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India-Israel Relations: Towards "Strategic Cooperation" Mushtaq Hussain

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ver since the establishment of full diplomatic relations in January 1992, the Indo-Israeli ties have witnessed a tremendous growth. Most of this has largely been fuelled and dominated by India's requirements for state-of-the-art military technology and hardware from Israel. In the latter, New Delhi found a willing partner for the up gradation and modernization of its defence forces, which was neither encumbered by ideological baggage nor had direct geostrategic stakes in the region. This 'no-strings-attached' approach on the part of both countries has been the most interesting dimension of their military ties. While benefitting from the Israeli expertise, India proved to be a major market for the Jewish State. Riding on this confluence of interests, both countries have managed to put aside the uneasy past, and develop a new level of trust and operational understanding.

After much deliberation and persuasion in September 1950, Prime Minister Jawaharlal Nehru granted formal recognition to Israel. Even though an Israeli consul took up position in erstwhile Bombay in 1953, various domestic, regional and international developments prevented India from taking the logical step of establishing full diplomatic ties with Israel. New Delhi's commitment to and leading position in the Non-Aligned Movement, its closeness to the Arab leaders and its geo-strategic convergence with Moscow were among the reasons for a lack of

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¹ P R Kumaraswamy, *India's Israel Policy*, (New York: Columbia University Press, 2010). **Middle East Institute @ New Delhi,** www.mei.org.in

progress on the bilateral front. For much of the post-1947 years, India's policy towards Israel was dominated by non-relations rather than active engagement.

In the mid-1980s, especially during the tenure of Prime Minister Rajiv Gandhi, India initiated a number of direct and indirect contacts with Israel. This process was carried forward by Prime Minister P.V. Narasimha Rao, who sought to make Indian foreign policy more pragmatic. The end of the Cold War, and the consequent ideological weakening of the Non-Aligned Movement, helped India move towards full relations with Israel. Inauguration of the Madrid peace process in October 1991 and the willingness of most of the Arab countries to secure a negotiated peace with the Jewish State further enabled Rao to pursue a new policy towards Israel. On 29 January 1992, more than four decades after its recognition, India announced the normalization of relations with Israel. The opening of embassies by both countries paved the way for a steady flow of political, military and commercial visits, indicating the vast scope for cooperation in various fields.

Notwithstanding the seemingly unbridgeable differences in terms of geographic, political, ethnic and social realities, both countries share quite a few common traits. Both states are democracies, generally exceptions in their respective tumultuous regions, and have modern state systems governing centuries-old civilizations. The two also have certain commonalities in terms of political disputes that face them; for example, in the early years both were confronted with the task of absorbing scores of refugees and ensuring their rehabilitation, and had to face territorial disputes, though the intensity and narrative varied immensely. Both possess nuclear capabilities, a fact which assumes even more significance if viewed in light of the conflict-prone regions they belong to. For India, further complications are created by the presence of two nuclear-capable states on its borders. Israel perceives a similar threat over growing international concerns regarding Iran's nuclear ambitions. Both countries also share an identical view on the nonproliferation regimes such as the Nuclear Non-Proliferation Treaty (NPT). Further, the two countries view the United States in friendlier terms, although in India's case it is a recent development. Above all, both countries have a significant minority population whose welfare would shape and determine not only their heterogeneous character, but also test their ability to maintain and strengthen their democratic credentials. These shared commonalities have enabled the two states to come closer in the last two decades, and forge a strong bilateral relationship.

Over the years, the Indian security establishment came to appreciate and respect Israel's military experience and expertise, and there was close collaboration between respective intelligence agencies, India's Research and Analysis Wing (RAW) and Israel's Mossad. ² During the prolonged years of non-relations, the Indian security establishment had observed and studied the experiences of the Israel Defence Forces (IDF) in combat operations and counter-terrorism. Moreover, even when there were no formal ties, India did not hesitate to seek and secure Israeli

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² Harsh V Pant, "India-Israel Partnership: Convergence and Constraints," *Middle East Review of International Affairs (MERIA)*, Vol. 8, No. 4, 2004 http://meria.idc.ac.il/journal/2004/issue4/jv8no4a6.html

assistance. During national crises such as the Sino-Indian conflict in 1962 and the Indo-Pakistani wars in 1965 and 1971, India sought and obtained a limited quantity of small arms and ammunition from Israel.³ Despite not being acknowledged in public, these interactions signalled a mutual understanding of the security concerns shared by the two countries.

Normalization of relations presented an opportunity and a formal structure for greater cooperation in the security arena. In recent years, both countries have adopted similar positions on various arms control issues and terrorist violence that they are confronted with. The attack on the Chabad House in Mumbai on 26 November 2008 is a case in point. Arms exports remain an essential and integral part of Israel's foreign policy. These provided Israel with the opportunity to establish relations with countries and circumvent the diplomatic isolation it had to face. Arms exports also formed a major part of its security policy, as they reduce not only the cost of production but also help offset the huge costs of research and development.

All these factors account for the rapid growth witnessed in the bilateral relations. Reciprocal visits between Israel and India, since the normalization of ties, indicate the growing acquaintance and strength of the relations. Since 1992, there were a number of state visits between the two countries. These include the visit of Israel's President Ezer Weizman in early 1997, and the visits of India's Home Minister L. K. Advani and Foreign Minister Jaswant Singh in the summer of 2000. Around the same time, West Bengal's Chief Minister and CPI (M) leader Jyoti Basu also visited Israel. Prior to becoming President, Shimon Peres had visited India thrice since his first visit in May 1993. In his first overseas trip after assuming office, Home Minister Advani said, "...cross-border terrorism, illegal infiltration and border management are concerns that have brought me to Israel." Officials from the Intelligence Bureau (IB), RAW and various paramilitary officials accompanied Advani to discuss border protection and measures to counter insurgency. Further, in order to take defence ties to higher levels of cooperation and realize the potential in the field, a Joint Working Group on Defence Cooperation was setup in 2001. In fact, such an idea was mooted by Advani himself.

India's National Security Adviser Brajesh Mishra was closeted in his office with his Israeli counterpart Major General Uzi Dayan, discussing joint security strategy, when the 11 September 2001 terror attack struck the World Trade Centre and the Pentagon.⁵ In May 2003, Brajesh Mishra expounded the rationale behind a 'US-India-Israel strategic partnership' before a responsive audience of the American Jewish Committee. He opinionated that only a 'core'

³ P R Kumaraswamy, "Strategic Partnership between India and Israel," *Middle East Review of International Affairs* (MERIA), Vol. 2, No. 2, 1998 http://meria.idc.ac.il/journal/1998/issue2/jv2n2a6.html

⁴ Rahul Bedi, "Israel becomes India's No. 2 Weapons Provider," *Asia Times*, 27 July 2002, http://www.atimes.com/atimes/South_Asia/DG27Df03.html

⁵ Ninan Koshy, "US plays Matchmaker to India and Israel," *Asia Times Online*, 10 June 2003, http://www.atimes.com/atimes/South_Asia/EF10Df03.html

consisting of democracies such as India, Israel and the United States can deal with terrorism. The theme of India, the United States and Israel being 'prime targets of terrorism,' having a 'common enemy,' and requiring 'joint action,' which Mishra explained, had already found favour in the three capitals.⁶

In order to institutionalize cooperation in the field of combating the menace of terrorism, the India-Israel Joint Working Group on Counter-Terrorism was established in 2000.⁷ Both countries also signed an intelligence-sharing agreement in 2007. As Brian K. Hendricks points out, it is important to note that much of the counter-terrorism cooperation happens outside of the Indian Ministry of Defence, as this is mainly an issue for Ministry of Home Affairs and Ministry of External Affairs.⁸ India and Israel have also conducted bilateral army and air force exercises, with a focus on counterterrorism.

The highpoint of bilateral relations was the September 2003 state visit of Israeli Prime Minister Ariel Sharon, the first ever by an Israeli PM. During the visit, the Delhi Statement of Friendship and Cooperation was issued. Further, India and Israel signed numerous agreements on Environmental Protection, Cooperation in Combating Illicit Trafficking, Cooperation in the fields of Health and Medicine, etc. In January 2004, Indian Minister of Commerce and Industry Arun Jaitley headed the Indian delegation to the Joint Economic Committee, which met in Israel. Minister for Commerce and Industries Kamal Nath visited Israel in November 2005, during which a Joint Study Group (JSG) was established to boost bilateral trade from US\$ 2 billion to US\$ 5 billion by 2008. Such an agreement was aimed at realizing the full potential of India-Israel economic relations in a comprehensive manner. 11

Taking the prospects of economic cooperation a step further, in May 2005, Mani Shankar Aiyar, Minister of Petroleum and Natural Gas called for opening a new 'Silk Route' for the supply of crude products from the Caspian Sea to oil-importing Asian nations like India. While addressing

⁶ Ibid.

⁷ Harsh V Pant, op. cit.

⁸ Brian Hendrick, "India's Strategic Defence Transformation: Expanding Global Relationships," *Strategic Studies Institute*, November 2009 www.strategicstudiesinstitute.army.mil/pdffiles/pub950.pdf

⁹ Annual Report- 2003-04, Ministry of External Affairs http://www.mea.gov.in/mystart.php?id=50048150

¹⁰ Press Release, Department of Commerce, Ministry of Commerce and Industry, Government of India, 15 January 2004 http://commerce.nic.in/pressrelease/pressrelease_detail.asp?id=1033

¹¹ 'Indo-Israel Relations: Historical Overview,' Embassy of Israel, New Delhi, http://delhi.mfa.gov.il/mfm/web/main/Print.asp?DocumentID=4309

¹² Press Release, Ministry of Petroleum and Natural Gas, Press Information Bureau (PIB), Government of India http://pib.nic.in/newsite/erelease.aspx?relid=9657

the 12th International Caspian Oil and Gas Conference in Baku, Azerbaijan, Aiyar said that the Baku-Tbilisi-Ceyhan (BTC) oil pipeline offered the possibility of transporting the rich oil and gas resources in the Caspian Sea not only to Europe, as planned, but also to India and South East Asia. Aiyar brought attention to the idea that crude oil from the BTC pipeline could be pumped into Israel's Ashkelon-Eilat pipeline, which opened on the Red Sea.¹³ From there it could easily be loaded in crude carriers for further transport to India and other Asian economies.

The annual bilateral trade between the two countries stood at over US\$ 4 billion in 2008¹⁴ and was more than US\$ 4.7 billion by the end of 2010.¹⁵ This does not include the trade in defence technologies and hardware. Encapsulating the robust growth and enormous potential in bilateral trade, Israeli Consul General in Mumbai Orna Sagiv said in October 2010 that India had become the second largest export destination for Israel with exports registering a growth of over 100%.¹⁶ Both countries have already begun negotiations to further improve the trade, which is expected to triple to US\$ 12-14 billion in the next four years.

Presently, Israel is one of India's top defence suppliers alongside Russia, while India has emerged as the largest market for Israeli arms exports. Recent deals include a US\$ 1.4 billion contract signed in March 2009 for the development and procurement of Barak 8 medium-range surface-to-air missiles. However, despite the overtures for broadening the economic aspects of bilateral relations, especially in agriculture, diamonds and electronics, bilateral trade relations continue to be dominated by defence products. Some of the most prominent defence-related developments since 1992 include:

• The US\$ 1.1 billion Phalcon Airborne Warning and Control System (AWACS) contract signed in 2004. This airborne radar mounted on a Russian IL-76 aircraft, allows airborne controllers to monitor and control airspace for hundreds of kilometres around. What makes the deal acquire significance is the fact that, despite allowing Israel to go ahead with this deal, the US did not accord the same support for China's plans to acquire this technology from Israel. There are further reports that India is interested in placing an order for two more AWACS.¹⁷

¹³ Ibid.

¹⁴ India Beckons: Opportunities for India-Israel Cooperation,' Embassy of India, Tel Aviv http://www.indembassy.co.il/Additional%20files/India%20Beckons.pdf

¹⁵ 'India-Israel Bilateral Relations,' Embassy of India, Tel Aviv http://www.indembassy.co.il/India-Israel%20Bilateral%20relations.htm

¹⁶ 'Q&A: Orna Sagiv,' *Business Standard*, 3 October 2010 http://www.business-standard.com/india/news/qa-orna-sagiv-consul-general-israel/410019/

¹⁷ 'IAF will add two more Israeli AWACS to its fleet,' *The Times of India*, 8 November 2011

- A US\$ 480 million, five-year contract concluded in early 2006 between the Indian Defence Research and Development Organization (DRDO) and Israel Aerospace Industries (IAI) for missile development. India and Israel have now expanded missile development cooperation to cover both air and land-based missile systems. This new deal with IAI is of the order of US\$ 2.5 billion. Assistance in missile development also includes joint development of the Swordfish Long Range Tracking Radar (LRTR), which is the target acquisition and fire control radar for the Prithvi Air Defence missile systems. This system had its second successful test in 2009. In 2002, India had acquired the Green Pine ABM radar system, developed by Elta Electronics of Israel, for use in the Akash air defence system.
- In a first of its kind collaboration, IAI launched its TechSAR all-weather, high-resolution radar satellite using Indian Space Research Organization's (ISRO) PSLV C-12 rocket in January 2008.²⁰
- The Indian Navy Extra Fast Attack Craft (XFAC), a state of the art Extra Fast Attack Craft, built by the Goa shipyard Ltd (GSL) in collaboration with Israel Aircraft Industries and Ramta of Israel.²¹ The ship is based on the design of Israeli Super Dvora Mk II.
- The Advanced Barak Ship Defence Missile System, co-developed by the two countries. This new land-based air defence system will feature a range of 150 kilometres, more than double that of the supersonic, vertically launched Barak-8, or BarakNG (New Generation) now being developed for the Indian Navy.²²
- Co-development of Multi-Mode Radar (MMR) for the Light Combat Aircraft (LCA) aka Tejas with Elta Systems, a subsidiary of the Israeli Aerospace Industries.²³

http://articles.timesofindia.indiatimes.com/2011-11-08/india/30373087_1_fighters-during-combat-operations-360-degree-phalcon-early-warning-radar-air-defence-fighters

¹⁸ Zahid Ali Khan, "Development in Indo-Israel Defence Relations since 9/11: Pakistan's Security Concern and Policy Options," *South Asian Studies*, Vol. 26, No. 1, January-June 2011, pp. 131-151.

¹⁹ *Indian Defence*, http://www.indiandefence.com/forums/f9/indegenious-indian-bmd-program-detailed-analysis-xinix-pdf-7806/

²⁰ 'India launches Israeli Satellite,' BBC News, 21 January 2008, http://news.bbc.co.uk/2/hi/south_asia/7199736.stm

²¹ Global Security, http://www.globalsecurity.org/military/world/india/p-xfac.htm

²² 'India, Israel to Co-Develop Advanced Barak Ship Defense Missile System,' *AeroIndia* http://aeroindia.org/reports-3416

²³ 'Israeli knowhow for LCA Radar,' The Hindu, 29 June 2007 http://www.hindu.com/2007/06/29/stories/2007062954380900.htm

Apart from these big-ticket deals, there have been numerous instances of cooperation. Among others, these include the development of Laser Warning Control System (LWCS) and Mobile Camouflaging System (MCS) for India's Main Battle Tank (MBT) Arjun, and the up-gradation of aircraft and other weapons systems, including MiG-21, MiG-27 and Jaguar fighters, shipborne missiles and T-72 tanks.

Thus, India's national interests, over the past decades, have changed from a position of non-alignment to one of pursuing specific strategic interests aimed at becoming a regional power in the Indian Ocean rim, and acquiring a status of eminence in the global arena. In view of such long term foreign policy goals and the present external and internal threats, the importance of strategic cooperation with countries willing to contribute to enhancement of India's security can hardly be overemphasized. Despite the absence of formal political relations for four decades, the intensity and diversity of contacts since 1992 indicate that the ground work for robust relations was already laid by the behind-the-curtains security cooperation. Even though Indo-Israeli security cooperation does not revolve around a common enemy, the threat of terrorism is fast assuming that position. Consequently, increased sharing of intelligence and tactical information as well as joint training in counter-terrorism is becoming a comprehensive and regular feature in the cooperation among the two countries.

The relationship shared by both the countries goes beyond the narrow boundaries of buyer and seller, and have matured into "strategic cooperation". It has geostrategic implications on India's deterrence capabilities and lends credence to India's position as the harbinger of stability in tumultuous South Asia. For India, above all, it is not a negative alliance against any country, people or groups but a positive approach towards promoting and furthering its vital national interests.

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