However, despite the obvious challenges the nuclear deal is currently facing, JCPOA is still alive and enjoying the support of the majority of the key parties to the deal. He argued that it was imperative for both sides to salvage the JCPOA; for the US, it would be a way to save face and to keep Iran from going nuclear; whereas for Iran, the deal again would be a face-saver and act as a guarantee that the same situation will not repeat itself.

The next speaker was **Prof. Efraim Inbar**, President of the Jerusalem Institute for Strategy and Security, who spoke on **“Israel-Iran Rivalry: The Thucydides Trap?”** He identified two regional dynamics that create the conditions for the eruption of a direct-armed confrontation between Iran and Israel. The first is Iran’s drive for Middle East hegemony. The second dynamic is Iran’s quest for a nuclear bomb. Both processes, he argued, disturb the regional balance of power and fuel extremely high threat perceptions in Israel and elsewhere. Furthermore, in the theology of the Islamic Republic of Iran, there is no place for a Jewish state in the region. For Iran, Israel either will wither away under military pressure or be annihilated when it is weak and vulnerable. This belligerent position reinforces Israel’s perception of an existential threat from Iran. He argued that the current state of the region was critical as the US wants to continue to disengage from the region. President Trump, Prof. Inbar concluded, would reopen the JCPOA negotiations in the future because he does not like to use force and would look for a good deal, and in his mind, the Iranians have proven to be better negotiators. He ended his presentation by re-emphasising that Iran’s nuclear and hegemonic ambitions remain uncurbed. Whatever efforts at “regime change” were made remained unsuccessful, and Iran remains undeterred. Therefore, the likelihood of direct-armed conflict between Israel and Iran remains.

**Dr. Randa M. Slim**, Director, Program on Conflict Resolution and Track II Dialogues, Middle East Institute, Washington DC spoke on **“How Do Perceptions of American Retrenchment from the Middle East Impact Regional Security?”** She started her presentation by stating that while there is a prevailing perception in the Middle East today of American retrenchment from the region, there is also a growing understanding that US forces and policy has not stabilised the region. While this perception does not correspond to America’s material power, which far outpaces all potential rivals be it in military spending and/or military bases and alliances across the Middle East, it is shaped by two primary factors. One, the lack of a coherent US strategy for the Middle East which keeps American allies confused, and second, the success of US rivals’ regional policies be it Russia’s military campaigns in Syria and Libya or China’s economic diplomacy. This changed perception of US’s role in the Middle East, Dr. Slim argued, has created a vacuum, which emboldened regional countries to pursue policies to

ensure regime survival and shore up their influence in regional politics often in opposition to US interests and policies.

On the other hand, it has prompted a reassessment in some countries of the region of the reliability of the US's security umbrella in the Gulf pushing them to start looking for alternative security guarantors, which may even result in GCC countries finding convergence in their interests with Iran. Regional security is increasingly determined by rivalries inside the Arab-Turkey-Iran triangle that are engaged in different proxy theatres in the Middle East. If there is a golden key to regional stability, it will be de-escalation of tensions and cooperation on shared interests among rivals in both the Iranian-Saudi and the Saudi/UAE/Egypt-Turkey conflict spaces. She argued that as the US demands more burden sharing from global players in the region and shows more reluctance to play the role of global policeman, other countries like Russia, China, EU and India all should chip in. Re-emphasising the convergence among GCC countries on the need to de-escalate tensions with Iran, Dr. Slim pointed out that except for Saudi Arabia, there are now bilateral communication channels between Iran and each of the other GCC countries. If nurtured, this positive trend could institute a long pause for Iran and GCC countries to explore diplomatic pathways on a number of issues of mutual concern including among others maritime security, conflict resolution in Yemen, and confidence-building measures in both the security and economic arenas.

**Dr. Mansour Almarzoqi** from the Prince Saud Al Faisal Institute for Diplomatic Studies, Riyadh, shared his views on **“Saudi Arabia in the Region and Saudi-India Relations”** saying that historically trade remains the focal link in relations of the whole of Arabia with India. He said that the theme remains central to this relationship even today. The fact that Saudi Arabia remains among the top five trade partners of India, a key supplier of energy etc. makes security central to this relationship. He emphasised that counter-terrorism cooperation remains the most important axis of this relationship. What lacks in this relationship, according to him, is a strategic vision. Both countries have not invested enough forethought into building the trajectory of this relationship for the next two-three decades. Talking about the region, Dr. Almarzoqi explained that a regional order represents a set of values, norms and a network of institutions through which countries mitigate regional challenges. According to him, Saudi Arabia is a status quo power being the founding member of the Arab League, OIC as well as the GCC. He argued that on one hand, Saudi Arabia along with other member states is trying to battle tremendous challenges internally from climate change, demography and diversifying economies from oil dependence. On the other hand, Iran is attempting to increase its strategic depth by building alliances with violent non-state actors based on sectarian identity. Iran, he states is a revisionist power, which has been interfering in internal matters of the regional countries, and this is the main reason for instability in the region.

**Dr. Muddassir Quamar**, Associate Fellow at Manohar Parrikar IDSA, spoke on **“Turkey at the Crossroads of Regional Turmoil: Between Realpolitik and Ideology.”** He argued that the proactive involvement of Ankara in the regional politics since the ‘Arab Spring’ has made Turkey a key factor in the geopolitics of the Middle East. Some of the recent foreign policy choices of Turkey, including military interventions in Syria, Iraq, Libya, Qatar and Sudan, exchanges with regional actors such as Iran, Saudi Arabia, Israel and Egypt, and engagements with the international powers the US and Russia, underline Ankara's foreign policy ambitions. While some interpret it as realpolitik based on Turkey's stakes in regional developments, others see it as an overwhelming contribution of the ruling AKP's ideology. There are other explanations as well, namely the role of Erdoğan's leadership and the impact of growing nationalist discourse in domestic politics. Howsoever, one wishes to rationalize the foreign policy choices of Ankara, there is little doubt that these have put Turkey at the crossroads of

the regional turmoil in the Middle East. He concluded that Turkey has put itself in a precarious situation by getting too involved, and though this has given Turkey a sense of importance in the immediate term, it has the potential to extract a huge toll on its limited resources in the long term.

- *Prepared by Ms. Shruti Pandalai*

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### Session - III

#### **Energy Security and Economic Growth in West Asia**

**Chair:** Dr. Sanjaya Baru, Distinguished Fellow, Manohar Parrikar IDSA and Former Media Advisor to Prime Minister of India

**Speakers:**

1. Prof. Girijesh Pant, National Fellow, Indian Council of Social Science Research at Symbiosis International University, Pune
2. Dr. Abdullah H. Al Salamah, Director General, Prince Saud Al Faisal Institute for Diplomatic Studies, Riyadh
3. Dr. Wael Al Batterkhi, Minister Counsellor (DCM), Embassy of the State of Palestine, New Delhi
4. Dr. Adil Rasheed, Research Fellow, Manohar Parrikar IDSA

Third session of the conference deliberated upon the “**Energy Security and Economic Growth in West Asia.**” Former Media Advisor to Prime Minister and currently Distinguished Fellow, Manohar Parrikar IDSA, Dr Sanjay Baru chaired the session.

**Dr. Abdullah Hamad Al Salamah**, Director-General, Prince Saud Al Faisal Institute for Diplomatic Studies, Riyadh, shared his thoughts on “**Economic Growth in West Asia and Energy Security.**” He discussed the economic situation in West Asia using economic growth indicators, in line with global economic prospects and analysed the important challenges in economic cooperation among the countries of the region. In the GCC countries, the main downside risks, he argued, are a substantial decline in oil prices, deterioration in the real estate sector, and the intensification of geopolitical risks. He argued that the region’s economic resources, market size and the young labour force is its greatest capital and has the potential to be a key driver for development, particularly within the Sustainable Development Goal (SDGs) framework. Hence, there is a need to nurture political will, robust connectivity among West Asian countries, accelerate economic and financial reforms, promote greater investments, and focus on education, skills and vocational training.

**Prof. Girijesh Pant**, National Fellow of Indian Council of Social Science Research at Symbiosis International University, shared his perspective on “**West Asia: Regional Stability-Security in Low Growth Era.**” He articulated that the ‘Arab uprising’ happened in the backdrop of a high growth rate. Apparently, growth may be necessary but is not a sufficient condition for regime security and regional stability. Prolonged conflicts in the region have created a “conflict economy,” which is reinforcing a challenge to stability and security of the region. Oil market is not going to bestow the region that fiscal depth which it could use in post-uprising phase. The oil prices might move up temporarily due to geopolitical reasons but none of the countries is going to have the fortune to move to a high growth trajectory. Low growth belies the aspirations of the youth looking for jobs. He argued that low growth regimes do not give space for fiscal manoeuvring in the form of subsidies. These measures are finding little acceptability because of their failure to address the growing disparity, besides poverty. The popular perception is that reforms are externally induced. The region suffers from a trust deficit. The region today is witnessing internal security threats, which are possibly more challenging to the regime and systemic stability than external threats.

**Dr. Wail Al Batterkhi**, Minister Counsellor, Deputy Head of the Mission at the Embassy of the State of Palestine in India, shared his viewpoint on “**Trump's Middle East Peace Plan**

**and Palestinian Economic Development.”** He argued that “Peace to Prosperity” is an American attempt to achieve a Zionist vision in the Palestinian society, designed by Israel, aiming to be implemented through the private sector. He emphasized that this deal/vision is a new Marshal Plan that will be implemented over a decade. The potential to facilitate more than US\$ 50 billion in new investment over the ten years led to claims that the deal represents the most ambitious and comprehensive international effort for the Palestinians to date. He stressed that President Trump and Prime Minister Netanyahu are not seeking Palestinian approval on this deal and the announcement came as a provocative short notice for the Palestinian people that the Israeli/American vision is already underway to confiscate/annex what remains on the ground. He pronounced that under the moto of the two states solution, they are taking the conflict to a one state solution where the Palestinian people will be treated as second-class citizens. Therefore, no Palestinian accepts this deal of annexation.

**Dr. Adil Rasheed**, Research Fellow at Manohar Parrikar IDSA, presented his thoughts on “**Economic Consequences of Terrorism for West Asia.**” He underscored that terrorist acts have ruined the economies of many countries in West Asia and Africa over the decades, as they have both direct and cumulating indirect economic effects. The most obvious impact is the economic destruction of lives and property, which are purposely directed against the economic prosperity and stability of societies, governments and states. The indirect effects on the economy include creating market uncertainty, xenophobia, loss of tourism, and increased insurance claims. Ironically, it has been found that although acts of terrorism generally do not have a lasting impact on the economic growth of developed countries, in the medium to long term. However, it have more devastating consequences for developing countries. In addition, terrorism in a developing nation raises the risk for foreign investors and even big domestic investors of not being able to get the returns to their investments in the future, which prompts investors to start looking for safer alternative nations to invest in. Terrorism exacerbates the informal and illegal economy in developing countries, worsens poverty and unemployment, causes internal and external displacement of peoples, enhances criminal activities and undermines education and health services.

The presentations followed an interactive Q&A session, which discussed issues such as the problem of terrorism and civil conflicts. It was argued that terrorism is episodic, while civil conflicts are structural. Further, questions were raised on the links between political instability and economic uncertainties. It was argued that some of the countries in the region remain attractive for investments and relocation of business such as the UAE and therefore, the impact of conflict vary from country to country. Another important issue that came up for the discussion was the need for mainstreaming of youth and engaging female workforce that can lead to change in the economic landscape. Economic constituencies will lead to some kind of devolution of power in the system, which eventually will lead to negotiation and political participation. Economy first should be the motto of the regional countries, and in that respect, the Arab Gulf countries can be the examples.

- *Prepared by Dr. Titli Basu*

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## Session - IV

### **Changing Nature of Conflict in the Gulf**

**Chair:** Amb. V. P. Haran, Former Indian Ambassador to Syria and Bhutan

**Speakers:**

1. Brig. Ashish Chhibbar, Senior Fellow, Manohar Parrikar IDSA
2. Dr. Sami Alfaraj, President, Kuwait Centre for Strategic Studies, Kuwait
3. Prof. P. R. Kumaraswamy, School of International Studies, Jawaharlal Nehru University
4. Col. D.P.K. Pillay (Retd.) Research Fellow, Manohar Parrikar IDSA

**Amb. V. P. Haran** initiated the session by discussing some of the prominent factors that are responsible for recurring conflicts in the Gulf. He highlighted sectarian and ethnic divides within the states, tribal and ethnic cross border links, changing relationship among states, low oil prices, US withdrawal from the JCPOA, and increasing political awareness of the people as contributing factors. Similarly, change in the nature of warfare at the global level, use of communication technology and growing transnational connectivity have led to burgeoning tensions.

The first panellist **Brig. Ashish Chhibbar** spoke on “**Changing Nature of Warfare in the 21<sup>st</sup> Century: Emphasis on the Gulf Region**” and argued that war is one of the constant features of West Asia. The region has been witnessing wars with regular frequency since the Second World War. He also noted that the wars of the future have been first fought in West Asia. The First Gulf War, for instance, was distinct in many ways, particularly in terms of use of technology as well as the role of media in the shaping of global public opinion. It also drew global attention to the environmental impacts of war. Similarly, during the Arab Spring, the world witnessed the power of the internet, social media and cyber weapons. Brig. Chhibbar claimed that parallel to the changing nature of conflicts, the region is also witnessing a change in the regional balance of power. Analysing the ongoing conflicts and tensions in the region, he put forth five significant observations on changing nature of warfare including (1) weaponisation of humans and technology, (2) the rise of dual-use of technology, (3) multiple contesting domains, (4) deliberate humanitarian crisis, and (5) people-centric warfare.

**Dr. Sami Alfaraj** while speaking on the topic “**Amid Crises, War and Strife the Silk Road Takes Shape**” noted that diplomacy and development are the weapons of Kuwait. Taking Kuwait's location, demography and power into consideration, he said that Kuwait could only use force in self-defence. He added that war should be judged, in terms of its contribution to peace, and states should make efforts to avoid wars and to seek development as a weapon. In the context of mounting tensions and conflicts, states should endeavour to build better relationships. Dr. Alfaraj emphasized that the changing security landscape in the region necessitates an unconventional response. The region needs to invest in developing connectivity and cooperation. He argued that in the current context of changing security environment in the region, connectivity programmes, trade and development partnerships are the only means to guarantee regional security. He further added that Silk Road project with the help of China would contribute to achieving this aim, particularly for Kuwait and its neighbours. Dr Alfaraj noted that the growing number of Chinese labours would not replace the Indian workers in the region.

**Prof. P R Kumaraswamy** while speaking on “**Multi-layered Conflict in the Persian Gulf**” argued that there are three broad levels of conflicts in the region; internal, inter-state and the regional. He highlighted the slow process of democratization, rising tensions within the GCC and the US’s intention to move out of the Persian Gulf as sources of conflicts in the region. However, Prof. Kumaraswamy emphasized the power asymmetry between Iran and its neighbours and perceptions about hegemonic interest of Iran are the primary roots of tensions. Iran is at present the most dominant power in the region with influence in Iraq, Syria, Yemen, Lebanon, Palestine and Bahrain. He further emphasized that unless there is a fundamental change in Iran's approach and policies towards its neighbours as well as the perceptions about its hegemonic intentions, the possibility of cooperation and peace in the region remains minimal.

**Col. D.P.K. Pillay** shared his thoughts on “**Fights against ISIS: Operational and Humanitarian Lessons**” and argued that wars were constant in the history of humankind, and every society has its code of conduct. Since the Second World War, the civilian casualties in the wars have increased considerably, and the maximum number of fatalities are from West Asia. Col. Pillay noted that modern wars have significant ramifications on social and human development other than loss of life. The displacement and hunger created by war became a significant cause of concern in the post-Cold War world, with one out of every 108 people globally displaced and 74 million affected by hunger. The war against ISIS is no exception. Several cities, houses, schools, and hospitals were destroyed during the war. Col. Pillay discussed how ISIS captured several cities in Iraq and how they carried out the administration. He noted that ISIS fought hybrid warfare by combining conventional methods and modern information technology.

In the Q&A session that followed, the participants raised several pertinent questions and comments. Among the issues discussed, the practical problems of US’s disengagement from the region, in terms of the regional balance of power and security, the inability of GCC members to solve the Qatar crisis, Israel's aggressive policies as cause for regional tensions and Iran's hegemonic intentions and irresponsible behaviour in the region remain prominent.

- *Prepared by Dr. Rajeesh Kumar*

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## Session - V

### **India and West Asia: Adapting to Changing Regional Realities**

**Chair:** Amb. Ranjan Mathai, Former Foreign Secretary, Government of India

**Speakers:**

1. Dr. Sheikh Abdullah Saleh Hilal Al Saadi, Directing Staff at National Defence College, Oman
2. Amb. Sanjiv Arora, Former Indian Ambassador to Qatar and Lebanon
3. Prof. Mohammad Hassan Khani, Imam Sadiq University, Tehran
4. Dr. Meena Singh Roy, Coordinator, West Asia Centre, Manohar Parrikar IDSA

Chairing the fifth session, the former Foreign Secretary **Shri Ranjan Mathai** began by underlining the vitality of the West Asia region for India and the world. He underscored India's conventional and growing the links with the region through diaspora, energy, trade and finance. He believes that India is aware of the changing realities in the region and is committed to maintaining the equilibrium in its foreign policy towards the region. He encouraged the speakers in the panel are encouraged to flag what they find wanting in India's relations with this vital region.

The first speaker was **Dr. Sheikh Abdullah Saleh Hilal Al Saadi**, a former ambassador of Oman to China, who shared his thoughts on "**Oman: Relationship between India and Gulf.**" He remarked that Oman follows a free, neutral and non-interventionist foreign policy. Oman believes in the policy of respect towards neighbours. As for India-Oman relations, he pointed out that their bilateral relations were some five hundred years old. He further noted that bilateral relations have seen tremendous improvement in recent years. There are around 300 joint ventures between the two countries. There is still huge untapped scope for growth in relations in sectors of fertilisers, engineering, maritime and energy security. He informed that Oman was struggling with low oil and gas prices like other countries in the region. Therefore, it is pushing for diversification of economic activities and exploring shipping, mining, transportation and infrastructure. In this context, the current high-level push for relations between India and Oman should yield positive results and deepen the relationship.

**Amb. Sanjiv Arora**, a former Indian ambassador to Qatar and Lebanon, spoke on "**The Importance of Middle East Region for India.**" He defined the relationship between India and the region as a partnership for peace and progress. He noted that there were several emerging trends and areas of cooperation. In this regards, he pointed out counterterrorism, intelligence sharing, cybersecurity and transnational crime prevention as the most important areas. Amb. Arora stated that India has extended e-visa facility to the most of the countries of the region. However, he highlighted the lack of annual and institutionalised summit-level meetings between India and the region, which hampers progress and follow up of the agreements between the political leaderships. He suggests that India needs to be more articulate on the regional affairs, without necessarily getting involved in them.

Speaking on "**Expanding India's Geo-Strategic Partnerships in West Asia**", **Dr. Meena Singh Roy** sought to answer the questions as to what India has achieved in the last six years and how effective its policy has been; what should be the new policy approaches and how India is adapting to the new changes in the region. She argued that in India's engagement with the region what stands out is the cementing of ties with the region, particularly with the UAE and Saudi Arabia; intensifying defence cooperation and re-energising ties with Iran (despite

sanctions by the US), providing a fresh impetus to relations with Israel. The focus on infrastructure development and energy has acquired strategic perspective, moving from transactional approach. She suggested that India should be looking for new approaches that goes beyond the Gulf and should emphasise on what India is already doing. Dr. Roy pointed to the India's engagement with non-GCC countries such as Jordan, Egypt and Iraq, which possess opportunities for New Delhi to explore, in moving ahead.

**Prof. Mohammad Hassan Khani** joined the session through *Skype* and spoke on “**Examining the Indian-Iranian Relations in Regional and Global Context**.” He stated that there are three layers of India-Iran bilateral relations: bilateral, regional and global. On bilateral level, historical and cultural ties remain the most important aspect of relations. At regional level, Iran is an emerging power in the Gulf region and remains indispensable to the region the way India is to the Indian Ocean Region. In the global context, the Iranian people have two images of India. The first image is of Gandhi and Nehru's country that upheld the Non-Aligned Movement (NAM). The second is image of India voting against Iran in the IAEA along with the US. According to him, the Iranian people are not able to absorb changes in India's foreign policy that has led to this transformation. He underlined that the two countries need the political will to create a new friendly image of each other among the people.

- *Prepared by Dr. Prashant Kumar Singh*

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## Session - VI

### **Round Table: Prognosis for the Future**

**Chair:** Amb. Navdeep Suri, Distinguished Fellow & Director, Centre for New Economic Diplomacy, Observer Research Foundation, New Delhi

**Speakers:**

1. Dr. Randa Slim, Director, Program on Conflict Resolution and Track II Dialogues, Middle East Institute, Washington DC
2. Dr. Dlawer Ala' Aldeen, President, Middle East Research Institute, Erbil, Iraq
3. Dr. Prasanta Kumar Pradhan, Associate Fellow, Manohar Parrikar IDSA
4. Prof. Aswini Kumar Mohapatra, Dean, School of International Studies, Jawaharlal Nehru University, New Delhi
5. Dr. Sami Alfaraj, President, Kuwait Centre for Strategic Studies, Kuwait

The concluding session of the conference was organised in a round-table format on the theme, **“Prognosis for the Future.”** Ambassador Navdeep Suri, who has previously served as India’s ambassador to the UAE, chaired the session and introduced the panellist. In addition, Ambassador mentioned that a major development of the last decade, in West Asia, has been the rise of Russia, Turkey and Iran.

The first speaker, **Dr. Randa M. Slim** argued there is a need to focus on not only on “black swan” events but also on “grey rhino” problems. Elaborating on the idea proposed by Michele Wucker, the author of *The Gray Rhino: How to Recognize and Act on the Obvious Dangers We Ignore*, she argued that the West Asian countries should divert their attention from the improbable events with high consequences, that is, the “black swan” events and focus on the “grey rhino” events that are highly probable, visible and impactful but not well-managed. Instances of “grey rhino” include, issues related to demographic growth, unemployment, climate change, and food and water scarcity. Dr. Slim mentioned that the “grey swan” issues that can be anticipated to an extent and have significant effect. The question of succession in Iran, success or failure of reforms led by the Crown Prince in Saudi Arabia, transformation of Egypt and the next move of Turkey should be watched with anticipation. She concluded that the fragile status quo in the region is expected to continue and the civil wars are likely to become a chronic condition.

The second speaker **Dr. Dlawer Ala' Aldeen** focused on India’s policy for Iraq’s future. He said that people in Iraq have a soft spot for India and Indian films and actors are popular in the Kurdistan region. India should focus on IT and education in promoting ties with Iraq, while keeping in mind the Chinese competition, India should focus on action. Reconstruction is a serious business in Iraq worth US\$ 88 billion, and India should promote and market itself well. He stated that Iraq is doing well in the short-term and there are chances that it will get stabilize in the long-term. The worst is over. Iraqi Shias are criticizing Iran for the first time though the placenta connects the two countries. Iraqi people attribute their miseries to the presence of Iranian paramilitary. Dr. Aldeen said that the US policies towards Iran are not helping the situation. However, one can expect no further escalation owing to their engagement with elections and Coronavirus, respectively.

The third speaker **Dr. Prasanta Kumar Pradhan** talked about past trends and prognosis for the future in the region. He said that prolonged transition is driving the region towards insecurity and the cooperation is at an all-time low. He emphasized that establishing military

alliances made these regime secure, confident and comfortable. He expressed concern over the remnant ideology of the ISIS, regional and transnational challenges to the regional organizations. He noted that over the years, regional organizations have proven themselves ineffective. He insisted that cracks within the GCC are widening and the relationship between Saudi Arabia and Iran remains a critical issue. Drawing attention to the failure of the United Nations, as well as national dialogues in containing the conflicts Dr. Pradhan mentioned about the humanitarian crisis in Yemen, unabated violence in Syria and the deteriorating situation in Libya. Lastly, he stated that India has made huge progress in its strategic engagements with the region and this momentum must continue in moving ahead.

The fourth speaker, **Prof. Aswini Kumar Mohapatra** emphasized on the conflict proneness of the region and said that the core issue of Israel-Palestine conflict has been ignored for some time due to emergence of new conflicts in Syria, Lebanon and Iraq. He believes that the causation of these conflicts can be ascribed to the inadequacies of the political systems prevailing in the region, as well as the cultural lacuna of the prevalent religion. He argued that stability and conflict proneness in the region is like a ‘chicken and egg’ problem. It is difficult to say if it is the failed state that leads to the failed region or the vice versa. He emphasized that the interplay of both structural and cultural aspects lead to the conflict. He emphasized that Prime Minister Narendra Modi has changed India’s foreign policy approach and directed it from non-alignment to the multi-alignment, which is visible most prominently in the West Asia region. He stressed that India needs to recapitalize its goodwill and should project itself as a soft power instead of a hegemon.

The last speaker **Dr. Sami Alfaraj** indicated that Kuwait and Muscat would continue to remain stable in the near future and the region will continue to depend on oil, at least for the next thirty years. The region will have royal families not performing their best and decision-making would not be done seriously and responsibly. The tendency to go for quick fixes, instead of long-term solutions will reign in the coming years, and the civil war situation in various parts of the region will become worse. Dr Alfaraj concluded that the West Asian political stage would remain in a state of revolutionary flux in the time to come.

The session and the conference concluded with an interactive Q&A session where issues such as the inability of regional and international actors in resolving the humanitarian crisis, and the status of scientific education in the region were discussed. The chair expressed hopes that the deliberations during the two-day conference has left the audience, and participants richer and wiser and that the views expressed in these sessions will help India formulate a better policy towards the region.

**Dr. Prasanta Kumar Pradhan** delivered the vote of thanks.

- *Prepared by Dr. Lakshmi Priya*

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## KEY POINTS AND SUGGESTIONS

### *Regional Situation*

- The fragile status quo in the region is expected to continue, and the civil war is likely to become a chronic condition.
- The tendency to go for quick fixes instead of long-term solutions will reign in the coming years and the civil war situation in various parts of the region will become worse.
- The problem of terrorism and civil conflicts are complex. Terrorism is episodic while civil conflict is structural.
- The link between political instability in the region and economic uncertainties is well recognised. Some of the countries in the region are attractive for investments and relocation of business like Dubai. Impact of conflicts varies from country to country. Some of them continue to remain attractive destinations for investment irrespective of the regional turmoil.
- West Asian political stage will remain in a state of revolutionary mobility in the time to come.
- The concept of the nation state is the prerogative that violence lies with the state alone. However, when there are powers within a state, which distance their own, then non-state actors resort to terrorism, and it eventually descends into civil war. The term terrorism is often used indiscriminately. When one refutes the institution of law, and there is no rule of law, it may start with terrorism, and as it gets complicated, it descends to civil war. Civil wars are an extension of a mind-set where there is polarisation. For instance, Syria.
- Mainstreaming of youth and engaging female workforce will lead to change in the economic landscape. Economic constituencies will lead to some kind of devolution of power in the system, which eventually will lead to negotiation and political participation. Economy first has to be move, and Gulf countries realise that.
- Evolving dynamics of cyber terrorism needs to be recognised. Online radicalisation poses a huge challenge to national security.
- Need to divert their attention from the improbable events with high consequences i.e., the “black swan” and focus on the “grey rhinos” problems that are highly probable, visible and impactful, but not well managed for example issues related to demographic growth, unemployment, climate change and food and water scarcity.
- Iran, Saudi Arabia, Egypt and Turkey are the countries that will change the course of events in the near future. Therefore, one needs to watch out for internal developments in these countries.

- Iraq is doing well in short term and there are chances that it will get stabilize in the long term. The worst for Iraq is probably over.
- The US policies towards Iran is not helping the situation however one can expect no further escalation owing to their engagement with elections and coronavirus, respectively.
- Kuwait and Oman will continue to remain stable in the near future, and the region will continue to depend on oil for longer than anticipated

### ***India and West Asia***

- The cementing of ties with the region, mainly with the UAE and Saudi Arabia, intensifying defence cooperation and re-energising ties with Iran despite sanctions by the US on the country stands out in India's engagement with the region in last six years.
- India should utilise, promote its soft power in the region more, and focus on finding cooperation in areas such as IT, medicine and education, especially with countries that have been devastated by wars and conflicts.
- The focus on infrastructure development and energy has acquired strategic perspective, moving from transactional approach, and India should be looking for new approached that goes beyond the Gulf and Israel towards deepening relations with other important countries in the region following the same template India has done with the Gulf countries and Israel.
- Reconstruction is a serious business in Iraq worth US\$ 88 billion, and India should promote and market itself well.
- The Gulf countries are pushing for diversification of economic activities and exploring shipping, mining, transportation and infrastructure sectors. In this context, India should seize the opportunity to deepen trade, investment and business relations.
- The region retains opportunities in several areas where cooperation can be enhanced, particularly in areas such as anti-terrorism, intelligence sharing, cybersecurity and prevention of transnational crime.
- There is an absence of annual and institutionalized summit-level meetings between India and the regional countries, which hampers progress in bilateral ties.
- India also needs to be more articulate on the regional affairs, without necessarily getting involved in them.
- On Iran, at the bilateral level, historical and cultural ties remain the most important aspect of relations. At the regional level, Iran is an emerging power in the Gulf region and remains indispensable to the region. Iran is not able to absorb the changes in India's foreign policy that has led to troubles in bilateral ties due to global factors. The two countries need the political will to create a new friendly image of each other.

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