



Leveraging India-Israel-US Trilateral Cooperation

Introduction

India, Israel and the US have robust democratic systems and shares common values, on which their continual cooperation hinges. There was constant upscaling of bilateral relations between India-US, India-Israel and US-Israel in the past decades. The three countries conducted a trilateral virtual summit in 2020 to discuss trilateral partnerships in technology, strategic affairs and development. They are currently cooperating to develop an open, reliable and safe to use next-gen 5G technology.

However, the three countries are yet to utilise their full potential for a strong and sustainable trilateral partnership in many areas. A broader and close-knit defence cooperation network between these democracies is the need of the hour. This Briefing Paper looks into the trilateral cooperation between the three countries and the potential areas to collaborate trilaterally.

Background

India, Israel and the US have robust democratic systems and shares common values, on which their continual cooperation hinges. The three also boast of big free-market economies and thus, bilateral trade between each of the countries has been significant since India opened up its economy in the 1990s.

Since the last few decades, bilateral trade and cooperation between Israel and India have scaled

new heights. Apart from actively cooperating in agriculture and academics, India has become the largest importer of Israeli defence equipment. Israel has aligned itself with the Make in India initiative programme and has set up bilateral sub-working groups on Artificial Intelligence (AI), innovation, and technology transfer.

On a similar note, India-US relations are at an all-time high, spanning multiple areas of bilateral cooperation. Recent developments between these countries include the US conferring India with the title of a Major Defence Partner in 2016, India receiving Strategic Trade Authorization-1 Status in 2018,ⁱ and co-development through the Defence Technology and Trade Initiative (DTTI) mechanism since 2012. India and the US have also deepened cooperation in information sharing, interoperability and maritime cooperation.

Likewise, being the first country to recognise the statehood of Israel in 1948 and Jerusalem as the capital of Israel in 2017, the US has developed a strong bilateral relationship with Israel. The strategic partnership between the US and Israel has been booming for decades and successfully established a thriving defence technology corridor.

Overall, the three nations have robust bilateral cooperation mechanisms in various areas, including defence and technology. In addition to developing robust bilateral ties, there has been progress in achieving trilateral cooperation in recent years.

The three countries conducted a trilateral virtual summit in September 2020 to discuss partnerships in technology, strategic affairs and development. During the summit, it was decided that the three countries will cooperate in developing open, reliable and safe to use next-generation 5G technology.

However, the three countries are yet to utilise the full potential for a strong and sustainable trilateral partnership in many areas. The current times dictate the need for a broader and close-knit defence cooperation network between these democracies. The three countries share common interests in the Indian Ocean region. The trilateral cooperation of the three is vital in countering any threat to their common interests by any regional powers.

Apart from that, the three countries face threats of Islamic terrorism and the rising authoritarianism in Asia, Africa, Latin America, the Middle East and Europe. A trilateral strategic agreement on information and intelligence sharing between the three countries can be helpful in coping with these challenges.

India and the US are already cooperating in trilateral initiatives in African and Asian countries for global development on clean energy, regional connectivity and disaster risk reduction. The US and Israel have trilateral partnerships with countries such as Jordan. An India-Israel-UAE trilateral partnership is also in the works.

As countries believing in a rules-based international order where all the countries develop and share the benefits of development equitably, India, Israel, and the US have a responsibility to solve the world's developmental challenges with transparent and open activities. Therefore, the three democracies should strengthen their resolve to cooperate trilaterally.

Prospects of Trilateral Relationship

It is essential to highlight that trilateral collaboration via start-ups in Tel Aviv, Bangalore, and Silicon Valley will be highly beneficial to circumvent the current lengthy defence equipment acquisition process. Furthermore, it will provide an opportunity for fledgling Indian, Israeli and American start-ups to

market their emerging technologies through a non-bureaucratic mode and earn both profits and expertise.

Additionally, innovations in emerging and hybrid technologies can be utilised for other non-defence and non-military purposes. To achieve a long-lasting partnership, a strategic path has to be followed by the three nations, starting with the initiation of a formal dialogue between the DIU, iDEX and Ma'at to identify potential areas of research collaboration.

Lohia Aerospace Systems

Lohia Aerospace Systems is a key private defence sector player in India, which combines Israeli and Indian defence technology. The group acquired Israel-based Light & Strong Ltd, Israel's largest private producer of aerospace focused carbon fibre composite components for Israel's Aerospace and Defence industry. They leverage the Israeli know-how in military technology manufacturing and bring high-end technologies in the defence composites domain to India.

Next, the three militaries should aim interoperability to understand each other's force structure, preferably through joint exercises. Most importantly, a joint start-up defence technology corridor can be set up in Tel Aviv, Bangalore and Silicon Valley to ramp up R&D into hybrid warfare techniques.

Any such trilateral cooperation is set to encounter political obstruction. To counter this, steady steps such as India inviting Israel to the G-20 Summit in 2023, and US designating India as a major non-NATO ally need to be implemented. This is easier said than done. But the three nations should utilise this minuscule head start to accelerate growth in hybrid defence technologies.

In short, this trilateral partnership between the defence powerhouses can be a strong bulwark against the development of sophisticated technologies in authoritarian countries.

With Israel and the US showing keen interest in India's Make in India initiative, the loosening of domestic FDI restrictions, and increasing the ease of doing business, potent defence entrepreneurial trilateral bases can be set up in the start-up cities of the three countries.

The Covid-19 crisis and burgeoning aggression by the authoritarian states have heightened the aspiration for faster innovation and better, high-tech solutions to health, security, and environmental concerns.

Challenges to Trilateral Partnership

Trilateral cooperation has been discussed for quite some years, but there are a few apparent challenges in the conceptualisation of this partnership. Firstly, India retains some of its defence cooperation deals with Russia (former the Soviet Union) and has recently ordered the Russian S-400 missile defence system.

Considering that the US sanctions any country buying weapons from its erstwhile Cold War adversary through the Countering America's Adversaries Through Sanctions Act (CAATSA), India could be sanctioned too. Furthermore, Israel has defence ties with adversaries of India and the US, which could displease them. The US sanctioned Israel after it supplied Harpy Drones to China in 2005.

Nevertheless, other challenges like strict FDI regulations and tax burdens have been relaxed under the Defence Production and Export Promotion Policy (DPEPP). Additionally, under the Defence Acquisition Procedure (DAP) 2020, two kinds of lease agreements - foreign and Indian -- have been devised to smoothen and shorten the foreign defence acquisition process.

Moreover, the DPEPP has eased the burden on start-ups and MSMEs by establishing the Defence Investor Cell (DIC) as an intermediary between them and the central, state and other authorities.ⁱⁱ

Additionally, the sudden departure of former PM Benjamin Netanyahu and the arrival of his political rival Naftali Bennet in Israeli politics might have implications over Israel's relationship, both with the Biden government in the US and the Modi government in India.

While Trump, Netanyahu, and Modi shared a rapport conducive to greater integration between the three nations, it remains to be seen whether Biden will maintain interest in a trilateral partnership with Bennett at the helm.

Even before the pandemic, the US-Israel and US-India security and trade architecture was fairly robust and integrated. The weak link in a possible trilateral partnership is undoubtedly India-Israel. While in the recent UN vote on Palestine, India's decision to abstain sent a message of fluctuation.

It was necessary to convey that India would not move against Israeli interests on the international stage. Nevertheless, India's soft stance on the Palestinian issue might not bode well with the far-right Israeli PM and the effects of this need to be closely monitored.

Potential Areas of Trilateral Collaboration

a) Defence Technology

The private defence manufacturers and start-ups in the three countries can collaborate for defence innovation. Partnering with the technical hub of the US -- the Silicon Valley - by recruiting directly from the valley and co-locating, the US Department of Defence's DIU (Defence Innovation Unit) was able to produce a submarine-launched unmanned aerial system in eight months, avoiding the lengthy bureaucratic process of the Defence Department.ⁱⁱⁱ

Taking inspiration from this success, India launched its own iDEX programme to achieve collaboration with start-ups, academia and R&D institutes to identify and implement new technologies. Israel has a superior defence innovation industry centred around Tel Aviv. They possess a close-knit network of military, academia, defence industry, start-ups and investors synchronised through the Ministry of Defence's Directorate of Defence Research & Development (Maf'at).^{iv}

Currently, a strong defence industrial base exists in Bangalore and Hyderabad where Israeli

and American firms collaborate with the local defense and aerospace start-ups.

The recent corporatisation of the Indian ordnance factory boards provides ample opportunities for the private sector in the US and Israel to collaborate with the newly created Defence Public Sector Undertakings (DPSUs) in innovation and production of modern equipment and weapons.

The three countries should collaborate on emerging technologies, which utilise Artificial Intelligence (AI) and blockchain technology, that can be used for cyber defence and resilient communications and a defence Internet of Things.

b) Health

Even before the start of the COVID-19 pandemic, Israel and India cooperated strongly in healthcare and worked together on augmenting the quality of healthcare infrastructure.

The advent of pandemic has further strengthened the resolve to cooperate, as both nations have suffered heavy casualties. This resulted in India and Israel signing an agreement to cooperate in healthcare and medicine on December 21, 2020.

Furthermore, there is extensive scope for further collaboration in the field of healthcare. Israel has developed technologically superior emergency healthcare infrastructure (ambulance riding emergency responders) and entrepreneur Avi Jorisch has promised that “it is my desire that Israel can export this technology to India to save lives.”^v Building on this pre-existing solid bilateral relationship, India and Israel can benefit from increased engagement with the healthcare sector in the US.

The three countries can cooperate to create innovative healthcare products and technologies that can change the face of the health sector. They can also invest in systems that will help prevent or curbing future pandemics and meet future health challenges.

c) Digital Leadership and Innovation (5G and onwards)

In the recent virtual trilateral summit between the three countries, a trilateral partnership in the areas of digital leadership and innovation was announced. The collaboration would focus on “delivering the next generation 5G technology in a way that is ‘open, interoperable, reliable and secure’”^{vi}.

This trilateral cooperation in 5G-technology is a good start and would help challenge the dominance of some authoritarian countries in the realm of critical technologies. The cooperation should expand to other digital space areas, such as creating a joint defense system against cyber threats and hacking of critical supply chains.

The three countries can jointly explore the opportunities in the digital economy space by focussing on the next-generation technologies such as the blockchain technology. Collaboration in the areas of technology-enabled innovations such as renewable energy, electric vehicles, advanced robotics, and augmented and virtual reality will be significant in the changing global context.

d) Cooperation in Dealing with Climate Change and Water Scarcity

India, Israel, and the US can collaborate to develop innovative solutions to tackle climate change and deal with water scarcity. In Bangalore’s Tech Summit-2020, entrepreneur Avi Jorisch from Israel expressed hope that Israel and India would produce sustainable energy.

He pointed out Israel’s extraordinary achievement of becoming water self-sufficient despite having 60 per cent desert land by leveraging advanced technologies. For instance, Israel has perfected water desalination, a project initially created in the US. It has built about 400 desalination plants, including one in California and another one in Chennai.

Since bilateral cooperation in this arena is well underway, the trilateral partnership can work on wastewater recycling, drip irrigation for Indian

farmers and crafting other innovative technological solutions to environmental problems. It can make 'clean and affordable energy for all' a reality in the three countries. This will help achieve SDG 7 and contribute to the global efforts in tackling the issues arising due to climate change. .

e) **Agriculture**

Agriculture is a vital sector where the three countries should collaborate to install a modern and sustainable system with high productivity. The use of smart farming solutions such as AI-enabled agricultural technology, increasing agricultural biodiversity, smart logistics for post-harvest deliveries, adoption of automation and future technologies are areas where the three countries can jointly undertake research and explore opportunities.

Collaborations between the agri-tech start-ups in the three countries have to be encouraged. The use of Artificial Intelligence in the farming sector, such as AI-enabled systems to detect pests and weeds, agricultural robotics, in predictive analytics and precision farming, in crop and soil health monitoring systems and in weather forecasting to detect unpredictable weather conditions, will gain further impetus through the collaborations of the start-ups.

f) **Skill Development, Innovation and Entrepreneurship**

The three countries can collaborate in initiatives aimed at skill development, especially of the youth, in emerging technologies like Blockchain, AI and Data science India and the US can share existing frameworks like the 'Project Future Ready' launched by a partnership between Dell Technologies, American India Foundation, National Skill Development Corporation and the University of Mumbai.

This platform aims to equip the future workforce through "career mentoring, leveraging online skilling platforms and providing market

aligned skills training for employability and inculcating entrepreneurial mind-set"^{vii}.

Israel and India have instituted similar initiatives like the 'India-Israel Global Innovation Challenge', which seeks to work on innovative solutions in agriculture, health and digital health. These research competitions encourage the youth to participate in brainstorming solutions for common crises while providing an avenue for upcoming entrepreneurs and innovators.

These positive bilateral partnership experiences can be taken forward in the trilateral partnership for extracting greater value in developing the future workforce and coming up with collaborative solutions.

Other areas in which the three countries, their specialised defence agencies and start-up cities can collaborate include, and are not limited to, quantum science, artificial intelligence, blockchain, UAV & Drones and 5G/6G. All three nations have excellent facilities to pursue R&D on these disruptive hybrid technologies.

For example, while Israel has developed an academic and industrial consortium to research on quantum technology, the US' National Quantum Initiative Act with a US\$1.2bn allocation and India's National Mission on Quantum Technology and Applications are all engaged in studying the applications of quantum technology. Blockchain is another beneficial technology for cybersecurity and communications which India, US and Israel can collaborate on, led by Israel's expertise.

Conclusion

Through political changes, consensus and trust-building between the three countries, a trilateral partnership can be achieved as win-win proposition. Collaborating on defence innovation will strengthen the relationship by allowing each nation to utilise their technological pool of resources and highly trained human resources in science and technology.

The trilateral partnership has a host of strategic and pragmatic benefits for each of the nations involved. The US, Israel and India share a common interest in combatting international terrorism. Towards this end, an effective and organised intelligence sharing mechanism can be helpful for each of them. Furthermore, the partnership can assist in thwarting their unruly neighbours and rivals.

In addition, this trilateral cooperation can also help add a new member (unofficially) to the Indo-Pacific security architecture. The Quad is growing steadily and might need extra military and logistical support, which Israel could provide.

Countries like China have been achieving steady progress in hybrid defence technologies like AI,

quantum computing, robotics and drones through industrial strategies such as “Made in China 2025”.

The US’ loss of competitive advantage in hybrid defence technologies like AI, quantum computing, robotics and drones because of the steady progress in these technologies in other countries can be countered by a joint initiative of the three countries.

India has much to gain from the trilateral cooperation in multiple domains such as defence, space, technology and innovation, in modern arenas of the digital economy, and in combating climate change by providing clean and affordable energy to all. Israel could also capitalise on a trilateral cooperation to gain unlimited access to the Indian market and the markets of India’s traditional allies in Asia and Africa.

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