

The Evolution of India-Israel Relations: 1948-2023

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India-Israel ties follow an interesting trajectory. From India's refusal to the partition plan of historic Palestine to carve a separate Jewish state in 1948 to the very close bonds that now define bilateral ties, the relationship has come a long way. The recent Hamas-Israel war has put the spotlight on the India-Israel bilateral relationship. India, which while since 1948 had a decidedly pro-Palestinian approach, has also over the decades been cultivating strong and close ties with Israel. These ties have most specifically flourished in defense, but are not restricted to it. Following the October 7, 2023 attacks by Palestinian militant group Hamas on Israel, Indian Prime Minister Narendra Modi, as did many Western leaders, immediately condemned the Hamas attack and later reiterated that the "people of India stand firmly with Israel in this difficult hour." This pronouncement immediately sparked outraged commentaries, on New Delhi's approach to the Israeli-Palestinian conflict. Charges were leveled against Modi for a "muscular" foreign and domestic policy, in a bid to emulate Israel's tactics in the Palestinian Territories, based on a shared "Islamophobia" of Modi's Bharatiya Janata Party (BJP) and the ruling Likud party in Israel. This paper will attempt to unpack India's evolving relationship with Israel and outline factors driving this relationship and whether these have eroded India's long-standing position on the Palestinian cause.

Keywords: India-Israel bilateral relations; Gaza War 2023; India-Israel defence cooperation; I2U2 forum; Abraham Accords

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Introduction

The recent Hamas-Israel war has sparked a range of debates and discussions on the approaches and relations countries have taken or cultivated on this conflict on either of the sides respectively. One such country has been India, which while since 1948 had a decidedly pro-Palestinian approach, has also over the decades been cultivating strong and close ties with Israel. These ties have most specifically flourished in defense, but not restricted to it. Following the October 7, 2023 attacks by the Palestinian militant group Hamas on Israel (Hutchinson, 2023),

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This paper will attempt to unpack India’s evolving relationship with Israel and outline factors driving this relationship and whether these have eroded India’s long-standing position on the Palestinian cause.

The early years

The Republic of India and the State of Israel were born nine months apart in 1947 and 1948, each a result of partition. A year before Israel was established in 1948, Britain split its colony in the Indian subcontinent, creating India and Pakistan. At the time, Mohandas K. Gandhi and India’s first Prime Minister, Jawaharlal Nehru, were distraught over the decision to carve Pakistan out of British India as a separate Muslim country. They insisted that India be a secular country. As such, it was impossible for them to support the Zionist movement’s campaign for the creation of Israel, which was to be a Jewish state, in British Mandate Palestine in the Middle East. Hence, in 1948 India was among those who voted against the UN Partition plan for Palestine.

However, India announced its recognition of Israel on September 17, 1950. Soon thereafter, the Jewish Agency established an immigration office in Bombay. This was later converted into a Trade Office and subsequently a Consulate (India-Israel, 2022).

Throughout the Cold War that ensued, India came to be a leader of what came to be known as the nonaligned movement – formerly colonized nations that sought to develop independently of both American and Soviet influence. In the 1980s India became the first non-Arab country to recognize Palestine as a state, responding in part to the concerns of its large Muslim population, according to former diplomats. In part, it was also due to its Arab dependence – for its energy security, and for the droves of Indians who began seeking and finding employment in the Arab Gulf countries (Gupta, 2013).

With the beginning of the Madrid Peace process full diplomatic ties between Israel and India were established. Embassies were opened in 1992. Diplomatic relations between Israel and Arab states like Jordan paved the way for this – India after all was dependent on the Arab states for its energy security and had to be mindful of the sensitivities of its large Muslim population on the Palestinian issue – it is today an open secret that both sides had covertly cooperated much before that.

Israel had offered and India had accepted Israeli arms during the Sino-Indian war of 1962 and during the Indian-Pakistani wars of 1971 and then again in 1999 Kargil war with Pakistan (Bhaduri, 2018). Defense ties thus, of course, are central to bilateral relations and India, the world’s largest importer of arms is Israel’s largest arms market. In April 2017, India and Israel signed defense deals worth \$2 billion – the largest defense contract in Israel defense industries’ history – for the supply of medium-range surface-to-air missiles (MRSAM) and missile defense systems to the Indian Army (IAI, 2017).

Establishment of bilateral diplomatic relations

When Israel finally secured long-elusive recognition by India in 1992, this was viewed as a “prize” that would usher in wider recognition in the Global South. India was the last major non-Arab, non-Islamic country to initiate diplomatic ties (Mehrotra, 2023). At the same time, India’s large Muslim minority, which is also the world’s second-largest Muslim community, helped burnish Israel’s credentials as a Muslim-friendly country, helping it to reach out to other non-Arab Muslim countries like Uzbekistan and Indonesia.

In 2003, when the first BJP led coalition government came to power, it began a series of high profile visits between the two countries. In 2000, L. K. Advani, India’s Minister of Home Affairs became the first Indian minister to visit Israel. The two countries set up a joint anti-terror commission in 2000. This was natural given that Israel was then battling a range of terror attacks inside Israel emanating from the West Bank and the Gaza Strip, as was India which had just experienced a terrorist attack in its Parliament by men infiltrated from across the border from Pakistan.

It also invited then Israeli Prime Minister Ariel Sharon for an official visit in 2003. This was the very first visit by an Israeli Prime Minister to India. The visit, coming in the wake of the second Palestinian intifada, had to be cut short because of a terror attack inside Israel. It was also mired in controversy with India’s opposition and Muslim groups staging numerous protests against the visit.

Following the NDA’s defeat in the following national elections, the Indian National Congress led coalition party assumed power for the next two terms. While relations between India and Israel continued to deepen, the government kept this engagement in the shadows and almost invisible.

The Modi years

In 2014, the BJP led NDA coalition came back to power in New Delhi with Narendra Modi as prime minister. Modi, unfortunately, had an anti-minority image, given the tragic Hindu-Muslim riots in 2002 in his home state Gujarat, when he was Chief Minister, where almost 2000 people lost their lives, the majority Muslims. Though people at the higher levels of government were convicted, and though a special investigative committee appointed by none other than India’s Supreme Court gave Modi a clean chit, the perception persisted. In his tenure as Chief Minister Modi had cultivated ties with Israel, attracting investments into Gujarat. He had visited Israel in his capacity as Chief Minister and shared a rapport with Prime Minister Benjamin Netanyahu. It was not surprising, therefore, that under Modi’s premiership bilateral relations between India and Israel blossomed. Israel had already proven itself to be a dependable supplier of military hardware, especially for border security, which was and remains critical for India. However, India’s interest was also found in Israeli technology, particularly in clean water, irrigation, and agriculture.

Modi’s first term in power was characterized by the beginning of high-profile bilateral visits, which included the first ever visit to Israel and the Palestinian Territories by the President of India Shri Pranab Mukherjee in 2016, the first-ever visit by Israeli president Ruven Rivlin the same year, a visit by Modi to Israel in 2017 – the first ever visit by an Indian Prime Minister to Israel, and by Netanyahu to India in 2018, making him the second ever Israeli Prime Minister to visit India. Along with this there were numerous visits to and fro of Cabinet Ministers, including foreign and defense ministers of both countries.

India's outreach to Israel here needed to be seen as part of its broader engagement with the Middle East, or what Indians dub "West Asia". That, in turn, is part of the policy of what analysts call "multi-alignment" – reaching out to all major powers, a hallmark of the Modi government. Since 2014 India has been energetically reaching out to all major powers in the region – the Gulf Cooperation Council (GCC) countries, Iran, and Israel. In general, India had kept its engagement with West Asia to a minimum, in spite of the region's tremendous strategic importance. For instance, during his decade-long tenure as prime minister, Modi's predecessor Dr. Manmohan Singh had visited the region only five times, of which two were for the summits of the group of nonaligned nations.

According to the spokesperson of the ministry of external affairs, "India's relations with Israel are part of its engagement with the broader West Asia region and are independent to its relations with any country in the region."

"It is high time that India stopped looking over its shoulders each time it engages with Israel," said senior analyst and founding director of Carnegie India, Dr. C. Raja Mohan. "That is what the Modi government is doing – putting an end to the furtiveness of the relationship that had prevailed in the past."

India's relationship with Israel had been marked by a certain secrecy, a policy previous governments were inclined to pursue. Even though bilateral relations had developed in leaps and bounds since full diplomatic relations were established in 1992, they were kept well below the radar. Only domestic politics could have explained it, since all major powers, including those like China and Russia, pursued a robust relationship with both Israel and the Arab world. The Modi government simply brought it out in the open. (Analysis: The Indo-Israeli partnership: no more sneaking around, Aditi Bhaduri, January 18, 2016). Moreover, geo-political shifts no longer made relations with Israel contingent on Arab approval.

Defense relations

Defense ties and cooperation form the cornerstone of India Israel bilateral relations. From being an importer of Israeli tech and equipment, Indian companies are now collaborating with Israel Aerospace Industries (IAI) on a variety of ventures, like Unmanned Aerial Vehicles (UAVs) Heron MK II, Medium Altitude Long Endurance (MALE) Heron TPs, both of which are being inducted into the Indian Army.

After Prime Minister Narendra Modi's visit to Israel in 2017, the IAI had signed an agreement with Elcom Systems and Dynamatic Technologies for the manufacture of UAVs in India. The IAI and Hindustan Aeronautics Limited (HAL) have signed a joint venture whereby IAI will not only offer UAVs to India but also help HAL in manufacturing them in India.

HAL has also signed a memorandum of understanding with IAI to convert civil passenger aircraft into a multi-mission tanker transport (MMTT) for air refueling with cargo and transport capabilities. The MoU also covers conversion of passenger planes into freighter aircraft. Israel has been upgrading India's aircraft systems such as MiG 21s; LCA & ALH; and is cooperating on developing Light Combat Aircraft (LCA) and Advanced Light Helicopter (ALH) with Indian aeronautic giants.

Both government organisations and private industries are committed to co-developing defence systems. New Delhi is also sourcing Firefly loitering ammunition, Spike anti-tank guided missiles, and Spice guidance kits from Tel Aviv.

Israel Aerospace Industries and India's Defence Research and Development Organisation

(DRDO) have codeveloped a medium-range surface-to-air-missile (MRSAM), named as BARAK 8 Air defence system.

India imports critical defence technologies from Israel such as Searcher, a multi-mission tactical UAV; Air defence systems such as SPYDER-MR; Beyond visual range air-to-air missiles (BVRAAM) such as Python-5, Derby, etc. Indian armed forces use Israeli Phalcon AWACS (Airborne Warning and Control Systems).

Joint Exercises: Military-to-military engagements including joint exercises and defence industry collaboration are on the upsurge. India recently participated in the Blue Flag training event with a C-130J special operations aircraft and Garud commandos.

Security & Counter-Terrorism: There is cooperation on security issues, including a Joint Working Group on Counter-Terrorism. “Engaging with Israel is critical to India’s counter terrorism strategy. It is even more important today, given the targeting of India by the Islamic State organization. Israel’s intelligence on terror groups in the Middle East is second to none. It is an existential question for Tel Aviv”, said Maj. Gen. (retired) Dipankar Banerjee, a senior strategic analyst with the autonomous think tank, Forum for Strategic Initiatives to this author.

Trade and Investments

Since 1992, bilateral trade and economic relations progressed rapidly. From US\$ 200 million in 1992 (comprising primarily of diamonds), merchandise trade diversified and reached US\$ 10.1 billion (excluding defense) in FY 2022-23, with the balance of trade being in India’s favor. In FY 2022-23, Indian merchandise exports to Israel was US\$ 7.89 billion and Israeli exports to India was US \$ 2.13 billion. In addition, bilateral trade in services stands at USD 1.1 billion (2021).

During the visit of the Prime Minister of India to Israel in July 2017, both sides signed and exchanged seven MoUs on cooperation in the areas of innovation, technology, water, agriculture, and space & science. A US\$ 40 million India-Israel Industrial R&D and Technological Innovation Fund (TIF) for joint projects was also set up. During the Visit of the Prime Minister of Israel to India in January 2018, the two countries signed nine agreements in various sectors, including cyber security, oil and gas, solar energy, space science, air transport, medicines, and film production.

India is Israel’s second-largest trading partner in Asia and the seventh-largest globally. Though bilateral merchandise trade is dominated mainly by diamonds, petroleum products and chemicals, recent years have witnessed an increase in trade in areas such as electronic machinery and high-tech products; communications systems; medical equipment, etc. India continues to be a ‘focus’ country for the Israeli Government’s increased trade efforts.

Major exports from India to Israel include pearls and precious stones, automotive diesel, chemical and mineral products, machinery and electrical equipment, plastics, textile and apparel products, base metals and transport equipment, agricultural products. Major exports from Israel to India include pearls and precious stones, chemical and mineral/fertilizer products, machinery and electrical equipment, petroleum oils, defense, machinery and transport equipment.

Indian Investments in Israel: Cumulative ODI from India during April 2000 to May 2023 was U.S. \$ 383 million. Indian companies are marking their presence in Israel through mergers and acquisitions and by opening branch offices. TCS started operations in Israel in 2005; State Bank of India opened a branch in Tel Aviv in 2007; Jain Irrigation fully acquired NaanDan, an Israeli irrigation equipment manufacturing company in 2012; Sun Pharma has a 66.7% stake in

Israel's Taro Pharmaceutical Industries, and so on. A major highlight was when in December 2022, a consortium of India's Adani Ports and Special Economic Zone Ltd (APSEZ) concluded a major investment plan of about USD 785 million in Israel for the acquisition of Haifa Port Company Ltd from the Government of Israel, through its JV partnership with Israel's Gadot Group which won the tender for privatizing the port of Haifa bid of USD 1.18bn.

Israeli investments in India: During April 2000 – March 2023, Israel's direct FDI into India was U.S. \$284.96 million. There are over 300 investments from Israel in India mainly in the high-tech domain, agriculture and water. These investments are varied in nature – manufacturing plants; R&D centers; subsidiaries and joint ventures etc. There is a growing preference for Israeli companies in sectors such as renewable energy, water technologies, homeland security, and real estate in addition to traditional areas such as agriculture, chemicals, etc. Israel's Tower Semiconductor is part of the consortium which in May 2022 announced an investment of \$3 billion in Analog Semiconductor Fab in Karnataka.

Cooperation in Agriculture and Water Technologies

Agriculture: Under a comprehensive Work Plan for cooperation in agriculture signed on 10 May 2006, bilateral projects are implemented through MASHAV (Center for International Cooperation of Israel's Ministry of Foreign Affairs) and CINADCO (Centre for International Agricultural Development Cooperation of Israel's Ministry of Agriculture and Rural Development). Agricultural cooperation between the two sides is formalized through 3-Year Work plans wherein 3-year Action plans are developed. MASHAV is active in India with many experimental and demonstration projects and operates an agricultural demonstration farm in Pusa.

The Fifth three-year work program (2021-2023) was signed on 24 May 2021. The work program aims to grow the existing Centers of Excellence (CoE), establish new CoEs, increase CoE's value chain, bring the CoEs into the self-sufficient mode, and encourage private sector companies and collaboration. The new work programme also focuses on converting the villages surrounding these CoEs into Villages of Excellence through outreach programmes. The concept of Villages of Excellence is aimed at creating a model ecosystem in agriculture across eight states in India, alongside select Centers of Excellence within 75 villages. Currently, there are 30 fully active CoEs' in twelve Indian states.

Indian officials have been receiving training in Israel from time to time.

Water Technologies: Ongoing cooperation between the two countries in the sector was formalized through an MOU on Water Resources Management and Development Cooperation signed in November 2016. Indian companies and official delegations regularly visit the biannual event WATEC in Israel which showcases Israel's water and energy technologies. During the visit of Prime Minister to Israel in July 2017, both sides signed MoUs on (i) National Campaign for Water Conservation in India and (ii) With UP Government on Reforms of UP Jal Nigam. Governments of individual Indian states like Punjab, Haryana, and Uttar Pradesh have signed agreements with either the Israeli government or private enterprises for cooperation in this sector.

Israeli company IDE has built several desalination plants in India, including India's largest desalination plant in Jamnagar with a capacity of 160,000 cubic meters/day). Other examples are the Tahal group, which signed a US\$ 74 million deal with the Karnataka Government to design, construct and operate a water supply system to 131 villages in the State. An Israeli company, Aqwise, has a joint venture with Triveni Engineering that is providing clean drinking water to

Uttar Pradesh Jal Board for almost 2 million residents of Agra with a special water treatment plant on the river Yamuna, and Ayala, another Israeli company has won a contract in February 2017 to clean an eight-kilometer stretch along the river Yamuna in Delhi. There are many other such examples.

Indians now understand that Israel forms a major pillar in the country's regional outreach, along with Iran and the Gulf Cooperation Council (GCC) countries, and is central to India's defense and military strategy.

Impact of relations with the Palestinians

Ever since the Narendra Modi government came to power in 2014 there has been widespread speculation that India's stand on the Palestinian issue would dilute in favour of India's friendship with Israel. Equally, however, the Modi government has increased its outreach to the Palestinians. Modi first met Palestinian President Mahmoud Abbas in New York in 2015 on the sidelines of the 70th UN General Assembly. The first foreign secretary-level talks between India and Palestine took place under his watch. However, even before this, in 2014 India voted for a UN commission to probe into possible Israeli war crimes in Gaza during its military operations there. It desisted from voting on a resolution to welcome the report of the commission, because of concerns about the role that Hamas had played in fomenting terror in Israel.

These are the same dynamics in play this time around, too. India had a month ago abstained from a UN General Assembly resolution on Gaza because it had omitted mention of Hamas, which has been at the roots of the current war in Gaza.

It may, therefore, be fair to say that the Modi government has not only remained true to India's position on the Palestinian issue but has been proactive. True, this has not precluded India's outreach to Israel. What the government has done actually is to de-hyphenate the two and pursue relations with each other on individual tracks, just as all other major powers in the world have been doing. This position was most succinctly expressed by the late Pranab Mukherjee who became the first Indian President to visit both Israel and Palestine in 2016. In his address at the University of Jordan, Mukherjee spelled out India's policy: "Like Jordan, India's traditional support to the Palestinian cause remains steadfast and unwavering while we pursue strong relations with Israel. Our bilateral relations with Israel are independent of our relations with Palestine."

In the following year, Modi became the first Indian Prime Minister to visit Israel and later also the first Indian Prime Minister to visit Ramallah. While commentators frequently stress on the first they forget the second. In Ramallah Modi was even honored with the "Grand Collar of the State of Palestine". After holding talks with Palestinian Authority President Mahmoud Abbas, Modi said India hoped to see an "independent Palestinian state living in an environment of peace".

Modi's visit to the Palestinian Territories came barely a month after Israeli Prime Minister Benjamin Netanyahu paid his first-ever visit to New Delhi. But what was striking was that almost on the eve of the visit, on 21st December 2017, India voted in favour of the UN General Assembly (UNGA) resolution condemning the US for its decision to move its embassy to, and recognize, Jerusalem as the capital of Israel. According to the Oslo Accords, the final status of Jerusalem is to be negotiated at a later stage. So, this was a unilateral move.

More significantly, India under Modi has increased its aid to the Palestinians. Palestine has been a major recipient of Indian aid since the 1990s. In 2016, India under the Modi government

established an IT hub in Ramallah by providing a \$12m grant. There have been numerous other such contributions, especially in healthcare. India's greatest contribution, however, may be the increase in aid to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), after the Donald Trump administration decided to stop all aid to it. India increased its annual contribution to the agency to \$5 million. All these measures testify to the fact that India has not watered down its support to the Palestinian cause (India provides, 2022).

Conclusions

In conclusion, it may be fair to note the following:

India and Israel ties cover an entire gamut of bilateral cooperation: military, counterterrorism, agriculture, water technologies, innovation, research and development. This is leg enough for bilateral ties to stand on their own, and do not need the prop of so called shared "Islamophobia". Israel offers India much needed technology in areas vital for India. Along with this, it comes with no strings attached and non-interference in India's internal affairs. Israel is also ready to transfer technology and enter into joint production and projects with India, which provides a much needed boost to the country's localisation of production and indigenisation programs in critical areas like defence and agriculture.

Both Indian and Israeli societies are also bonded by a shared commitment to democracy, education, and innovation.

More recently, the Abraham Accords, signed between Israel and UAE, have further paved the way for trilateral cooperation between India, Israel, and the UAE, as well as paved the way for the I2U2 forum comprising India, Israel, USA, and UAE, for innovation and technological cooperation amongst the four states.

At the same time, India's burgeoning relations have not negatively impacted any way the country's stand on the Palestinian issue.

India, has in fact, dehyphenated Israel and Palestine and pursues relations with both sides on parallel tracks.

India has also always called for both Israelis and Palestinians to negotiate peacefully for the realization of the two state solution – Israel and Palestine existing side by side. India has always stood for the two-state solution for the resolution of the conflict in the Middle East, and believes there is no military solution to it.

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