



Saudi, Iran agree to Restore Diplomatic Ties

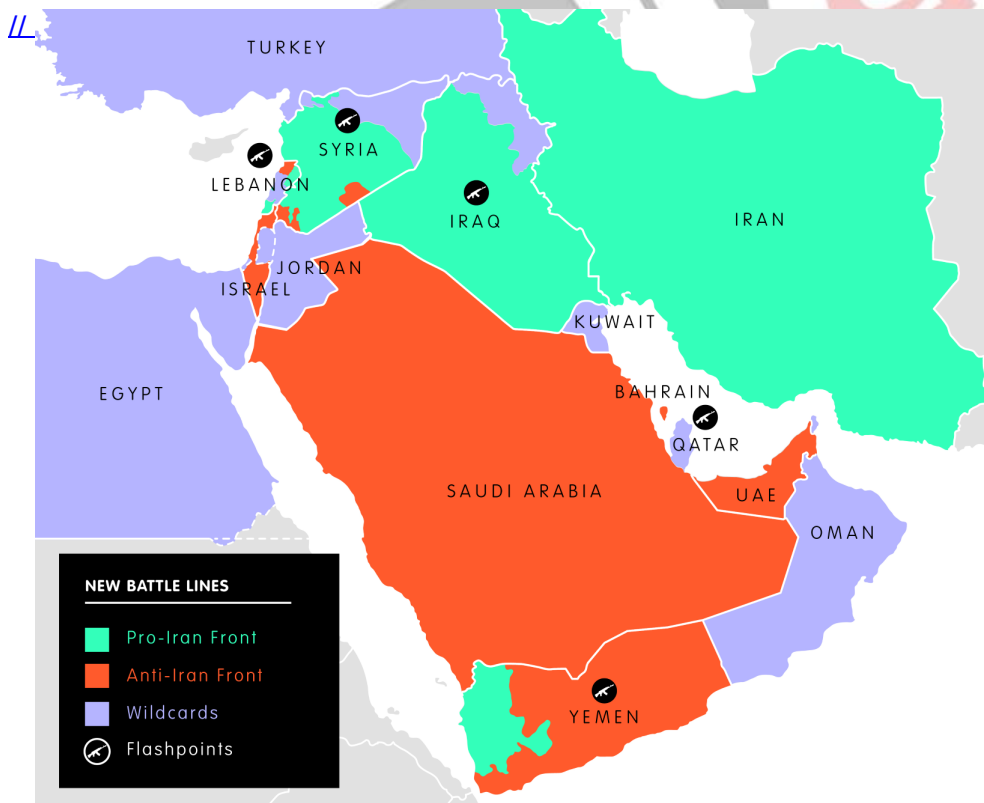
For Prelims: Houthi rebels in Yemen, Geographic Location of Middle Eastern Countries, West Asia.

For Mains: Role of India in Saudi-Iran Relations, Effect of Policies & Politics of Countries on India's Interests.

Why in News?

Recently, **Saudi and Iranian officials held bilateral talks** that concluded with an agreement **to restore diplomatic ties** which have been severed since 2016. The **major diplomatic breakthrough negotiated by China** in Beijing.

- It comes as diplomats have been trying to end a [long war in Yemen](#), a conflict in which both [Iran and Saudi Arabia](#) are deeply entrenched.



What are the Key Outcomes of the Talks?

- The two countries **plan to reopen their respective embassies in Tehran and Riyadh**.

- They also vowed to **respect countries' sovereignty and not interfere in internal affairs.**
- They also **agreed to activate a 2001 security cooperation agreement, as well as a general economy, trade and investment agreement** signed in 1998.

What is the Conflict between Iran and Saudi Arabia?

- **Religious Factor:**
 - **Saudi Arabia broke off ties with Iran in 2016** after protesters invaded Saudi diplomatic posts after Saudi Arabia had executed a prominent Shiite cleric days earlier.
 - **Saudi Arabia has long portrayed itself as the world's leading Sunni nation** while **Iran views itself as the protector of the Islam's Shiite minority.**
- **Attacks on Saudi Arabia:**
 - Since US's withdrawal from [Iran's Nuclear deal](#), Iran was blamed for a series of attacks including one targeting the heart of Saudi Arabia's oil industry in 2019.
 - Western nations and experts have blamed the attack on Iran though the latter has denied launching the attack.
- **Regional Cold War:** Saudi Arabia and Iran - two powerful neighbours - are locked in a fierce struggle for regional dominance.
 - Uprisings across the Arab world (after the [Arab Spring in 2011](#)) caused political instability throughout the region.
 - Iran and Saudi Arabia exploited these upheavals to expand their influence, notably in Syria, Bahrain and Yemen, further heightening mutual suspicions.
 - Moreover, external powers like the US and Israel have a major role in exacerbating conflict between Saudi Arabia and Iran.
- **Proxy Wars:** Iran and Saudi Arabia are not directly fighting but they are engaged in a variety of proxy wars (conflicts where they support rival sides and militias) around the region.
 - For Example, [Houthi rebels in Yemen](#). These groups can acquire greater capabilities which can cause further instability in the region. Saudi Arabia accuses Iran of supporting them.
- **Leader of Islamic World:** Historically, Saudi Arabia, a monarchy and home to the birthplace of Islam, saw itself as the leader of the Muslim world.
 - However, this was challenged in **1979 by the Islamic revolution** in Iran which created a new type of state in the region - a kind of revolutionary theocracy - that had an explicit goal of exporting this model beyond its own borders.

What can be the Global Implications?

- The deal may have **implications for a US-led effort to isolate Iran** economically through sanctions as the deal **may facilitate possible Saudi investment inside Iran.**
- In Yemen, the Saudis have been backing the internationally recognised government in an eight-year civil war against Iranian-backed Houthi rebels but have been **looking for a way to end the war by conducting private talks in Oman with the Houthis.**
 - **Saudi Arabia will hope** that Iran will halt Houthi drone and missile strikes on the kingdom, and **that Iran will help with Saudi talks with the Houthis.**
- The deal will cause **concern among many Israeli politicians who have sought global isolation for its arch-enemy Iran.** Israel described the pact as a "serious and dangerous" development.

What can be the Implications for India?

- **Energy Security:**
 - Iran and Saudi Arabia are **two major oil producers** in the world, and **any conflict between them can lead to oil price spikes** that can have a significant impact on India's energy security.
 - Normalizing ties between these two countries could **help stabilize global oil prices** and ensure a consistent supply of oil to India.
- **Trade:**
 - Both Iran and Saudi Arabia are **important trading partners for India.** Normalizing ties between them could open up new avenues for trade and investment, leading to increased

economic opportunities for India.

▪ **Regional Stability:**

- India has strong economic and strategic interests in the Middle East including [International North-South Transport Corridor \(INSTC\)](#).
- Iran is part of India's **extended neighbourhood**. Any instability in the region can have far-reaching consequences for India. Normalizing ties between Iran and Saudi Arabia could contribute to greater stability in the region, reducing the risk of conflict and terrorism.

▪ **Geopolitics:**

- India maintains **cordial relations with both Iran and Saudi Arabia** and plays a role in maintaining peace and stability in the region. Normalizing ties between these two countries could help India in its efforts to promote peace and security in the region.
- However, Chinese mediation between Iran and Saudi will create **challenges for India as it will contribute to increasing Chinese influence in the region**.

Way Forward

- India can play a constructive role in **promoting dialogue and cooperation between these two countries**, which can help in achieving regional stability.
- India needs to be **vigilant about the increasing Chinese influence in the region** and work towards securing its strategic interests in the Middle East.

UPSC Civil Services Examination, Previous Year Questions (PYQs):

Q.1 Which one of the following countries of South-West Asia does not open out to the Mediterranean Sea? (2015)

- (a) Syria
- (b) Jordan
- (c) Lebanon
- (d) Israel

Ans: (b)

Q.2 Which of the following is not a member of 'Gulf Cooperation Council'? (2016)

- (a) Iran
- (b) Saudi Arabia
- (c) Oman
- (d) Kuwait

Ans: (a)

Q.3 What is the importance of developing Chabahar Port by India? (2017)

- (a) India's trade with African countries will enormously increase.
- (b) India's relations with oil-producing Arab countries will be strengthened.
- (c) India will not depend on Pakistan for access to Afghanistan and Central Asia.
- (d) Pakistan will facilitate and protect the installation of a gas pipeline between Iraq and India.

Ans: (c)

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