

Q.3

USA and Iran seem to be on a collision course, which could have wide ramifications across West Asia and subsequently the global order.

Instances of rising conflicts:

- ① Started with USA withdrawing from JCPOA agreement signed with Iran
- ② Shooting down of a US drone near Persian Gulf allegedly by Iran
- ③ Iran's announcement of enhancing centrifuges beyond JCPOA limits

Impact on Middle-East:

- ① Sabotage of Strait of Hormuz, through which  $\frac{1}{5}$ th of crude oil,  $\frac{1}{3}$ rd of gas passes, could impact Middle East economies
- ② Could further intensify proxy-war fought between Iran and Saudi Arabia led faction, as seen in Yemen, Syria

## Impact on India :

- ① India's energy security will be affected as it has to curb oil imports, fearing US sanctions under CAATSA  
Disruption on
- ② → Connecting to Central Asia, Afghanistan via Chabahar port could hamper trade & commerce relations [TAPI, Ashkabat]
- ③ Instability in Kashmir could be evoked due to rise of fundamentalism

## Steps need to be taken by India:

- ① Mediate in talks between US & Iran due to India's growing global stature and its friendly relations with both parties
- ② Diversify its energy basket, push for renewable energy to overcome energy security conundrum
- ③ Promote international peace & security at global forums (UN, WTO) so that both realize that conflicts will be mutually destructive



④ Joint initiatives like "INSTEX" formed by Germany, France to continue trade with Iran by circumventing US sanctions

India needs to play a balancing act, as on one hand US is one of India's largest trading partners, while Iran holds key to expanding to Central Asia & Europe. Global pressure on US needs to be built via international forums. At the same time, India needs to adhere to international rules & order and explore innovative mechanisms to maintain its strategic autonomy and not yield to US pressure.