

‘Arab Spring’: Implications for India

West Asia Centre

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Summary

India has longstanding historical and cultural relations with the West Asian region. For India, in particular, West Asia is a significantly important region. People-to-people contacts have existed between India and West Asia for centuries. India has been a supporter of the Palestinian cause and has demanded a comprehensive relationship with the Palestinian state and the people. Any development in the region has direct implications for India. There are nearly 6.5 million Indians living and working in the West Asian region. According to a World Bank report India received US \$ 70 billion in remittances during 2012 and a majority of the remittances came from the region. In addition, India's total trade with West Asia in the year 2012-13 stands at US\$ 205.71 billion. The region is also vital for India's energy security. Nearly two-thirds of our hydrocarbon imports are from this region.

The wave of popular protests called 'Arab Spring' started in Tunisia in December 2010 when the people protested against their ruler Ben Ali who then fled to Saudi Arabia. This raised hopes among millions of other citizens in the neighbouring Arab countries. Thus, within a short span of time the protests spread to other countries like Algeria, Libya, Jordan, Egypt, Syria, Iraq, Bahrain, Yemen and some other Gulf countries. The demands of the protesters varied from country to country but in general it included demands for political freedom, social freedom, press freedom, improved human rights conditions, economic betterment etc. The demands reflect a desire among the masses, particularly the new generation of young and educated, to be liberated from the reins of the old and authoritarian leadership and play a role in the decision making process of the state. Till date, the protests have overthrown four long serving dictators – Ben Ali of Tunisia, Hosni Mubarak of Egypt, Muammar Gaddafi of Libya and Ali Abdullah Saleh of Yemen. While the Bashar Al Assad regime in Syria is struggling for its survival, other countries have successfully managed to suppress the protests against the regimes either by crackdown by the security forces or by promising economic and political reforms.

This has brought the region a new contour – a wave of protests for democratic reforms in an otherwise authoritarian Arab world. The regime change also carries with it the potentials of change in policies towards the neighbourhood and beyond. Throughout the uprisings, the major regional countries have fought political and diplomatic wars among themselves trying to assert their influence over the region. The Shia-Sunni war of words has come to the fore during the protests. The outside powers have taken the opportunity to strengthen their interests by intervening in the conflicts. On the whole, the regional security scenario in West Asia has worsened with the arrival of the Arab Spring.

But the prospect of democracy in the region has receded. Most regimes have been able to keep at bay, at least for the time being, the calls for change. The expectations from the Arab Spring turned out to be overambitious. The old order has reasserted itself and managed to survive for the time being. Arab spring is now commonly referred to as Arab winter, reflecting the failure of protests movements to bring about change in the region. Democracy may not have come to these countries as expected, yet the region has nevertheless changed dramatically in the last three years. The regimes have survived, but there is no surety how long will they survive. The internal and external environment has changed. What is now clear is that the change will be unpredictable and nonlinear and violence ridden. The old order will have to find new ways of surviving. Repression, inducement and cajolement seem to be the tactic.

The major characteristics of the Arab spring have been:

- A great deal of violence has erupted and is likely to continue. There is no early prospect of democracy taking hold in the region. The new regimes are likely to be even more repressive. They will use repression and inducements to subdue protests and perpetuate themselves.

- A fall of Syrian regime will change the balance of power. The so called Shia “axis of resistance” consisting of Iran, Syria and Hezbollah in Lebanon will be weakened. Extremism will grow exponentially, affecting not only the region but globally. The historic sectarian fault lines have become wide open and the region could be torn apart if the sectarian tensions continue unchecked.
- Amidst the protests and violence in the Arab streets, Iran has risen as a major regional power. Iran-Saudi rivalry for supremacy will be the defining feature of the evolving situation.
- Religious extremism has become pronounced. Al Qaeda had got a second wind. Salafists are on the rise and becoming prominent in the political arena. Muslim Brotherhood has tasted power in Egypt but later has been thrown out of power and subsequently banned by the Egyptian government. The behaviour and future action of the Muslim Brotherhood will, to large extent, determine the security and democratic transition in Egypt.
- GCC counties like Qatar are involved in carving out a new balance of power. Qatar, though small but extremely rich, is playing an aggressive role in the new balance of power. Likewise, Turkey, which led the call for Assad regime to reform, has become an important player in the region. The regime is sympathetic to Muslim Brotherhood. But, the role of Turkey and Qatar is controversial and may lead to unintended consequences.
- The rise of Iran has deeply upset the Sunni regimes. Its alleged quest for nuclear weapons has alarmed the GCC countries and Israel. If Iran acquires a nuclear weapon, Saudi Arabia will almost certainly do so, possibly with the help of Pakistan.
- Chemical weapons have been used in Syria. Russia has brokered a deal under which Syria is set to hand over its pile of chemical weapons for destruction. Syrian regime has got a reprieve. In this process, the US has been seen as weak and not in control of the situation.
- The US policies may undergo change. The US has already started talk to Iran on nuclear issue and was forced to take Russian help in the Syrian case. The shale gas revolution in the US will reduce its dependence upon the oil from the region although its strategic objective of controlling Iran still remains. Saudi Arabia is extremely upset with the US on the Syrian deal and the US talks with Iran. It showed its displeasure by not accepting a seat in the UNSC, an unprecedented step.

Implications for India

India has longstanding historical and cultural relations with the West Asian region. For India, in particular, West Asia is a significantly important region. People-to-people contacts have existed between India and West Asia for centuries. India has been a supporter of the

Palestinian cause and has demanded a comprehensive relationship with the Palestinian state and the people. Any development in the region has direct implications for India. There are nearly 6.5 million Indians living and working in the West Asian region. According to a World Bank report India received US \$ 70 billion in remittances during 2012 and a majority of the remittances came from the region. In addition, India's total trade with West Asia in the year 2012-13 stands at US\$ 205.71 billion. The region is also vital for India's energy security. Nearly two-thirds of our hydrocarbon imports are from this region.

India has two choices: be passive and reactive as the region takes new shape, or, be proactive and help shape the region keeping its own interests in mind. Most countries in the region want India to play a more proactive role in keeping with its rising global profile. India's substantial interests in the region would compel India to be proactive and not be a mere bystander. India will have to carve out a well thought out strategy towards the region.

Political

- **Declare a clearly articulated "Look West Policy":** As India-Gulf relationship is taking an upward trajectory, and India's stakes and interests are growing with time, it is time for India to adopt a formally articulated "Look West Policy" in line with the successful "Look East Policy". The sheer volume of India's engagement with the region and its critical importance India's security means that standing aloof is no option. A "Look West Policy" should focus on strengthening bilateral political, economic and security ties with the countries of the Gulf region. As the countries of the region have adopted a Look East Policy to targeting the Asian powers, it is an opportune time for India to adopt and pursue a policy solely focusing on the region. Institutionalising the exchange of regular high-level visits and setting reasonably high targets with specific time lines will be necessary. Regular interaction at the highest levels will infuse further confidence in the relationship. Thus, India must articulate its interests in the region clearly through a Look West Policy backed by road maps and resources.
- **Appoint a special envoy for West Asia:** It may be useful for India to resume the practice of appointing a special envoy for West Asia who keeps in regular touch with the leaders of the region on a regular basis. It would help in understanding the changing political dynamics in the region and help shape India's policy towards them.
- **Upgrade bilateral relationships:** India has excellent bilateral relations with most countries in the region such as Iran, Iraq and the GCC countries. Egypt is reaching out to India to which India must respond favourably. With Palestine India has had historically friendly relations and India supports the Palestinian cause. India's relationship with Israel has strengthened since the establishment of the diplomatic ties in 1992. Israel has emerged as a major source of defence technology and equipments and also as a supplier of agricultural technologies to India. It is also keen to expand its ties with India at political level. These relationships are valuable and need to be solidified

and India must strengthen the bilateral relationship by engaging them in multiple fronts.

- **Cooperate on multilateral formats:** Along with strengthening bilateral ties with the countries of the region India must deal with these countries in multilateral forums like the GCC and Arab League. GCC is one such important and influential regional organisation in the region India has been trying to engage deeply with. India has links with GCC which must be continuously stimulated. Despite their internal differences on some matters, the countries of the GCC follow a similar policies on several political, economic, security and strategic matters. Most recently, their unity was reflected during the uprising in Bahrain where the member countries not only gave political support but also economic aid and military support to deal with the crisis. The shared challenges in the region have gradually made the organisation stronger and they have been taking steps to further strengthen their links and discover new areas of cooperation among themselves. Thus, it may be easier to deal with the organisation as a whole on matters on which all members of GCC have a common position.
- **Follow a balanced approach between countries:** India will have to do some fine balancing acts: between Iran and GCC; between Israel and the Arabs; between Israel and the Palestinians. The situation can be handled by taking principled positions, by expanding the basis of bilateral relations, by focussing on the economic and people to people content of the ties. India should also strengthen ties on human security issues, particularly, counter-terrorism. Given the complex nature of the politics in the region, it would be wise for India to continue with the policy of balancing its relationship with major players in the region. As India has stakes transcending the GCC, Iran and Iraq, taking sides will be detrimental to India's interests. Rather, India should try to engage with the countries and work together on the mutual areas of interest.

Security

- **Forging new cooperative security architecture:** The present security architecture in West Asia is US-centric. With the rise of new actors the balance of power in the region is being altered. India, on account of its considerable security interests should be alive to the emergence of new developments in the security arena and be proactive in the region. India's recent initiatives with the region reflect its growing desire to strengthen defence and security ties with the Gulf countries, though this has been taking place at a slow pace. There are several issues such as terrorism, piracy, criminal activities, money laundering and small arms smuggling which call for increasing security cooperation between India and the Gulf countries, but security being a very sensitive issue, these countries usually adopt caution in moving forward. However, as the security challenges continue to grow not only for India but also for the Gulf countries, increased cooperation in this field is required in the future regional security architecture. We should expand and strengthen our missions by posting new Defence Attaches in the region.

- **Build out of area capabilities:** During the protests as the security situation deteriorated in some countries, India took up the rescue efforts to evacuate citizens. India has successfully evacuated citizens from countries like Egypt and Libya. Keeping in view the fluid political and security situation in the region, such contingencies may be expected to arise in future. India should pay special importance to building out of area capacities. This will require building diplomatic capabilities, naval capacities and a dialogue with partners in West Asia.
- **Be prepared for a fundamentalist backlash:** The rise of extremism in the region will have unpleasant consequences for India. There are reports that extremists from Afghanistan, Pakistan and Bangladesh are fighting in Syria. India must be prepared to deal with the fundamentalist blow back from the region by strengthening its internal security systems, by raising awareness about the looming threat and by involving our moderate populations in bilateral and multilateral contacts. In the past, there have been reports of some extremist elements in India being ideologically motivated by some groups in the region and also of receiving money through *hawala* channel. Thus, India should remain prepared for any such backlash coming from the region.

Economic

- **Diversifying India's trade relations:** India's trade with West Asian countries is highly skewed and trade balance is mostly in favour of the regional countries except the UAE. India's bilateral trade is heavily dominated by the energy supply from the region. Also, a large chunk of the India's total trade is exchanged with big trading partners like the UAE and Saudi Arabia. Thus, there is a need to diversify trade with other countries of the region which needs special attention by India.
- **Need for enhancing investment:** The GCC's investments into India have increased in recent years (from US\$ 223 million in 2005 to US\$ 2639.5 million in January 2012), however, it remains much below their potential. India need to take tangible steps to attract foreign investments by further relaxing some trade rules including regulatory restrictions and inviting West Asian investors in general and GCC investors in particular to actively participate in India's robust growth story for mutual benefit. It is equally important to identify specific areas for cooperation such as export of engineering goods and textiles, and also a huge scope for increase in consultancy, including turnkey projects in the infrastructure sector in the Gulf region.
- **Cooperation in small and medium enterprise (SME):** India has built its expertise in the SME business model worldwide; though, this talent has still not been used in West Asian countries appropriately. India could influence this potential and the desire of West Asian countries to diversify their economies to build a mutually beneficial relationship. Trade and investment cooperation between India and the West Asian region must be based on a long-term strategy and an effective mechanism so as to

achieve the desired objectives of the two sides. The mechanism should be a multistage setup involving both official and non-official agencies like trade organisations, financial institutions and shipping corporations.

Energy

- **Energy Cooperation:** The current buyer-seller relationship needs to change into a partnership of criss-cross investments in India and the West Asian oil-exporting countries. This policy will facilitate greater interdependence and also help address the general criticism that India's policy towards the region needs to go beyond energy considerations.
- India should look for opportunities for joint ventures in West Asia not only with international companies but also with local companies. **Priority should be accorded to projects like LNG liquefaction, fertiliser and desalination plants and other such ventures which will be beneficial for both sides.** For attracting investments from the sovereign funds of these countries, India should engage in high-level diplomacy with countries like Saudi Arabia, the UAE and Qatar.
- Through a mutually agreed upon mechanism, a **share of the oil and gas revenues earned from India should be earmarked for investment in India.** The purchase of a minimum fixed volume of oil and/or gas at average monthly prices could be worked out and agreed upon bilaterally.
- **Iran and Iraq need to be factored in a big way while formulating India's energy policy towards the region.** Although Iraq is a high-risk proposition and Iran a problematic one, to ensure its future stable energy supply, India should work on long-term plans to expand its energy cooperation with Iraq and Iran.
- Food security is a big issue in the West Asian region. Therefore, an **energy and food trade-off can be looked upon as a policy option to strengthen India's energy ties with the regional countries.**
- Surplus refining capacity is India's strength, which should be leveraged through contractual arrangements involving the purchase of crude oil and sale of refined products with as many countries as possible. Some oil-exporting countries may want refining capacities to be created on their soil. India could enter into **joint ventures for establishing refineries on their soil.**
- There could be a **structured India-GCC energy cooperation dialogue** every year to enhance the energy cooperation between India and the GCC countries. Such a dialogue could cover upstream and downstream hydrocarbon cooperation, energy efficiency, renewable energy, clean technologies and civil nuclear cooperation.

Soft Power

- **Establishing India Chairs** in the West Asian countries would further promote their understanding of India. It is important for us to create awareness about India's foreign policy and the role that India can play in the establishment of peace and stability not only in the south or West Asia but also the in the world. India's capability and enthusiasm to play the role of a responsible world power should be emphasised and spread in the intellectual discourse and among the policy makers in the region. In this regard, establishing India chairs would be an important step in right direction. Indian educational, technical and vocational institutions should be encouraged to open their branches in West Asia, much the way the Western institutions are doing.
- Similarly, to give a further boost to the diplomatic presence in the region and spread Indian culture among the West Asian countries, India should seriously consider **establishing India Culture Centres** throughout the region. Culture Centres would facilitate understanding and exchange of each other's culture, people and promote understandings between the people. India needs to use its soft power such as cultural exchange, holding inter-faith dialogues and developing language skills.
- **An annual India-West Asia dialogue** should be established to discuss the developments in the region and to promote mutual bilateral relations between the two. Such a dialogue would provide an avenue for discussion of scholarly and policy related issues. Scholars and representatives from both India and the West Asian countries can gather to freely discuss and deliberate on the issues of mutual concern and interest. Premier Indian security think tanks could anchor such dialogues. India must devote substantial diplomatic and intellectual resources to understand the evolving trends in this highly complex region. Contacts must be maintained at official and non-official levels. MEA's public diplomacy division should be active in explaining India's links with the region and stressing India's stakes.
- **Building academic linkages:** India should devote significant scholarly and academic interests in studying the region. One dynamic step in this regard would be to bolster the teaching of Arabic and Persian languages and produce a crop of youngsters who can engage with the region at a level beyond that of skilled workers.