India-Iran Relations: Challenges and Prospects in 21st Century

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ABSTRACT

India and Iran are important democracies of the world with a voice in the world affairs. Ties between India and Iran dates back to the Persian Empire founded in 550 BC by Cyrus. India and Iran also shared border until 1947. During much of the Cold War period, relations between India and Iran had suffered due to their different political interests, primarily due to the non-aligned tactic of India towards the US, which enjoyed close ties with Iran. The study on India-Iran relations is relevant in such critical times when India and Iran needed each other for security, trade, and securing better diplomatic ties, but are challenged with the same. This study while focussing on deep historical ties and the contemporary challenges for both the countries will try to explain the interests of both the countries with better relations.

Keywords: India-Iran Relations, Democracies, Challenges

Introduction

India and Iran are important democracies of the world with a voice in world affairs where the Republic of India is constitutionally a secular country while the Islamic Republic of Iran is based on Islamic ideals and principles. Ties between India and Iran date back to the Persian Empire founded in 550 BC by Cyrus, India and Iran also shared borders until 1947. The historical studies on India Iran relations enlighten us with the deep friendly and strategic relations.

Following are the important objectives of the paper:

1. To study the historical background of India-Iran relations.
2. To study strategic importance for both countries. The importance of Chahbahar port for India’s West Asia policy and also in countering the Chinese presence in the Gwadar Port in Pakistan.
3. To study the challenges for their better bilateral relations.
4. To find out how USA’s foreign policy trying to weaken the Indo-Iran relationship.
5. To study the trade between India and Iran, import of oil, and India’s investment in the energy sector.
6. To study the prospects in better India-Iran relations.

Hypothesis of the paper are based on following important points:

1. India-Iran shared strong diplomatic, trade, and cultural relations for a long.
2. Foreign intervention impeded their bilateral relations and created new challenges for both countries.
3. Unhindered bilateral relations will open new opportunities for both the countries multi-dimensionally including in areas of energy security for India, bilateral trade, etc.

Historians have pointed the influence of each other in the fields of culture, art, architecture, and language, and especially during the period of Mughal rule in India. The contemporary relationship between India and Iran is marked by continuous interaction in the field of education, trade, and culture. During much of the Cold War period, relations between India and Iran had suffered due to their different political interests, primarily due to the non-aligned tactic of India towards the US, which enjoyed close ties with Iran. Iran and India closely cooperated in supporting the Northern Alliance in Afghanistan against the Taliban in the 1990s.

In the year 2003, President Khatami of Iran visited India and signed the New Delhi Declaration, which touches all aspects of bilateral cooperation. Prime Minister Modi’s visit to Iran in 2016 led to an enhanced focus on increasing connectivity, trade, investment, and energy partnership. India, Iran, and Afghanistan, signed a trilateral trade treaty for developing the port project.
With the USA pulling out of the Joint Comprehensive Plan of Action and imposing sanctions on Iran, it became difficult for India to continue importing Oil and Natural gas from Iran and also to operationalize the Chabahar Port in a full-fledged manner. Now, the government of India is watching the current events, especially the Vienna agreement on the renegotiation of JCPOA, Iran-China Comprehensive Strategic Partnership, and Iran, China, and Russia military exercise.\(^{10}\)

In the challenging world, strategic partners are needed to stand strong and for better opportunities and fulfilment of the necessities. Both the states have strong motives for courting the other. There are issues that can be analysed for defining the relations between the two countries. Some of the important issues include:

1. **Iran’s Nuclear Program**: Iran’s nuclear program was launched in the 1950s with the help of the USA under the Atoms for Peace program, and in 1970 Iran ratified the NPT, limiting its nuclear program to peaceful use, and making its nuclear program subject to inspection by IAEA. India has supported Iran’s nuclear program for peaceful purposes only.\(^{11}\)

2. **Chabahar Port**: It is located in the Sistan-Baluchestan province, Iran Southern Coast. For the development of the port, an MoU was signed between India and Iran in 2015, and on 23 May 2016, during Prime Minister Modi’s visit to Tehran MoU translated into a formal 10-year contract. Chabahar Port enables India to make it presence in the region as well as towards Central Asia.\(^{10}\)

3. **The Joint Comprehensive Plan of Action (JCPOA)** adopted in 2015, is a diplomatic accord negotiated among seven states with the nuclear energy program of Iran. It was seen to bring to an end a period of international tension concerning Iran’s nuclear program that had been ongoing since 2002. India welcomed the JCPOA and revised all its import deals with Iran.\(^{12}\)

4. **Economic Sanctions**: The economic sanctions strained the Iranian economy. In 2018, the US under Trump administration quit the JCPOA deal and imposed further sanctions against Iran, due to this India again halted all its imports from Iran. Due to US sanctions on Iran, both India and Iran are unable to trade, which causes huge losses to both.

5. **IPI GAS PIPELINE PROGRAMME**: One of the famous and controversial issues was the IPI GAS PIPELINE PROGRAMME, which passes between Iran, Pakistan and India. It planned a 2775-kilometer pipeline to deliver natural gas from Iran to India via Pakistan. It was also known as the peace pipeline. The US never wanted the deal between Iran and India to be concluded. The US threatened India with economic sanctions and embargo. Due to the US influence, India was unable to conclude the deal. India sacrificed the IPI deal with Iran and signed the India-US Civil Nuclear Agreement\(^{5}\).

6. **Strategic Location of Iran**: In the West Asian region, Iran existed at one of the most strategic locations with control over 9.5 percent of the world’s total oil. Iran is located at the crucial junction of South Asia and the Middle East. It also links the Central Asian Republics and Caucasus Region to the Arabian Sea. Iran also shares 1458 KM of border with Iraq. In the South, the presence of the Persian Gulf and the Gulf of Oman make Iran strategically more important. Iran is in the main road of connectivity and plays an important role in the West-Asian region. Iran becomes strategically more important after withdrawal of the US forces from Iraq.\(^{6}\)

### Conclusion

For India, it is very important to keep its relationship with Iran healthy for securing its energy needs and also its West Asian policy. India’s foreign policy towards West Asia is important because of many reasons. The growing energy need of India is not easily fulfilled without West Asia’s imports, nearly 10% of India’s energy requirements are fulfilled only by Iran., such as energy security, increase exports, remittances and investment in oil sector. For all these measures Iran is important for India’s interest. We also know that the USA is a key player in the region and its relationship with Iran is worse. But India has to establish a good relationship with both the states. Now India has to strengthen its position diplomatically and make its presence in the region.

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