



Indo-Saudi Ties: Analyzing the Phases of Engagements

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Abstract

The present paper attempts to provide a summary of 75 years of engagements between India and Saudi Arabia. It provides a glimpse how the relations between two countries traversed through the choppy waters of the Cold War; role of third country (Pakistan) in their bilateral relations, and factors that navigated the relations to the 21st century, despite all odds and hurdles. Although both countries have some irritants and that is natural too, their patience not only gradually overwhelmed those but also evolved an engagement that prepared the roadmap of complementary and strategic partnership, offering not only a broad canvass of partnership but also deepened trust through strategic partnership and vision for a 'multipolar' world.

Key Words: Diversification, Cold War, GCC, NEOM City.

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1. INTRODUCTION

India and West Asia, which included Saudi Arabia as well, have millennium old relations.¹ Trade and commerce, deep people-to-people ties and later on Islam played key roles in sustaining and expanding the relations between the two countries. During the period of colonial struggle and rise of the Palestine problem, both sides came on the same page and the relations turned emotional. However, after India's independence the Cold War politics and the Pakistan factor did not let the two countries to fructify their relations into a close political and economic partnership. Nevertheless, India's strong soft diplomacy and Non-Alignment Movement and its intense support to Palestine issue did not let either Cold War or Pakistan to unite the Arab world and Saudi Arabia against New Delhi. Trade, especially agri-products, food items, goods used in daily lives, movement of pilgrims and later on migration of workforce from India to Saudi Arabia continued to propel the bilateral relations. India continued buying Saudi crude oil despite having other options, while Saudi Arabia too continued the demand for the Indian labor force and kept on remitting money to India continuously.

The exports of agri-products from India and import of crude oil from Saudi Arabia on the one hand and the flow of Indian workers from India and remittance from Riyadh on the other, built a reciprocity that not only nurtured goodwill but also built the foundation of the post-Cold War partnership between the two countries. Today, the relations between India and Saudi Arabia expanded from two components to investment, technology, culture, security, defense and strategic affairs. Riyadh and New Delhi are now sharing common concerns such as terrorism, maritime security, climate change, multipolarity, rising tensions in the world at both regional and global platforms.

The present paper attempts to evaluate how the relations of India and Saudi Arabia evolved and reached to the level of strategic partnership. It also throws light whether it can deteriorate in future as well as and what measures both countries should take to avoid such reoccurrence. It is a foundational paper which invokes scholars to do in-depth study because the future of Indian and Saudi Arabia are bright.

2. INDO-SAUDI RELATION IN HISTORY

India's independent foreign relations with West Asia and Saudi Arabia began after it got freedom in 1947, its relations with the region is 'embedded' in the past. 'Many aspects of culture, economy, geography and history connect'² the two sides. The early knowledge of monsoon brought the Arab traders to the Indian shore. They worked as maritime trade intermediaries to the east and west of India. The Arab traders did not supply only the Indian goods but also carried away the Indian culture, discoveries and civilization to both sides of the world. Besides developing taste for Indian goods such muslin, textiles, spices, aphrodisiacs, and aromatic items, the Arabs also made

¹ There was no Saudi Arabia before 1932. King Abdul Aziz Ibn Saud founded Saudi Arabia in 1932. Therefore, in this article Saudi Arabia and West Asia are interchangeably used till India became independent in 1947.

² Richard E. Ward (1992), *India's Pro-Arab Policy*, Praeger, New York.

the global community aware about the achievements of the Indian civilization such as 'zero', knowledge of astrology, palmistry, while in return they broke India's self-imposed taboo on sea-travelling, which has isolated India from the world between the Harappa civilization and the advent of the Arab traders.³

With the advent of Islam in Saudi Arabia, not only the western coast of the peninsular India turned into brisk trade colonies, but pilgrims from India also started using sea-route to travel to the two holy cities, Mecca and Madinah. Large number of Arabs traders settled permanently on the western coast of India.⁴ From this date, a *Jugalbandi* between Arab and Indian traders started, traversing throughout the Southeast Asian waters, up to the eastern coast of China in the east and up to Europe the west. This partnership continued till the entry of Portugues in the Indian Ocean in 16th century. The Portugues who have advance naval power gradually not only destroyed the centuries old *Jugalbadi* of the Indo-Arab traders but also made the maritime trade tough and unattractive. They imposed tax known as *cartaze* in the name protecting the sea-line of communications (SLOCs) and monopolized the Indian Ocean, which finally fell to the colonial East India Company. As a result, both the regions lost their sovereign rights to look after their foreign policies, manage trade and commerce and movement of people. Everything came under the British command.⁵

However, struggle against colonialism once again brought India and the Arab world on the same page. This time the relations between India and West Asia became more intense, symbiotic and mutually reinforcing. Nationalism, struggle against British imperialism, Khilafat, Palestine turned the relations what Ward calls 'emotional'. Meanwhile in 1932 King Abdulaziz Ibn Saud declared the independence of Saudi Arabia and Pt Jawaharlal Nehru who was deeply involved in the freedom struggle congratulated the founder of Saudi Arabia. He was "full of praise for the King for his courage and statesmanship in unifying the peninsula."⁶ During the medieval period, India and the Arab world shared sympathies, supported against their common enemies, while India exclusive supported the Palestinian cause against the Zionist Israel. Gnadhiji extensively wrote against the uprooting of Palestinians from Palatine and said that Palestine belongs to Palestinians as much as France belongs to French.

Deep historical ties based on trade and commerce and people-to-people ties and struggle against colonialism and were the main factors that characterized India-West Asia relations during ancient and medieval period.

³ During the Harappan civilization India has had brisk trade with the West Asian civilizations of Mesopotamia, Ur, Langsha. However, till the emergence of the Arab traders, sea travel in India was seen something as a taboo.

⁴ For detailed discussion see: V.K. Jain, "The Role of The Arab Traders in Western India During Early Medieval Period", Vol. 39, Volume I (1978), pp. 285-295, Published By: Indian History Congress; K.M. Mohamed and K.M. Mohammad "Arab Relations with Malabar Coast From 9th To 16th Centuries", Vol. 60, Diamond Jubilee (1999), pp. 226-234, Published By: Indian History Congress.

⁵ For detailed discussion see: Jean Paul Rodrigue (2020) *The Geography of Transport Systems*, Routledge, Abington.

⁶ Zakir Hussain (2016) *Saudi Arabia in a Multipolar World: Changing Dynamics*, Routledge, Abington, p.153.

3. RELATION AFTER INDIA'S INDEPENDENCE

India's first formal engagement with the Kingdom of Saudi Arabia (KSA) started after it got independence in 1947 and the next year the two countries established formal diplomatic relations and after a decade in 1957 both the countries opened their full-fledged embassies respectively. In 1955, the first high-level visit took from Saudi Arabia to India. King Abdulaziz Ibn Saud, the founder of KSA paid a state visit of 17 days, from 26 November to 12 December 1955 to India. In long 17 days, the Saudi King visited almost all major cities of India, including New Delhi, Mumbai, Hyderabad, Lucknow, Varanasi, Mysore, and tried to cultivate friendship with the Indian people. The 17 days visit of the Saudi King to India has been a nostalgic expedition to revive historical ties, explore and understand independent India; its economic potential; new democratic system and its multiethnic and multiethnic society. In response to King Ibn Saud, Pt Nehru said that the fate of the Indian Muslims is in 'secured' hand.

On 12 December, the final day of the visit, King Ibn Saud and PM Nehru issued a joint statement. Both the leaders expressed their resolve to 'strengthen their friendship by further cooperation, to their mutual advantages, in culture, political and economic sphere'. They also underlined the need to work on world peace and lessen the tensions between major powers. The joint statement also subscribed to the five principles of the Panchsheel (peaceful co-existence). On the occasion, King Ibn Saud said, 'I consider this a happy revival of the age-old friendship and amity between India and the Arab countries and hope that the friendship would grow greater and shall become unbreakable and unperishable.' (Text of First 'India-Saudi Arabia Joint Statement' 1966: p. 435)

This visit of Saudi King Ibn Saud to India opened the way for an exchange visit from India. Next year, 1956, Pt Nehru on the invitation of King Saud visited Saudi Arabia. He was received by the people of Saudi Arabia as a '*Rasool Al Salam*' (Prophet of Peace), a 'heir of Gandhi' and a 'great friend of Arabs'. While addressing in Jeddah PM Nehru said, 'So far as my country is concerned, for the last 1,200 or 1,300 years and even more, we had intimate contacts with the Saudi Arabian people in many ways. The great religion which emanated in this country and spread far and wide came to India in the earliest days and a very considerable population of India today represents and believes in that religion which we are proud to consider in India a great religion of India.' During his four day stay in Saudi Arabia, PM Nehru met with all important dignitaries of the Kingdom; visited all major Saudi cities of that time, including Dhahran, Jeddah, Riyadh. In Jeddah, the Indian PM said, 'I have come as a pilgrim of peace to your famous land.'

At the end the four day visit the two sides issued a joint statement, underlying the need of 'strengthening ties between the two large countries of Arabian Peninsula and South Asia'; 'adherence to the Bandung Declaration', 'peaceful settlement of Suez Canal dispute, including recognition of sovereign rights of Egypt over the Canal and 'promote cooperation in every field between the two countries.'⁷ The Bandung Declaration emphasizes respect for sovereignty, non-interference in the internal affairs of other countries, equality of races. The Indian PM reiterated India's commitment to support the Palestinians cause at all level and forums.

⁷ "Saudi Arabia: Summary: Nehru's Visit: Naser-Saudi-Kowait Talks", Asian Recorder, October 13-19, 1956, pp. 1079-1081.

PM Nehru requested King Saud to visit India while on his way to Indonesia, but due to the Suez Canal Crisis, King Saud had to postpone his visit to India.

However, the warmth of the relations between the two countries could not fructify into a deeper partnership. The main reason were two, first, ideological differences between the two countries. India was with the USSR, while Saudi Arabia and all Arab countries were with the US. Saudi Arabia and the Arab leaders never liked the USSR because of its communist ideology which was opposed to every religion, including Islam. Second reason was PM Nehru's personal friendship with Colonel Gammal Abdul Nassir who was an ally of the USSR and archrival to the Arab monarchies, especially Saudi Arabia. As a result, the bilateral relations between India and Saudi Arabia suffered from a natural logjam. Also, the visit of PM Nehru to Egypt further deepened the suspicion of Saudi leaders. Colonel Nassir was red-line of the Saudi regime. In fact, the Saudis' reaction was but natural. Colonel Nassir was at their neck.

However, the ideological difference between the two countries did not turn ugly or it did not potentially stop the trade and movement of Indians to Saudi Arabia, especially for pilgrimage. This was perhaps the best part of the bilateral relations that not only saved the political relations but also sustained the trade and commerce between the two countries. The uninterrupted and continuous flow of people between the two countries also removed many misunderstandings and continued to deepen trust between the people of the two countries.

4. INDIA-SAUDI ARAB RELATIONS IN 1980s

During the 1980s, broadly two events shaped India-Saudi Arabia relations; first, the partition of Pakistan in 1971; and, second, the occupation of Afghanistan by the former USSR in 1979. Both events were directly or indirectly affecting the interests of Saudi Arabia and all other oil monarchies of the Gulf. Thus, the 80s was a tough phase in the Indo-Saudi relations where the external and third countries played key role in shaping and determining the bilateral dynamics between India and Saudi Arabia.

Under this backdrop, Prime Minister Mrs Indira Gandhi undertook a four-day official visit from 18 to 21 April in 1982 to Saudi Arabia. The Saudi media termed Mrs Gandhi's visit as filling the "communication gap that existed between the two countries that had existed for the last quarter of a century." However, unlike Pt Nehru, Mrs Gandhi's reception in Riyadh was not so warm. The obvious reasons were the division of Pakistan and India's silence over the USSR's occupation of Afghanistan, which the oil monarchies of the Gulf, including Saudi Arabia viewed as a direct threat to their independence. They were expecting that being one of the founding members of Non-Alignment Movement (NAM) India must have raised a voice against the USSR from the NAM platform. India was also present at the Bandung conference, which focuses mainly to respect the sovereignty and non-interference in the internal affairs of any country and that too has been ignored by New Delhi. US President Jimmy Carter saw the USSR occupation of Afghanistan as an attack on the vital interest the US and declared that 'the United States would employ military force against any country that attempted to gain control of the Persian Gulf region'⁸,

⁸ "Carter Doctrine: United States foreign policy initiative", Britannica, <https://www.britannica.com/topic/Carter-Doctrine>, accessed on 23 May 2023.

while Richard Nixon defined it 'one country closer to achieving its goals - now within tantalizingly short reach- of a warm-water port on the Arabian Sea and control over the oil of the Persian Gulf'.⁹ Due to the USSR interference in Afghanistan, the situation in the Gulf region was grimmer than in South Asian neighborhood. Saudi Arabia and the US joined hands with Pakistan to prevent the USSR's further expansion, which according to them wanted the warm water of the Arabian Sea. This was one of the reasons that further cemented the Saudi-Pakistan relations.

The USSR's occupation of Kabul, in fact, changed the South Asian and global strategic and security-dynamics, including changing the entire outlook of the United States' Middle East and South Asia policy. Pakistan was tolerated for all evils, including the smuggling of nuclear technology and development of nuclear bombs by the Regan administration, while the Gulf and Saudi Arabia became closest allies. Islamabad became their 'brother', while India a 'friend'. This nomenclature could only be broken only after the visit of King Abdullah to India in 2006.

So, the relations between Pakistan and Saudi Arabia were of strategic than religious in nature. Therefore, if the past is a guide, the future can be managed. Therefore, if India and Saudi Arabia manage Wet Asia and South Asia well, there would hardly be the overwhelming 'Pakistan factor' between the two countries.

At end of Mrs Gandhi's four-day visit instead of joint statement a joint communiqué was issued which prominently figured 'of maintaining an atmosphere conducive to further negotiations between Islamabad and New Delhi; consolidating Indo-Pak relations for prompting security, stability and peace in South Asia; to attain the objectives of non-aggression and non-use of force;'¹⁰ 'Afghanistan and withdrawal of foreign troops' and India reiterated the support of Palestine people'. 'Working jointly to prevent interference of superpowers in their respective regions, maintaining stability and security in the Indian Ocean and the Gulf which are closely inter-linked' were issues that figured during the talk between the Indian PM Gandhi and Saudi King Fahad.

On the bilateral front, India signed the first long-term oil agreement with Saudi Arabia, wherein Riyadh would supply 5 Million Tonnes (MT) crude to India in the next two and half years. Before this, India was purchasing oil on an ad-hoc basis. Oil, termed as 'black gold', is the source of all the glamour of the Gulf Sheikhs and Mrs Gandhi touched the right chord.

However, everything has not been negative during the 1908s. The oil booms in the 70s and the mid-80s brought unprecedented opportunities in the Gulf in general and Saudi Arabia in particular. The 'buying spree' and 'construction boom' in Saudi Arabia attracted the Kingdom towards India's surplus labor market and its capacity to supply cheap food items and goods of daily use to feed the large number of expatriate workers. In return, India started receiving huge remittances and big export orders. Compared to the labor force of other nationalities, including

⁹ Richard Nixon "Nixon: The 'Red or Dead' Danger", The Washington Post, 27 April 2018, <https://www.washingtonpost.com/archive/opinions/1980/04/27/nixon-the-red-or-dead-danger/4747b970-4728-4411-b798-da782c34a8e0/>, 28 May 2023.

¹⁰ "April 21, 1982, Forty Years Ago: PM In Saudi Arabia ", The Indian Express, <https://indianexpress.com/article/opinion/editorials/forty-years-ago-pm-indira-in-saudi-arabia-7879248/>, accessed on 28 May 2023.

Pakistan, the honesty and dedication of the Indian workers gradually changed the opinions of the common Arabs towards India and over the times, their role was like cultural and moral ambassadors of India which sustains even today.

With surplus oil-wealth, Saudis also started investment projects in India. This was matching with India's growing economy. Since, India was a deficient country in oil and gas, its growing economy's appetite for imported oil also increased and Saudi Arabia became India's first choice as it was having the largest oil reserves; consistent and predictable and moreover proximity as well as New Delhi was also trying to leverage its energy market for political favor from Riyadh. Riyadh had great influence in Muslim world as well as greater say in Washington. As a result, India succeeded in establishing a reciprocal relation with KSA which sustained and grew despite the Cold War tensions and Pakistan factor.

It won't be an exaggeration that although the 1980s was the decade of contradictions in Indo-Saudi relations; it also prepared the road for a comprehensive and strategic partnership in the 21st century between the two countries.

5. POST-COLD WAR

The end of the Cold War in 1990 brought the end of the ideological division of the world. Now, geo-economics preferred over geostrategic and geo-politics, which have dominated the world for the last several decades. Liberalization, privatization and globalization (LPG) became the new mantra of foreign policy. Likewise, India and Saudi Arabia, which have already realized the potential benefits of cooperating with each other, also shunned the shibboleth of the Cold War and in the next two decades both countries invested silently in preparing the ground for developing a better understanding; identifying areas of mutual interests and common challenges; and harness their common potential to accelerate their economic growth under the changed atmosphere, both internal and external respectively. Both countries were thoroughly reforming their economies. India introduced the New Economic Policy (NEP) in 1990, while Saudi Arabia also became serious towards its diversification program. This was the turning point between the relations of the two countries as both were committed to change from the past.

Meanwhile, the Asian financial crisis (1997) occurred, which brought down the oil prices to the lowest, causing oil suppliers, including Saudi Arabia, to rush to hedge their markets. India, the 4th largest crude importer, now 3rd largest, in the world, became a top priority of Saudi Arabia. Here, a good bargaining took place. Practically, India assured Saudi Arabia about its oil market, while Riyadh also assured New Delhi about its energy security through a predictable and consistent supply of oil.

The climate change and demand for reducing carbon footprints by developing alternative clean fuel further brought the Saudis closer to the big Indian oil market. After liberalization in 1990, the Indian economy was on a fast track, consuming energy at a higher rate, approximately 6-7% per annum of which oil and gas occupied around 48%. Saudi Arabia's share in India's total oil import gradually reached a quarter (25%) by 2000. This was huge by any estimate and Saudi Arabia wanted to retain its share in Indian market. Consequently, it gradually started changing its policies towards India in other fields, including increasing labour demand, investment in India.

Under the look east policy of the GCC (Gulf Cooperation Council) India was also on Saudi Arabia's economic radar as well.

Another important development that took place during the 90s was in the Gulf labour market. The post-1990 witnessed huge rise in Indian labour force both in the GCC and Saudi Arabia. This was in response to the workers who supported Saddam Hussein's attack in Kuwait. GCC countries, including the KSA replaced around 2 to 2.5 million workers with Indians, belonging to Muslim countries such as Egypt, Yemen, Pakistan, Bangladesh and Palestinians. Besides the rise in workers' flow, Indian trade, especially nostalgic trade to the Kingdom also grew and in return, the share of remittance to India from Saudi also increased. This helped New Delhi to balance its Balance of Payment (BoP) with KSA. India's fast track industrial growth also allowed it to increase exports of manufactured goods and enter the branded market of Saudi Arabia. This fetched better returns over non-branded traditional items. During the 90s and the 2000s, services of the Indian white color workers in Saudi Arabia, especially in IT, ITC, R&D, medical, consultancy, accountancy, transport, also increased.

The honesty, hard-working and non-interfering qualities of the Indian workers in the KSA gradually impressed both the common Saudis and the royals. This changed their overall attitude towards India. Indian workers worked there as 'cultural ambassadors' of India. 'These two components, energy and labor, which most of the time appeared as complementary, mutually reinforced upon each other and prepared the level playing field for exploring, expanding and boosting the existing bilateral relations into new fields such as trade, investment, finance, services, technology transfer, IT, education, space, culture and deep people-to-people ties.'¹¹

And in 2005, on the pattern of Look East, the Manmohan Singh government announced the Look West policy under which New Delhi declared the Gulf countries, including Saudi Arabia as its maritime neighbors and committed to share the fruits of its growth with them. PM Modi termed it 'Act West' policy similar to the pattern of 'Act East' policy.

Thus, the post-1990 prepared the ground for a leap forward in the 21st century in Indo-Saudi bilateral relations. It not only convinced Saudis Arabia that India is the next potential partner at the door but India's fast-track growth also provoked Riyadh to break the Cold War mindset. In a broad context, the post-1990 ushered the Indo-Saudi relations into a new phase of partnership, characterized with cooperation in strategic, defense and security fields.

6. BEGINNING OF 21ST CENTURY AND INDO-SAUDI RELATION

The 21st century of Indo-Saudi relations started with a three-day visit of Indian Prime Minister Atal Bihari Vajpayee's Indian foreign minister Jaswant Singh to Saudi Arabia in 2001. This was the 'first high-level contract between India and Saudi Arabia in nearly two decades.'¹² The visit

¹¹ Zakir Hussain (2008), "India's economic relations with Gulf Cooperation Council States: A study of labour migration and energy dimension during the post-1990 period", Thesis Abstract, https://www.jmi.ac.in/upload/Research/ab2008_economics_zakhir.pdf, accessed on 13 April 2023.

¹² "Jaswant's Saudi visit likely to open way for regular dialogue", Gulf News, 18 January 2021, <https://gulfnews.com/uae/jaswants-saudi-visit-likely-to-open-way-for-regular-dialogue-1.408126>, accessed on 28 May 2023.

has been considered as the building blocks between the two countries entering into the 21st century. According to Gopal,

'Much of the credit for today's close ties between the Gulf region and India is placed at PM Modi's door, post the premier's own landmark visits to Saudi Arabia...and Saudi Crown Prince Mohammed Bin Salman's visit to Delhi soon after the Pulwama attack in February 2019. But the building blocks were crafted over 20 years ago, when then Pm Vajpayee's new foreign minister spotted a line in one of the 'for your eyes only' dispatches from Riyadh, that had then Saudi Crown Prince Abdulla bin Abdulaziz Al Saud asking, "Why has India forgotten us..."¹³

In the wake of the Gulf crisis 1990, Minister Singh foresaw that the relations could go beyond transactional to a shared strategic vision which has been dominated by the Pakistan factor. During his visit his discussion with Saudi officials ranged from 'contentious to sublime', from 'Kashmir to the 50-60- years of for Pakistan' and helped in de-bracketing New Delhi from Islamabad when later on Prince Saud stated that, 'they valued ties with India, and that the Delhi-Riyadh relationship would not be influenced by Riyadh's relation with other countries'. Thereafter, we noticed Riyadh's flexibility on the Kashmir issue and cooperation on counter-terrorism, which was a great headache for India. This prepared the strategic visit of Saudi King Abdullah to New Delhi in 2006 after a gap of almost half a century. Last Saudi King Ibn Saud visited India in 1955. According to Zakir Hussain, 'On 24 January 2006, India and Saudi Arabia rewrote the history of their bilateral engagement and revived their centuries' old dormant association.'¹⁴ King Abdullah was the Chief Guest of the Republic Day Parade of 26 January 2006 and on the occasion the King said, "The relationship between India and the Kingdom of Saudi Arabia is a historic one. We have been old friends, God willing this visit will renew these historic ties.' (Hussain, 2016) The King termed India as his 'second home' was 'quietly drawing closer and acknowledging their many shared concerns'¹⁵, 'putting their political ataractic and religious strains that existed between them.' (Hussain, 2016)

6.1 Abdullah-Manmohan Era

6.1.1 Delhi Declaration 2006 - First Roadmap of Long-term Partnership

During King Abdullah's three-day visit to Delhi, 24-27 January 2006, the historic *Delhi Declaration*¹⁶ was signed. The declaration carries a comprehensive roadmap of bilateral partnership, 'chart(ing) out a new path of cooperation between India and Saudi Arabia across a

¹³ Neena Gopal, "India Has Jaswant Singh to Thank for Close Ties With Saudi Arabia", *The Wire*, 29 September 2020, <https://thewire.in/diplomacy/jaswant-singh-india-saudi-arabia-relations>, accessed on 28 May 2023.

¹⁴ Zakir Hussain (2016), *Saudi Arabia in a Multipolar World: Changing Dynamics*, Routledge, Abington.

¹⁵ Sanjay Baru, "India's Arab Sprint" *Indian Express*, 22 February 2012, <https://indianexpress.com/article/opinion/columns/india-s-arab-sprint/>, accessed on 27 May 2023.

¹⁶ "Delhi Declaration", Embassy of India, Riyadh, 27 January 2006, <https://www.eoiriyadh.gov.in/page/delhi-declaration/>, accessed on 27 May 2023.

range of fields, including security, bilateral trade and investment, culture and technology.¹⁷ The text of the declaration addressed the whole gamut of mutual interests, including:

“strategic, security, peace and prosperity in the whole region; exchange of high-level visits, combating terrorism and transnational crime, including money laundering, drugs and arms smuggling; expanding and diversifying mutual trade and investments; call for exploring investment opportunities in all sectors, including infrastructure in both countries; health services, exchange of health personnel, and pharmaceutical; education, R&D, technical education and vocational education, youth affairs, tourism; science and technology, ITC, biotechnology, agriculture; peaceful uses of outer space .” (Delhi Declaration, 2006)

Energy security was an important component of the declaration. The text underlined that both sides will develop a ‘strategic energy partnership’ (SEP) based on complementary and interdependence partnership. The elements of this partnership include, *inter alia*:

- Reliable, stable and increased volume of crude oil supplies, through “evergreen” long-term contracts;
- Cooperative and joint ventures, both in the public and private sectors, in the upstream and downstream oil and gas sectors in India and Saudi Arabia as well as in third countries;
- Saudi investments in oil refining, marketing and storage in India, subject to commercial viability;
- Setting up of India-Saudi ventures for gas-based fertilizer plants in Saudi Arabia.

The two sides also agreed to work on common regional and global issues of mutual interests. Peace and stability in the Middle East; issue of Palestine and stability in Iraq; ‘commitment to the principles of international legality and the importance of maintaining international peace and stability’; and ‘resolving conflicts through peaceful means’ and working together on counter-terrorism and radicalization were some issues on which both countries inked their commitments.

6.1.2 Riyadh Declaration 2010 – A New Era of Strategic Partnership

King Abdullah’s visit set PM Dr Manmohan Singh’s visit to Riyadh where the two countries signed the “Riyadh Declaration –A New Era of Strategic Partnership” in 2010. The visit of PM Dr. Singh heralded a new era in India-Saudi Arabia bilateral relations. The two leaders ‘reviewed the status of implementation of the historic Delhi Declaration signed on 27 January 2006, and expressed their satisfaction at the steady expansion of Saudi-India relations since the signing of the Delhi Declaration.’ They ‘re-emphasized the importance of full implementation of the Delhi

¹⁷ “Indian PM, Saudi monarch seal ties with Riyadh Declaration”, Hindustan Times, 1 Mar4ch 2010, <https://www.hindustantimes.com/world/indian-pm-saudi-monarch-seal-ties-with-riyadh-declaration/story-AHXFonc5H25N1vLYE8UcMO.html> , accessed on 28 May 2023.

Declaration through exchange of visits at the ministerial, official, business, academia, media and other levels.¹⁸

The main attraction was the signing of 'Strategic Partnership Agreement' (SPA), 'covering strategic, economic and defense and political areas.' The SPA reduced the trust-deficit between the two countries, thus, opening the scope of deepening and expanding the cooperation in new areas such as political, defense and security. Working jointly to combat terrorism, money laundering and de-radicalization were emphasized as never before. Maritime security in the India Ocean and joint defense training at sea and land were other issues that gained traction.

In addition, the Riyadh declaration underlined the shifting focus of the Saudi economy from petroleum-based to knowledge-based economy. The focus has been advances in IT, frontier technologies, space, and manufacturing, tourism, augmenting the flow of bilateral investment and raising bilateral trade with their partners to their potential and size respectively and encouraging private sectors to take the lead role.

These two documents provide a comprehensive roadmap of Indo-Saudi partnership for the 21st century.

6.2 Modi-MBS Era

In a span of five years PM Modi visited Saudi Arabia twice, first was in 2016, while the second in 2019 as a keynote speaker to the Future Investment Initiative (FII) forum, popularly known as 'Davos of Desert'. Usually 400 to 500 CEOs of major MNCs gather there every year at Saudi FII. PM Modi got a good platform not only to showcase the rich economic opportunities in India's growing economy to the potential investors there but also underlined the growing Indo-Saudi relations to the world.

During his first visit to the KSA on 2-3 April 2016, the Saudi King Salman bin Abdulaziz conferred on PM Modi the highest civilian award, the *King Abdul Aziz Sash*. He was the first Indian prime minister to receive the highest civilian Saudi honor. On the occasion, both sides signed four MoUs/Agreements and issued a joint statement. The four MoUs/agreements were related to counter-terrorism, defense, security, finance and investment. PM Modi 'encouraged Saudi Aramco, SABIC and other Saudi companies to invest in the Indian infrastructure sector.'¹⁹ The two leaders condemned the 26/11 Mumbai terror attacks and committed to work on counter-terrorism.

PM Modi's 2019 visit was reciprocated by the Crown Prince Muhammad Bin Salman, popularly known as MBS. He paid a two-day visit to India on 19-20 February 2019. The Ministry of External Affairs' spokesperson termed his visit as a 'new chapter' in bilateral relations. PM Modi broke the protocol to receive him at the airport. Five MoUs/agreements and joint statement were issued along with a commitment of the Saudi Crown Prince of investing USD 100 Bn in India's

¹⁸ "RIYADH DECLARATION - A New Era of Strategic Partnership", Embassy of India, Riyadh Saudi Arabia, 28 February 2010, <https://www.eoiriyadh.gov.in/page/riyadh-declaration/>, accessed on 28 May 2023.

¹⁹ Ankit Panda, "Thinking West: India Expands Partnership With Saudi Arabia, Focusing on Counter-Terrorism, Defense", *The Diplomat*, 04 April 2016, <https://thediplomat.com/2016/04/thinking-west-india-expands-partnership-with-saudi-arabia-focusing-on-counter-terrorism-defense/>, accessed on 23 May 2016.

agriculture, food processing, health and IT sectors. 'A Strategic Partnership Council led by PM Modi from the Indian side and MBS from the Saudi side, supported by ministerial representation covering the whole spectrum of strategic relationships, was created.' Both countries emphatically underlined to combat terrorism in all forms and manifestations at all levels, bilateral, regional and global, including UN.

Both economically and politically the visit of MBS to India was a milestone. First, it has been a 'standalone' visit. The Crown Prince did visit either earlier or later on to Pakistan as usually happened in the past. This seems to have diluted the Cold War acronym: "India is a friend, while Pakistan is a brother". India was now identified as a potential partner in all common areas such as economy, security, defense and strategic. Riyadh gave a strong signal to Islamabad that peace in South Asia is important to Saudi Arabia and India is a future economic partner of the KSA. Thus, giving Pakistan a message that if it wants to share the economic benefits or become a partner it has to cooperate with the new changed circumstances than living in the Cold War era hangover.

Meanwhile, in 2016, Saudi Arabia announced the Vision 2030 wherein a roadmap to 'de-addict' the Saudi economy from oil in the med-term (15 years) has been announced. To achieve the objectives, an executive plan, the National transformation Plan 2020, was also announced. Both the plans drastically changed the economic, social and cultural priorities of Saudi Arabia, thus, putting the Kingdom on a rapid path of 'diversification' and 'image transformation'. The main goal of these two plans were to reduce the share of oil in GDP, in export earnings and the government's expenditure; stabilize the economy from the fluctuation of oil price and remove the Dutch Disease through a balanced growth of all sectors of the economy; and harness the potential of the national human capital for the growth and development of the economy. Saudi Arabia is one of the youngest countries in the world. Its 65% public is below 35, while it has a large number of educated females who are encouraged to assume the role of entrepreneurs. The result has been encouraging so far. MBS has also geared the regional policies and reduced tensions and conflicts in the neighborhood, so foreign investment can be roped in. Saudi Arabia has invested huge money in sport, tourism, including planned USD 500 Bn in the high-tech NEOM City and in other half a dozen mega projects, thus, offering huge investment opportunities.

This brings India and Saudi Arabia on the same page of economic reform and development. India under PM Modi has also embarked on a massive economic transformation, including converting India into a low-cost manufacturing hub, 'Make in India' for 'Global Market'. Thus, it has opened a huge scope of reciprocal partnership in multiple fields such as trade, investment, technology, tourism, culture, soft diplomacy and social affairs.

It is also interesting that the way MBS has handled the US on oil issues, it shows that Riyadh would not entertain the interference of any third country either in domestic affairs or in its bilateral relations. Similarly, India too established its independent policy in the Ukraine case. Instead of leaving Russia under the US-West pressure, New Delhi rather increased oil purchase from Moscow. Since the Russian-Ukraine problem started last year in February, the share of the Russian Ural (oil) in India's oil import has increased from less than 1% to 46%. Second, despite China's opposition India has increased its engagements with the Quad and during the forthcoming state visit to the US, 21-24 June 2023, PM Modi is expected to sign some bold agreements.



This is good for both India and Saudi Arabia that strong leadership is at the helm of their state affairs.

7. INDIA-SAUDI ARABIA RELATION AFTER SAUDI - IRANIAN RAPPROCHEMENT

On 10 March 2023, Saudi Arabia and Iran signed a peace deal and announced the restoration of their diplomatic relations after seven years.²⁰ The rapprochement between the two regional rivals was widely welcomed. Even Washington welcomed the move. The détente between Riyadh and Tehran also relaxed New Delhi as its stakes are associated with both the countries. However, what stunned some countries, including the US and India was the silent role played by Beijing in ending the conflicts between the two regional rivals. The 'trilateral statement' was announced in Beijing. The role of Beijing is seen as increasing Chinese strategic and economic footprints in the Middle East. China has won both, earlier Iran and now Saudi Arabia to its side. This will help in smooth implementation of the Belt and Road Initiative (BRI) project in which the Middle East plays a crucial role. Already, China is the largest trader and investor in the region, Its trade with the region is approximately USD 500 Bn, including USD 200 Bn with Saudi Arabia and USD 100 Bn with the UAE, while investment exceeds USD 200 Bn. With such a massive economic interdependence between Beijing and the Middle East has worried New Delhi that it will get a secondary treatment in the region. This has also worried the US and Israel, thus, bringing India, Israel and the US on the same page to curtail China's growing strategic and economic profile in the region.

Now, on the pattern of Quad, two mini-laterals are under formation. First mini-lateral was conceived and formed in 2021 and 2022 between India-Israel, the US and the UAE. The White House called it I2U2. Although main objectives of the I2U2 were clubbing the potential of four countries to improve economic social lives in both South Asia and West Asia, its latent motive has been obviously to build a parallel body against China, Russia and Iran in the region. However, after China's role in Saudi-Iranian rapprochement, the I2U2 does not seem sufficient to contain the growing Chinese influence in the region. Another, Saudi Arabia was not part of the I2U2, nor Riyadh's relations with Israel have been congenial. As a result, I2U2 has not been effective in countering China. Consequently, on 7 May 2023, the US proposed another mini-lateral, inviting the security advisors of four countries minus Israel –the UAE, the US, India and Saudi Arabia to hold a meeting in Riyadh.²¹ During the meeting an undersea railway line between India and the Gulf was proposed. How far this project will be feasible to counter China, only time will tell but one thing is clear that Saudi Arabia's stake with China is too high to wedge a spanner between Riyadh and Beijing. China is the largest energy importer of Saudi Arabia; large trader, largest

²⁰ Beijing: "Joint Trilateral Statement by the People's Republic of China, the Kingdom of Saudi Arabia, and the Islamic Republic of Iran", 10 March 2023: https://www.fmprc.gov.cn/eng/wjdt_665385/2649_665393/202303/t20230311_11039241.html#:~:text=The%20three%20countries%20announce%20that,and%20the%20agreement%20includes%20their, accessed on 04 June 2023.

²¹ White House: "Readout of National Security Advisor Jake Sullivan's Meeting on Regional Integration", 07 May 2023, <https://www.whitehouse.gov/briefing-room/statements-releases/2023/05/07/readout-of-national-security-advisor-jake-sullivans-meeting-on-regional-integration/>, accessed on 4 June 2023.

investor, besides helping Riyadh in developing its civil nuclear energy projects. During the December 2022 visit of Chinese President Xi Jinping to Saudi Arabia both countries signed some important agreements that further cemented their bilateral ties. China is also actively supporting the Palestinian cause. This has also built a positive public opinion towards Beijing, while the mediation between Saudi Arabia and Iran has already created a strong vibes in favor of Beijing in the region.

Nevertheless, everything is not controlled by China in the Middle East, especially in Saudi Arabia. Riyadh wants an independent foreign policy. Its economic policy aims to establish one-to-one relations rather than mixing or cross cutting with other countries. India has its own potential and significance which Beijing cannot take away. However, India needs to be cautious on two fronts; first, it should use its soft diplomacy shrewdly, especially the events like Nurup Sharma, abusing the Prophet should not be repeated. Religion is the Rubicon of the Arabs and Saudis. The Indian government should not let fringe elements cross it; second, India should not bandwagon the US-Israel Middle East policy. They have different motives and interests in the region, while India's interests are vital and comprehensive, including getting Saudi and Arab countries support in getting permanent membership to the UN, while the revival of the Pakistan factor may also not be ruled out.

8. CONCLUSION

In conclusion, India and Saudi Arabia took 75 years to revive their millennia old relations. The factors that kept the relations pending for so long range from ideological to influence of third countries in bilateral relations and international politics. There is every chance of the revival of these factors. Ideology hardly dies; it revives after a gap of time; the world would not be without politics, while interference of third countries in bilateral relations is also permissible. So what is the solution to have a smooth graph of partnership between India and Saudi Arabia?

Broadly, both countries need to connect their destinies; raising generations with common visions and developing a complementary model of partnership. The two countries are leaders in their respective regions, while they have also wherewithal to take initiatives in developing West Asia and South Asia; and their joint efforts can also bring changes at regional and global levels as both are member of global the forums like UN, G20, World Bank, IMF and soon Saudi Arabia will join the regional forums like BRICS, SCO which are gaining traction both in regional and global economic and political affairs. Besides they have common priorities such as multipolar world order, cooperating with the 'rise of the rest' and climate change. Therefore, the new generations of both countries need to patiently work on it.

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