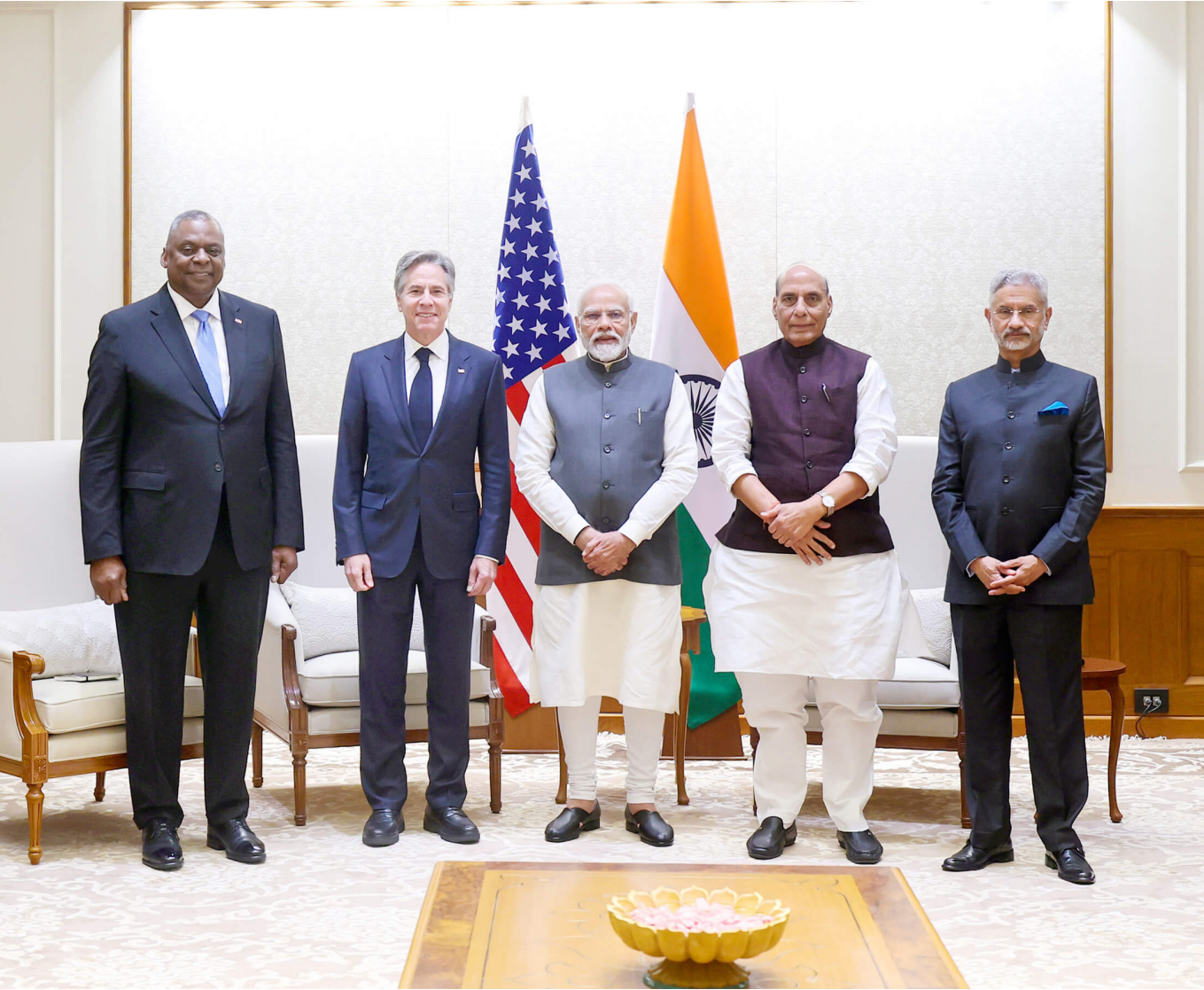




By: Tomorrow's Affairs Staff

India-Middle East-EU corridor on hold due to war in Israel, but not rejected



The India-Middle East-Europe Economic Corridor (IMEC) was not at the top of the agenda at the recent annual meeting of the US and Indian defence and foreign ministers in New Delhi.

The topics regarding defence cooperation, technological exchange, and joint strategies for the Indo-Pacific region dominated the fifth consecutive US-India 2+2 format.

The ministers mainly devoted themselves to implementing a series of agreements, which the US and India concluded last June during the visit of PM Narendra Modi to Washington, and which primarily regard the cooperation between defence industries.

During the introduction at the joint meeting of the 4 ministers, the IMEC project was mentioned only by one of them, the Indian Minister of External Affairs Subrahmanyam Jaishankar, when listing regional initiatives where the 2 nations implement part of their cooperation.

Is this a signal that the IMEC project is moving down on the list of priorities for the US and India, just 2 months after US President Joe Biden and PM Modi announced its launch during the G20 summit in New Delhi?

Damage assessment

One of the reasons that IMEC was not (at least publicly) a priority topic of ministerial talks in New Delhi this week is the terrorist attack by Hamas on Israel that took place in the meantime.

President Biden recently said that one of the reasons Hamas launched an attack on Israel was the progress made towards the integration of the Middle East region. Even though he did not mention IMEC, this project is a significant part of those integrative processes.

"I'm convinced one of the reasons Hamas attacked when they did, and I have no proof of this, just my instinct tells me, is because of the

progress we were making towards regional integration for Israel and regional integration overall. We can't leave that work behind," said Biden after meeting Australian PM Anthony Albanese in late October.

It is probable that the 2 governments have not yet assessed how much Israel's assault against Hamas jeopardises this strategic initiative, as evidenced by the exclusion of IMEC from the agenda of the Ministerial meeting in New Delhi. And particularly for how long it delays its implementation. There is less reason to believe that IMEC has been definitively abandoned.

China's strategic counterpart

"This is a really big deal", as President Biden called it at the beginning of September when it was launched in New Delhi when PM Modi called it a "beacon of cooperation, innovation and shared progress" should connect the west of India, Arab peninsula, Israel and the EU.

It is a commercial project beyond trade and technological benefits since it paves the way for new geopolitical relations between the West and Arab partners in the Middle East and India.

It is a counterpart to China's Belt and Road strategic initiative, launched when Beijing's project rapidly deteriorated after 10 years of existence.

The terrorist attack by Hamas on Israel and its military response in Gaza undoubtedly sidelined IMEC. Just as the crisis put on hold the agreement between Israel and Saudi Arabia in which the 2 sides, with the mediation of the US, advanced far and reached the point when this regional game changer was about to be launched.

However, the stakes for all are far too significant to give up on the project due to the crisis caused by Hamas.

The stakes are too high for the project to be abandoned

India expects a massive influx of investments, raising the level of infrastructure, and a technological boost from this project, given that it would rapidly increase its partnership with the technological giants involved in the project, primarily the US and the EU.

At the same time, for India, IMEC represents a joint balancing of influence in the Middle East in cooperation with the US against growing Chinese influence.

For the Arab participants in the project (Saudi Arabia and the UAE) IMEC is a means to improve their infrastructure, primarily the railways, but also a chance to increase energy exports.

From a geopolitical point of view, IMEC is very useful in diversifying the influence of global competitors in the region (the US and China), thereby strengthening their negotiating positions and moving away from any dependence on one side.

For the EU, as the western end of the IMEC corridor, it is a shortcut that reduces the time for transporting goods to the Middle East and Indo-Pacific (in both directions) by up to 40%. However, it also represents a significant opportunity to expand technological and environmental operations.

Also, the project offers a chance for Europe to reduce its trade orientation towards China much faster than without it.

IMEC is "much more than just a railway or a cable; it is a green and digital bridge across continents and civilisations," said Ursula von der Leyen, European Commission President, when the project was launched last September.

The alternatives for IMEC that have emerged as estimates of what the project might become as a result of the Middle East crisis are far from viable, financially justified, and free from security threats.

Any of them leaves the original framework to connect 3 economically vibrant regions, gathered under the shared values of open market and competition, as a counterweight to the aggressive influences of China or Iran, for example.

Rejecting the project would be a victory for the rival

The attitude of all parties involved in IMEC towards the crisis in Israel shows that they are more than committed to continuing the work on the project.

The Government of India has provided open support to Israel from day one, thus declaring that it sees it as a long-term partner, even within the framework of IMEC, considering that Israel, and particularly the port of Haifa, as the starting point of the maritime corridor to Europe, is its indispensable part.

The Arab partners in the project (Saudi Arabia, the UAE, and Jordan), regardless of their strong support for Palestine, have been insisting from the start and working to ensure that the conflict does not spill over to the rest of the region, which would probably be fatal for the IMEC.

Even though not a direct user of the future corridor, the US has a principal role in the IMEC development as its initiator and strategic sponsor. The US role will be crucial in activating the project immediately after the establishment of peace and a political solution for future Israeli-Palestinian relations.

After all, the decline of IMEC would be a significant victory for its opponents, including Hamas and its patrons. It is not realistic that IMEC stakeholders would allow such an outcome.