



India's engagement with West Asia through I2U2: Challenges and prospects

Nainika Kumari

Research Scholar, Department of Political Science, Bhupendra Narayan Mandal University, Madhepura, Bihar, India

Abstract

I2U2, a quadrilateral collaboration between India, Israel, the United Arab Emirates (UAE), and the United States (US), was established during the meeting of foreign ministers in October 2021. On July 14, 2022, the leaders of the aforementioned four members met for the first time virtually. The new Quad partners anticipate enhancing collaboration and partnership in the region, as mentioned in the inaugural summit, by combining complementary strengths and capacities to meet shared socioeconomic goals. However, due to the shifting dynamics in West Asia, there is much conjecture in the field of foreign policy regarding the strategic and geopolitical prospects, as well as the viability of this recently formed mini-lateral. This issue brief addresses the components of this recently created body and the future opportunities for cooperation in this context. The study examines the nature of current bilateral connections between members, their unique and different geopolitical interests, and the forces that bring them together while examining the future. It begins with a brief explanation of the goals of this new Quad.

I2U2 identifies six sectors for collaboration and investment: space, transportation, energy, food security, and water. In order to help modernise infrastructure, create low-carbon development pathways for companies, enhance public health, and encourage the development of vital emergent and green technologies in the member nations, it plans to harness private sector funding and expertise. The nations dispute that their collaboration with the mini-lateral's agenda, which focuses on economic and infrastructure development, has a military component. I2U2 is successful for India diplomatically as well. With a raised presence in West Asia, it gives India the opportunity to play a bigger role on the world stage. It gives New Delhi a fresh opportunity to broaden its partnership with Washington outside the Indo-Pacific without compromising its strategic independence. Additionally, it might strengthen connections with the West Asia, where India has economic and energy interests in and is a strategically significant region.

Keywords: I2U2, West Asia, new quad, geopolitics, energy interest, diplomacy, hydrocarbons

Introduction

I2U2 was started in October 2021 when S. Jaishankar, the Indian minister of external affairs, went to Israel to meet with a counterpart while the foreign ministers of the United Arab Emirates and the United States joined them digitally. The Abraham Accords served as the primary impetus for the creation of the new Quad. The latter was finalised in August 2020 and allowed Israel and three Arab nations—the UAE, Morocco, and Bahrain—to resume regular ties. Although Israel and the Arab States were once bitter enemies, the Middle Eastern political landscape has significantly changed as a result of the historic Abraham Accords. The I2U2 is also described as Israel's endeavour to improve ties with the UAE through a formal agreement (Chaurasia 2022, p. 74)^[2].

I2U2, which stands for India, Israel, the United Arab Emirates, and the United States, is the newest "minilateralist" alliance to emerge on the international scene. It is the most recent Quad in which India participates, and it alludes to the first letters of the names of the four nations. India collaborates with Australia, the US, and Japan in the other, older, and more established Quad, the Quadrilateral Security Dialogue. The inaugural summit of the new West Asia Quad took place in mid-July during US Vice President Joe Biden's trip to Israel. President Joe Biden electronically met Prime Minister Narendra Modi and President Mohammed bin Zayed al Nahyan of the UAE along with interim Prime Minister Yair Lapid of Israel. Nobody questions the original Quad's true objective, which

was to balance off China's expanding influence in the region, despite its stated goal of promoting a "free and open Indo-Pacific". The Quad and the AUKUS (Australia, UK, US) are both referred to by China as "exclusive cliques" and as being a part of the US administration's "ill-intentioned" Indo-Pacific policy.

The gathering of the group takes place as relations between India and Israel are at their best. Since Modi took office as prime minister in 2014, the two countries' ties have significantly improved, and India is now Israel's biggest weaponry customer with an estimated \$1 billion in annual purchases. Critics charge both governments with treating Palestinians, minorities, and dissenters similarly, which some ascribe to growing ideological proximity. India benefits in numerous ways from membership in the I2U2 organisation. It strengthens the Comprehensive Economic Partnership Agreement (CEPA) between India and the UAE, which is the Gulf region nation that contributes the most foreign direct investment to India. In five years, the CEPA is predicted to boost bilateral trade to a \$100 billion dollar level. A third of the population of the UAE, or 35 lakh Indians, reside there and are a significant source of manpower (Puri and Jyotika 2022, p. 32)^[11]

Following the meeting, a partnership for "integrated food parks" was declared. Land will be supplied by India, and the UAE will invest \$2 billion in the venture. According to a joint statement, the food parks will use knowledge from the US and Israeli private sectors to "maximise crop yields which, in turn, will help tackle food insecurity in South Asia

and the Middle East." Another initiative is a hybrid renewable energy project in Gujarat with a 300 megawatt capacity for wind and solar energy, supported by Israel and the US and funded by the UAE. "I2U2 has established a positive agenda right from the first summit held today," claimed Modi. In the midst of growing global uncertainties, he continued, "Our cooperative framework is also a good model for practical cooperation."

I2U2 is successful for India diplomatically as well. With a raised presence in West Asia, it gives India the opportunity to play a bigger role on the world stage. It gives New Delhi a fresh opportunity to broaden its partnership with Washington outside the Indo-Pacific without compromising its strategic independence. Additionally, it might strengthen connections with the Middle East, where India has economic and energy interests in and is a strategically significant region. If Israel tries to exploit the I2U2 platform to push its anti-Iran agenda, that might be a diplomatic deal-breaker. Given India's established and customary relationship with Iran, that will be a headache for New Delhi (Purayil 2020, p. 475) ^[12].

The geostrategic significance of I2U2

After Biden was elected president of the United States in 2020, foreign policy priorities were centred on Asia Pacific, Europe, and the western hemisphere and the Middle East was not one of them. Because the United States has been a key role in Middle Eastern affairs since the end of World War II, the Biden administration's reduced involvement in the region, particularly in Yemen and Iraq, was a signal of the region's waning importance to the United States. President Jimmy Carter of the United States issued a warning regarding the Soviet Union's expanding regional influence in 1980, stating that "any attempt by any outside force to gain control of the Persian Gulf will be considered a threat to vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force. This is also referred to as the Carter Doctrine, upon which the United States' Middle East strategy has been built (Joshi 2015, p. 254) ^[13].

The I2U2 was Israel's first move to broaden its influence in the Arab world after the Abraham Accords. Leaders from four nations came to an agreement to work together in the six crucial fields of food security, water, health, energy, transportation, and space during the inaugural virtual summit. Following the discussion, the UAE decided to invest \$2 billion in India to create food parks at a time when there is a severe food shortage, primarily because of the ongoing conflict between Russia and Ukraine. Because Russia and Ukraine are the world's top producers of gas and grains, respectively, and because of Russia's blockades in the Black Sea, the world is experiencing a food and energy deficit as a result of this war.

Therefore, four nations are using this conference as part of a "hedging strategy" to get ready for an uncertain future. These four partner governments are adamant about investing in the energy sector, particularly in renewable energy sources where there is no technology for storing such energy. The United States and the United Arab Emirates will be the group's investors, Israel will supply the technology, and India will serve as the installation site for the technology and investments. One example is the projected food parks in India.

India will benefit because it will attract investment, which will accelerate its industrialization. Additionally, this new alliance serves as a signal of India's expanding influence in international politics. The United States has authorised the "CAATSA16 sanctions waiver" for India on its purchase of Russian military equipment due to New Delhi's growing relevance to Washington. The United States now considers India to be a strategic ally, and Washington won't try to ignore this. It will be challenging for Israel and the UAE to manage the future course of relations with their economically China and to continue being a U.S. security ally. China and Iran have received a message from Washington that it is committed to limit their influence in the area and that it is not going anywhere. Particularly with the crisis between Russia and Ukraine, the Middle East has once again gained prominence in global affairs. The I2U2 is primarily an economic alliance, but the United States will collaborate with allies like India to oppose China, Iran, and Russia's influence (Suri 2022, p. 5)

The launch of the I2U2 is significant for several reasons. Foremost, it indicates a synergy among the four countries prioritising a cooperative mechanism to address issues of human security of the Middle East region. Hence, the grouping puts matters such as water, energy, transportation, space, health, and food security at the forefront. Broadly, the focus of the mini-lateral initiative is to harness the strengths of the four countries to develop unique solutions for challenges facing the region through geo-economic cooperation.

The relationships between regional and international powers as well as regional politics are affected by the new grouping. It moves the Abraham Accords' principles towards what has been called a "Indo-Abrahamic" alliance, which was inked in September 2020. This entails collaboration amongst like-minded regional and global powers in the development of cooperative structures for a win-win resolution to issues that affect them and the region. The I2U2 indicates the expansion of New Delhi's expanding involvement with the Middle East and the Gulf under Prime Minister Narendra Modi, as well as the expanding scale of India's strategic collaboration with the US, Israel, and the UAE (Quamar 2022, p. 1) ^[9].

The nature of relationship between the four member states

The four I2U2 members—two federal republics, a Jewish democratic state, and a monarchy—have extensive economic, military, and political ties with one another. Both India and Israel's top trading partner is the United States. India is the third-largest Asian commercial partner of Israel in 2019 and the second-largest trading partner of the UAE (2021). In February 2022, the Comprehensive Economic Partnership Agreement (CEPA) between India and the United Arab Emirates became effective. India was the world's greatest importer of weapons between 2017 and 21; Israel and the US, however, were its third and fourth-largest defence suppliers. Additionally, India is the biggest purchaser of Israeli military hardware. The nations also participate together in a variety of military drills, such as the Blue Flag air combat exercise in Israel or the Desert Flag exercise in the United Arab Emirates, which included both India and the US (Sharma 2015, p. 622) ^[14].

With the other three members, India has strong bilateral ties. It has a "Global Strategic Partnership" with the US, a

"Comprehensive Strategic Partnership" with the UAE, and 30 years of fruitful diplomatic ties with Israel. Approximately 30 percent of all residents in the UAE are expats from India, which is double the proportion of the original Emirati ethnic group. Additionally, a Strategic Partnership exists between the US and Israel. US was the third nation to formally open diplomatic ties with UAE following that nation's independence in 1971. The UAE is home to Al Dhafra, the busiest US air base in the world for surveillance flights, demonstrating the strategic proximity of their alliance. It is also home to Jebel Ali, the busiest port of call for the US Navy. Additionally, full normalisation of relations between the Arab UAE and the Jewish state of Israel has resulted from the signing of the Abraham Accords, which were mediated by the US in August 2020.

The four nations do not necessarily have the same ideological and geopolitical interests, despite their strong bilateral links. For instance, the US and Israeli perspectives on West Asia are heavily influenced by Iranian competition. On the other side, Iran continues to be a point of contact for India and the UAE. Despite pressure from Western sanctions, India's historical and cultural ties to Iran continue to flourish, as seen during recent diplomatic interactions between the two states. The growth of China has also meant different things to the four nations under consideration. India must walk a fine line with its current hostile neighbour while the US looks on warily at the expanding Chinese footprints in the area and the Indo-Pacific.

On the other hand, it has been noted that Israel and the UAE are reaping the benefits of the growing Chinese economic involvement in the area. Recently, China and the UAE elevated their relationship to Comprehensive Strategic Partnership. Concerns have been raised in Western countries, particularly the US, about China and Israel's growing defence and technical collaboration. As part of its centrepiece Belt and Road Initiative (BRI), China has invested in the construction of container facilities at the ports of Haifa (Israel) and Khalifa (UAE), which has increased US security worries in the area.

India's role in I2U2

India has vital interests in the Gulf and Middle East. Nearly 8.5 million Indians reside in the GCC states and their safety and security is a priority for New Delhi. Besides, Indian expatriates in the Gulf contributed nearly 30 per cent of the annual remittances received in India in 2020–21. India also depends on hydrocarbon imports from the region for ensuring its energy security. There are also strong business, trade and investment relations with the regional countries, especially the GCC states.

India has steadily improved its political and strategic ties with the area under Prime Minister Modi, and the country has increasingly deepened its diplomatic, political, economic, and security ties with neighbouring nations. While fostering bilateral ties with specific regional nations has been India's main priority up until now, New Delhi is now looking to expand its regional engagements due to the region's growing interest as well as the importance of the Gulf and Middle East in terms of international politics, energy security, and maritime security in the western Indian Ocean.

Since the I2U2 connects West Asia, South Asia, and the Pacific Ocean, each member will undoubtedly profit from its services. The group will give the US the chance to

strengthen and rebuild their alliance in the Middle East and further reverse Trump's approach to the area. However, it strengthens the UAE's position in regional geopolitics and helps them gain an advantage in the Persian Gulf, a crucial maritime route for oil transit. In the case of Israel, the I2U2 will strengthen Israel's ties with the Arab world in addition to the Abraham Accord and the recent Negev Forum. Israel would benefit from India's assistance in bridging the gap between Israel and Arab nations thanks to recently improved relations between the two countries.

India has always backed peace and stability in the Middle East since the Arab Spring in 2011 and the geopolitical changes in the region. Since it has had a close contact with West Asia since the Indus Civilization, India views the area as an extension of its immediate neighbourhood, which is significant in its overall strategy for the Middle East (Kumaraswamy 2010, p. 194) ^[15]. India has a high image among West Asian nations, therefore the US's decision to include India as a significant member of the I2U2 in its outreach strategy towards those nations was a natural one. The remarks of former Israeli NSA Major General Yaakov Amidrov, who contends that India's membership in the organisation is a game-changer, are significant given India's position in West Asia. Following QUAD, India's admission in the I2U2 improves its standing internationally. In order to strategically handle its national and regional problems, such initiatives tie India with other powerful nations like Russia, Europe, and China.

In order to maintain the stability of its bilateral relations with the nations of West Asia, India has maintained a safe distance from the geopolitics of the Middle East over the years. Being an odd one, it enables India to deeply engage in West Asia's geo-economics and develop its trading links with the nations of the Middle East under the I2U2. India is a lucrative market for the I2U2 due to its sizable consumer base and the availability of production facilities for high-tech and in-demand items. In the meanwhile, the I2U2 offers India political, economic, and social advantages; it will help India strengthen its ties to Israel and the Arab world.

One of the minilateral forums that have been developed over the past few years is the I2U2. Minilaterals (which frequently involve three to nine countries) offer an advantage in terms of flexibility, informality, select membership, and a goal-oriented emphasis because they are not burdened by the institutional limits and decision-making difficulties of bigger organisations. The expanding significance of geo-economics, which is influencing how nations work and develop alliances to achieve their economic interests, is what's driving this shift towards multi-alignment.

Member nations are able to forge confidence, get past political divides, and create a broad agenda for cooperation that combines geopolitics and geo-economics by concentrating on shared economic interests. The joint statement of the I2U2 countries, released after the July summit, acknowledged the applicability of this paradigm shift, stating that the group "is intended to mobilise private sector capital and expertise to modernise infrastructure, advance low carbon development pathways for industries, improve public health and access to vaccines, advance physical connectivity, create new solutions for waste treatment, explore joint financing opportunities (Quamar 2023, p. 276) ^[16].

Undoubtedly, each of the four nations joined the alliance for a different reason. The I2U2 offers India a platform to support its reaffirmed strategic engagement with West Asia. There is a strong economic case for India's participation in I2U2 because it has significant bilateral ties with each of the three nations. UAE was India's third-largest trading partner in 2022 with a total trade volume of US\$ 73 billion. Additionally, the UAE is India's second-largest export market, and it accounts for 40 percent of all of India's trade with the Arab world. Israel, meantime, is one of India's top defence equipment suppliers and a significant technical partner in a number of industries, including cybersecurity, agriculture, space, and defence. With bilateral trade expected to reach US\$ 119 billion in 2022 and investments making up 18 percent of all foreign direct investment, the US is India's largest commercial partner and second-largest foreign investor.

I2U2 is seen by Israel as a continuation of the Abraham Accords and a fresh chance to create a platform where it can unite its long-standing allies (the US and India) with its new allies (the UAE) through a more extensive economic and strategic alliance. Israel and the UAE codified their relationship through the Accords, which also allowed Israel to expand its influence throughout the Arab world and beyond. This is consistent with Israel's overarching objective of promoting the normalisation of relations with more regional nations.

The Emiratis see I2U2 as a flexible and focused coalition. They believe that by concentrating on complementarities, such a grouping will assist address global issues including the security of food, energy, and water. With an average rainfall of only 100 mm and a reliance on imports for 85 percent of its food supplies, the UAE is all too familiar with these difficulties. Additionally, the UAE views I2U2 as a platform that may advance its goals of fostering closer bilateral connections with the other three countries and positioning it as the link between West Asia and South Asia. Following the Abraham Accords, the grouping presents the United States with a low-hanging fruit through which it may develop bilateral and multilateral ties with its allies and partners, particularly in the West Asian region. This aids the US in containing China's growing influence in the area, notably in the areas of investment, innovation, and technology. The US's participation also shows that it has abandoned its conventional strategic and security prism in favour of a trans-regional and multilateral perspective on the global order.

Conclusion

The creation of the I2U2 can be viewed as a set of strategic steps made by the US, its partners, and friends to resurrect its alliance structure and fortify its position in the Indo-Pacific region. India's membership in QUAD and, more recently, the I2U2 is a reflection of its growing importance as a major participant on the international stage. The energy and food security issue between Ukraine and Russia is forcing nations all over the world to secure their energy and food supplies. In order to solve food insecurity in South and West Asia, the I2U2 addresses the vital Strait of Hormuz and proposes to build integrated food parks in India. The world needs a decent example for practical cooperation, according to PM Modi, and this circumstance necessitates India to make a significant contribution to the world economy.

I2U2 offers a special blend of Israeli cutting-edge technology, US international industrial know-how, Emirati economic resources, and Indian market dominance to present long-term competitive options that can help the current world economic order. The areas of collaboration indicated by this gathering, including - water, energy, transportation, space, health, and food security are both immediate needs and long-term imperatives in light of the current global unrest, such as the COVID-19 pandemic fallouts and the continuing Russia-Ukraine crisis. Thus, responsible leadership is needed to achieve balance in the aforementioned areas given the growing global population, diminishing capacity of the planet, and possibly destructive multipolarity contestations.

India is no longer content to remain the passive beneficiary of developments in the West Asian region, and Delhi is taking more initiative to strengthen its ties to the region in light of this realisation. I2U2 offers India a much more suitable leadership role for influencing the global socio-economic security framework than waiting for the ties to take shape naturally or merely reciprocating to events as they occur. However, it is still crucial for the member states to preserve the aforementioned global objectives in order to advance their own geopolitical interests. West Asia's stability, reduced volatility, and cooperative nature provide hope to the restless world of today.

References

1. Baig Muhammad Ali, Waheed Alyan. Analysing the First I2U2 Summit, 2022. URL: http://www.issi.org.pk/wp-content/uploads/2022/07/IB_Ali_Baig_and_Alyan_July_22_2022-1.pdf
2. Chaurasia Pavan. The New Quad in West Asia: The Present and the Future of I2U2, *International Journal of Political Science and Governance*, 2022;4(2):135-139.
3. Observer Research Foundation, I2U2: Pathways for a New Minilateral, 2023. URL: <https://policycommons.net/artifacts/3495286/i2u2/4295825/>
4. Suri Navdeep. The I2U2: Where Geography and Economic Meet, Observer Research Foundation, 2023. URL: <https://policycommons.net/artifacts/3456523/the-i2u2/4256892/>
5. Galistcheva Natalia. India and I2U2: Main Trends and Perspectives, *Moscow State Institute of International Relations*, 2023;1(1):1-20.
6. Rajagopalan Rajeswari Pillai. A Second Quad in the Making in the Middle East, Observer Research Foundation, 2023. URL: <https://policycommons.net/artifacts/3936868/a-second-quad-in-the-making-in-the-middle-east/4744387/>
7. Anas Omair. India-West Asia Relations under the Nationalist Modi Government, *International Studies*, 2021;58(1):59-79.
8. Agnihotri Ishani. I2U2: The Aspects and Prospects, *Indian Council of World Affairs*, 2022. URL: https://www.icwa.in/show_content.php?lang=1&level=1&ls_id=7760&lid=5166
9. Quamar Md. Muddassir. I2U2: A New Template for Cross-Regional Cooperation, *IDSAs*, 2022. URL: <https://idsa.in/issuebrief/I2U2-A-New-Template-mmquamar-050922>

10. Markey Daniel. What You Need to Know about the I2U2, United States Institute of Peace, 2022. URL: <https://www.usip.org/publications/2022/07/what-you-need-know-about-i2u2>
11. Puri Anima, Teckchandani Jyotika. India-UAE Relations: Emerging Dynamics, Central European Management Journal,2022:30(4):1-35.
12. Purayil Muhsin Puthan. Shifting Trajectory in India-Israel Relations under Modi, Israel Affairs,2020:26(3):471-483.
13. Joshi Shashank. India and the Middle East, Asian Affairs,2015:46(2):251-269.
14. Sharma Ashok, Bing Dov. India and Israel Relations: The Evolving Partnership, Israel Affairs,2015:21(4):620-632.
15. Kumaraswamy PR. India and Israel: Emerging Partnership, Journal of Strategic Partnership,2010:25(4):192-206.
16. Quamar Muddassir. India and the Gulf: Regional Security and India's Multialignment Policy, Asian Politics and Policy,2023:15(2):274-294.