

A Review of the Relations between Iran and India: From a Strategic Perspective

Document Type: Research Article

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Received: 2020/04/22

Accepted: 2020/07/16

Abstract

The contemporary political and economic relations between Iran and India, two major Asian powers are affected by various domestic, regional and international elements, especially after the Islamic revolution in Iran in 1979. The gradual increase of economic and political power of India in the regional and global interactions and the dominance of Look East Doctrine in the attitude of some of the Iranian decision-makers have caused both countries plan and pursue a new level of relations in terms of a strategic relationship framework. The relations between Iran and India have gone through many changes in the recent years such as energy security, nuclear program, relations between India and America and developments in Afghanistan. These developments have, on the one hand, created many limitations and on other hand many opportunities for the extension of bilateral relations between both countries. The question that arises now is whether Iran and India could enter the field of strategic alliance with each other? Iran and India share historical and cultural relations with strong roots and both countries are after a balanced and multi-polar power system against the America's unipolar system. It is to be noted that the way is paved for their political, economic and transportation cooperation among others. The hypothesis is that common interests and mutual vulnerabilities have strengthened the capacities for bilateral cooperation in the fields of economy and security. However, the formation of a strategic relationship between the two countries seems difficult due to the strategic relations between India and America, India and Israel and a lack of common vision on the power structure in international system.

Keywords

Iran, India, strategic relations, energy.

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Introduction

India's relations with Iran have always been deep and its roots can be traced back several thousand years. Considering the immigration of Iranian Zoroastrians to India about 14 centuries ago and subsequent adoption of the Persian language as the official language of India for quite some time, we may conclude that the two states have deep historical and cultural relations with each other. This sentiment was echoed by Jawaher Lal Nehru who said; "there is no country closer to India than Iran" (Nehru, 1982: 15). Even today most Indian policy makers, keeping in mind that India houses about 10-15% of the world's Shia population, much of which is concentrated in electorally-significant areas, the largest Zoroastrian community living in India and a considerable Iranian student population studying in India, publicly tend to emphasize the deep historical and cultural ties between the two states.

Relations between Iran and India, two ancient civilizations, go far back in history. However, the contemporary politico-economic relations between these two major Asian powers, especially after the Islamic revolution in Iran in various different domestic, regional and international elements. In fact, the existing realities of the regional and international arenas and also the dominant domestic ideologies have dictated different foreign policy approaches to policy makers of both sides, especially during recent years.

The question now is whether Iran and India could enter the field of strategic alliance with one another? Historical and cultural relations between Iran and India have strong roots, so that Iran and India want a global multipolar balance of power against America's unipolar system considered. The hypothesis is that common interests and mutual vulnerability potentials for bilateral cooperation in the fields of economy and security has improved, but the formation of a strategic relationship between the two countries because of the strategic relations between India and America, India, Israel and different vision about power structure in international system will be difficult.

1. Theoretical Framework

Arguments over the motivation behind and consequences of alliance formation in the international system continually resurface in the international relations literature. Most theories of alliance dynamics center on the bandwagoning vs. balancing debate. Scholars from the neorealist camp tend to view alliances as a means of aggregating capability to balance rising powers or threats (Waltz 1979; Walt 1987), while those adhering to more classical realist tenets perceive alliances as a means of obtaining new

power (Schweller 1994). These points of view reduce to conflicting hypotheses: balance of power thinking expects that alliances between states of similar capability will predominate; bandwagoning theories that alliances between small states and rising powers will proliferate .

George Liska proposes that alliances aim at maximizing gains and sharing liabilities and all association depends on the existence of identical interests. Therefore, in terms of internal and international security interests, states are directly acting based on their self-interests when they form alliances.

In addition, states choose alignment in order to accomplish specific security goals more easily. In other words, the aim of balancing is self-preservation and the protection of values already possessed, while the goal of bandwagoning is usually self-extension: to obtain values coveted. Simply put, "balancing is driven by the desire to avoid losses; bandwagoning by the opportunity for gain," as Randall L. Schweller noted (Schweller, 1994).

In Schweller's view, both Waltz and Walt assume that states act to preserve what they already possess, that all states have a status quo orientation, as opposed to Morgenthau's earlier work that emphasized states' compulsion to maximize their power. But if all states were satisfied with what they had, what would be the motivation for aggression and war? Waltz claims that the primary cause of war is uncertainty and miscalculation, but in Schweller's view, it is clear that some states are revisionist. Moreover, this status quo bias in structural realist analysis leads to the narrow interpretation of bandwagoning as the opposite behavior of balancing. Both are supposedly motivated by the quest for security, but bandwagoning is seen as a strategy for achieving it by giving in to threats rather than deterring them. Against this, Schweller argues that "the aim of balancing is self-preservation of values already possessed, while the goal of bandwagoning is usually self-extension: to obtain values coveted." (Schweller 1994, 74).

Cooperation Opportunities: Relations between India and Iran are far-reaching and multi-dimensional. The two states have recognized that they have a lot to offer one another and have acted to expand cooperation in a number of key areas.

Security and Defense Cooperation: One of the most significant provisions of the New Delhi Declaration sought to upgrade defense cooperation significantly between the two countries. Sea-lane control and security, as well as discomfort with the emerging presence of the United States in the Persian Gulf, were partially responsible for Indo-Iranian naval exercises in March 2003 and again in 2006. Defense cooperation beyond

this, however, has been sporadic and low-level. Expectations that India would assist Iran in upgrading its Russian-made defense system have not yet come to fruition. Cooperation in this area seems to represent generally strong Indo-Iranian relations rather than a broader defense alliance.

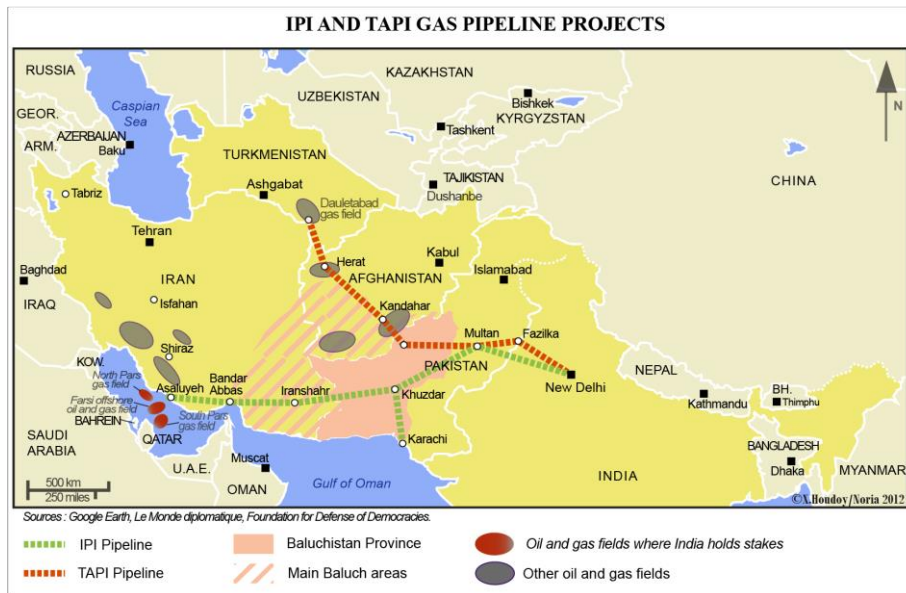
Ties with Iran also give India some leverage in counteracting China's increasing presence throughout Asia and in boosting India's regional influence. This is perhaps most apparent along the Indian Ocean, where New Delhi is working with Tehran to open the Iranian port of Chabahar. This cooperation no doubt represents Indian interests in countering the massive Chinese investment that fostered the opening of Pakistan's Gwadar port, considered by India to be a "listening post from where the Chinese may exert surveillance on hyper-strategic sea links as well as military activities of the Indian and American navies in the region, and...a base for Chinese ships and submarines," and consequently a direct threat to Indian security (Jaffrelot, 2011). The development of Chabahar and Indian investment in infrastructure along Iran's border with Afghanistan could also increase Iranian and, at least theoretically, Indian influence in Afghanistan to help counter Pakistan's influence. Further, greater regional stability and balance of power would indirectly heighten India's energy security by improving the possibility for the safe procurement and transportation of resources as well as for cooperation and dialogue on energy issues.

economic ties: The potential development of non-energy bilateral economic ties between Iran and India is another factor. Iran's import of agricultural goods like rice from India can be cited as a good example in their interdependency. Although, the U.S. economic sanctions on Iran might have given some hindrances to the relations between Iran and India, Indian companies and traders are keen to explore economic opportunities in Iran which has a population of over 78 million.

Iran needs to develop its ties with India especially in bilateral trade and energy. The declarations of Tehran in 2001 and of New Delhi in 2003 concerning energy and trade jointly emphasize the desire of the two states in developing oil and commerce sectors in respective countries (Thohidi: 2008, 158). A considerable Iranian student population studying in India, as well as India's need for Iranian crude oil in particular and the desire for developing trade with Iran in general are the causes leading to the deepening of their relationship at the present times.

Energy Security: Given its exhaustive energy needs coupled with the lack of its own reserves, India is one of the world's largest energy importers. New Delhi and Tehran have explored various methods to get Iran's abundant hydrocarbon reserves to India.

To understand India’s interest in Iran, one must first consider the country’s dire need for energy security and the apparent issues with alternative options. Despite a recent slowing of economic growth, India still represents one of the fastest-growing economies in the world and the third largest in Asia (BBC News, February 29, 2012). Sustained growth rates of 6%–8% have demanded high energy consumption, thus drawing India into global markets and making energy security a top policy priority. Indeed, India became the fourth-largest primary energy consumer in the world in 2010, with an increase of 9.2% in consumption between 2009 and 2010.(Sharma,2007:159).



is the fourth largest consumer of energy in the world, with oil and natural gas constituting nearly one-fourth of India’s energy consumption. While its economy continues to develop, its dependence of oil and gas increases. Since three-quarters of its oil comes from abroad, India’s need for foreign resources of crude oil and natural gas energy is a crucial element in Indian policy.

The two nations unveiled ambitious plans for an Iran-Pakistan-India (IPI) Gas Pipeline in 2005 that would run directly from Tehran to New Delhi through Pakistan. Proponents of the pipeline contend that it would not only help meet India’s growing energy demands, but would also give the countries involved—especially India and Pakistan—a stake in regional

peace, possibly reducing the threat of conflict between the two states. Plans to move forward with the project, however, have stalled. Iran's insistence that the price of gas being sold to India be renegotiated every five years, coupled with a dispute with Pakistan over transit fees, has prompted India to opt out of the current round of trilateral talks on the pipeline. New Delhi has said it is still interested in pursuing the deal but is likely to wait and see how the precarious political situation in Pakistan unfolds before resuming negotiations.

Iran is further important to India's energy interests as a link to Central Asia and the Caspian region—areas that boast a wealth of energy resources and offer strategic opportunities for India to step up as a security provider and trading partner while securing its position as a major player among the international powers active in the region. With China locking in large contracts in Central Asia as part of a declared effort to establish an energy bridge from the Caspian to Xinjiang, it is in India's interest to increase its presence in Central Asia and the Caspian region. Volatile relations with Pakistan and instability in Kashmir and Afghanistan naturally leave Iran as an important passageway and hence a key factor in India's realization of its regional interests (Blank, 2012: 298).

2. Cooperation Constraints

2-1. The Indo–Israeli

The Indo–Israeli relations could not effect Iran's relations with India. For example they have not always managed to brush over their differences on Iran's nuclear program. The differing reactions in Israel and India to the recent six-power agreement with Iran highlight the only point of strategic divergence between the two long-time partners. While Israel has not been satisfied with Geneva Action Plan and the potentially broader international rapprochement with Iran it signals, India has welcomed it with cautious optimism. More generally, while Israel perceives Iran's nuclear posture as an existential threat, India sees it more as a geopolitical hindrance to increasing New Delhi's strategic profile in Tehran. And even during the recent period of American financial sanctions on Iran, the Islamic Republic continued to be India's third-largest source of crude oil, a position that might be improved upon in the coming months due to Iraqi recent crisis which may destabilize its oil production.

The Iranian government knows that every state tries to achieve its own national interest and as such takes into consideration the fact that India's foreign policy like any other state is predicated on its national interest. This was made clear to the Iranian government during a visit to Iran

by the Indian commerce secretary in 2002 when he said “India will support good relations with all the states including Israel” (Zargar; 2007, 173). Though the Iranian government has expressed its concern over the expansion of Indo–Israel ties, it has not shown a desire to cut or reduce its political and economic relations with India. The recent visit of the Iranian Foreign Minister, Javad Zarif, to India aiming to develop economic relations between the two states can be seen as a demonstration of that.

India has vital interests in maintaining close ties with the United States and Israel, but the increasingly critical need for energy security has compelled New Delhi to foster ties with regimes strongly contested by Washington. The significance of this dilemma is clear in India’s relationship with Iran, a major regional energy-producer and a staunch adversary of the United States and Israel. As India builds its economic and industrial capacity to become an influential global player, its energy needs will only continue to rise. As a consequence, the importance of oil- and gas-producing countries to India will not diminish anytime soon, and India will need to increasingly pursue energy resources and diversify supplies. There is reciprocal value in relations between India and the United States and Israel, as well as in these countries’ shared concern over Iran’s nuclear ambitions. New Delhi has accordingly demonstrated some willingness to cede its ambitions in Iran in response to Western concerns and has avoided a military relationship with Tehran. Yet this response to U.S. concerns will likely be limited by Indian objectives and an ongoing drive for strategic autonomy. Iran can help satisfy India’s energy demand, diversify the country’s suppliers, and assist with achieving some of its regional objectives. The benefits of this relationship are presently accentuated by China’s emergence as a major regional power and competitor for energy resources. In this setting, the significance Iran holds for India cannot be dismissed. Given this dynamic, the United States and India alike may benefit from inclusive dialogue in international forums to develop alternative solutions for meeting India’s growing demand for energy.

Domestic and regional issues thus add to the significance for India of a dialogue with Iran, and these issues will only demand greater attention as the Taliban threatens to re-emerge in Afghanistan upon the withdrawal of U.S. troops in 2014.

2-2. Indo-US Relations

The formalization Of a strategic agreement between India and the United States in 2004 marked an important change in India’s foreign policy. This event contrasted with the unanimous condemnation expressed by the UN

Security Council of India's nuclear tests carried out in 1998. India, as well as Pakistan, were asked to sign the NPT without delay while putting an end to their ballistic and military nuclear programmes. In addition, until September 2001, the US adopted unilateral sanctions against the two countries, suspending foreign aid and restraining access to American technologies.

Determined to establish a partnership with the US, Indian representatives launched a series of successful diplomatic initiatives. Bill Clinton's visit to India in March 2000 was the first visit from an American President since 1978. During George W. Bush's mandate, regular meetings between Condoleezza Rice and her counterpart Brajesh Mishra led to the adoption of the 'Next Steps in Strategic Partnership' in January 2004. (mea.gov.in,2004)

On July 18, 2005, India and the US signed the Civilian Nuclear Deal, which opened the way for the integration of India into the international nuclear regime. In fact, in September 2008, the Nuclear Supplier Groups (NSG) levied the embargo on India to engage in nuclear trade that was put in place following its first nuclear test in 1974. The last step of this strategic connection was the signature of the 123 Agreement in 2008, in which the US committed to supply nuclear technology to India (state.gov,2008). This agreement sealed the singular status now enjoyed by India as the only country allowed to be part of the Global Civilian Nuclear Trade without having signed the NPT.

At the same time, India's relations with Iran could prove to be a useful bridge between the United States and Iran. Rather than pushing to curb these ties, the United States may find value in considering India's potential as a key interlocutor in reaching out to Iran. This is especially the case with respect to Afghanistan, where there is a significant convergence of interests among the three countries. Even limited cooperation would profoundly alter the Asian geopolitical landscape and allow the United States to better manage the negative regional externalities emerging from the stranglehold of the military-jihadi complex on Pakistan's polity. A rapprochement between the United States and Iran is also in India's interest, and New Delhi could hold a unique position as an interlocutor given that it enjoys the confidence of both the U.S. and Iranian governments. (Pant and Super, 2013: 19).

Conclusion

A strategic alliance presupposes a series of common points of view on world politics and the long-term view on the international scene which is created on the basis of a long term commitment between the sides. The two nations of India and Israel have no common enemies and are not threatened by one

or more nations simultaneously and are therefore not a strategic alliance against foreign powers. Israel from its inception has been surrounded by Arab nations and has been alienated by the Muslim nations in the Middle-East. This has led to the enactment of a peripheral plan by Israel since the early 1950's which has been one of its most important foreign policy goals. We can state that the mutual needs has created the rapprochement and the development of Israeli-Indian relations, however these are not permanent and stable and can change according to other conditions and variables.

The biggest area of difference between Iran and India is likely to be Tehran's nuclear energy program. India has categorically stated that a nuclear-armed Iran is not acceptable, although New Delhi has not made clear how exactly it will prevent Iran from acquiring the capacity to build an atomic weapon.

India continues to place great weight on relations with the United States, despite lingering resentment over U.S. support for Pakistan. There is at present a certain alignment of interests over key issues that naturally link the United States and India. shared desires to counterbalance the rise of China , Economic interests in the form of trade and investment also drive the relationship, and ultimately both countries have an interest in stabilizing India's regional neighborhood in order to limit terrorism, promote economic stability, and create an environment in which India can successfully emerge as an influential democratic global player.

In the light of these realities, what should Iran and India do in terms of its foreign policy?

First, Indian and Iranian policy will have to be autonomous and balanced. It should be geared towards maximizing their national interests, taking advantage of new opportunities and working within its means.

Second, India and Iran policy cannot be independent of theirs policy towards the GCC, West Asia, relations with the US and Domestic. India and Iran should look to formulate an integrated policy towards the region and not follow an aggregate of individual policies.

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