

### **EDITORIAL: THE HINDU GENERAL STUDIES 2: INTERNATIONAL RELATION DATE: 21.01.2025**

# PRIORITISING IMEC IS IN AMERICA'S BEST INTEREST

## The United States-India Strategic Partnership

## **Historical Evolution**

- The partnership strengthened during the Clinton administration in the 1990s, setting a new trajectory.
- Today, there is bipartisan support in the U.S. for enhancing this relationship based on shared interests in economic growth, regional security, and democratic values.

# IMEC Agreement: Strategic Opportunity

- The India-Middle East-Europe Economic Corridor (IMEC), announced in 2023, is a chance for the U.S. to fortify multilateral ties.
- **IMEC** aims to create free and open trade routes, enhance energy security, and promote technological innovation, benefiting U.S. and Indian strategic goals.

### IMEC Goals and Vision

- Envisions an integrated network spanning India, the Middle East, and Europe.
- Plans include railways, shipping networks, hydrogen pipelines, electricity grids, and digital communication cables.
- Seeks to enhance trade connectivity, reduce costs, diversify global supply chains, and promote economic integration.

### **Challenges to Implementation**

- IMEC remains more conceptual than operational, requiring extensive planning and cooperation.
- Investment priorities among participating nations, such as the UAE, Saudi Arabia, and European countries, must align.
- Private sector involvement is critical but dependent on clear investment returns.

# **Participating Countries and Initiatives**

• France appointed a business leader, Gérard Mestrallet, to lead its IMEC efforts.



- The UAE and Saudi Arabia view IMEC as a way to strengthen ties with the West.
- Nations like Iraq and Türkiye are initiating trade agreements to complement IMEC.

# Alternative to China's Belt and Road Initiative (BRI)

- IMEC offers an alternative to China's BRI by reducing India's trade costs and vulnerabilities, such as disruptions in the Suez Canal.
- Promotes increased foreign direct investment and strengthens India's ties with West Asian and European nations.

## **Environmental and Energy Implications**

- IMEC aligns with India's leadership in green hydrogen technology and energy transition.
- Collaborative efforts with Germany, Japan, and others aim to develop infrastructure for green hydrogen production, reducing carbon emissions and fostering job creation.

# U.S. Leadership and Future Prospects

- The Abraham Accords facilitated diplomatic conditions for IMEC's progress.
- Former U.S. President Joe Biden strongly supported IMEC, with questions remaining about future leadership roles.
- The warm relationship between Donald Trump and Indian Prime Minister Narendra Modi could be influential in advancing IMEC.

### Conclusion

IMEC is a transformative initiative with the potential to redefine regional economic cooperation and strengthen U.S.-India ties. Its success depends on multilateral coordination, significant investments, and addressing environmental concerns, with both nations playing pivotal roles in shaping a sustainable and inclusive economic corridor.





#### Overview

- IMEC is a planned economic corridor to boost economic development and integration across Asia, the Arabian Gulf, and Europe.
- It aims to enhance connectivity through railways, shipping networks, energy cables, and data links.

#### **Key Features**

- 1. Connectivity Network:
  - Integrates railway lines and sea lanes.
  - Promotes energy and digital connectivity through cables and pipelines.
- 2. Structure: Composed of two primary corridors:
  - Eastern Corridor: Connects India to the Arabian Gulf.
  - Northern Corridor: Connects the Arabian Gulf to Europe.

#### Transit Routes

- India to Saudi Arabia: Via sea.
- Saudi Arabia to UAE: Via rail.
- UAE to Jordan: Likely rail connectivity.
- Jordan to Turkey: Via sea.
- **Turkey to Europe**: Via rail.

#### Infrastructure Development

- Alongside the railway network, clean hydrogen pipelines will be laid.
- Energy and digital connectivity cables will strengthen infrastructure.
- IMEC is part of the Partnership for Rail and Shipping Corridors Global Infrastructure Investment (PGII).

#### **Member Countries**

- India
- United States
- United Arab Emirates (UAE)
- Saudi Arabia
- European Union (EU): Includes Italy, France, and Germany.

#### Objective

- Enhance global trade and cooperation through the development of critical infrastructure.
- Promote economic integration across regions by streamlining transport, energy, and digital communication.



This corridor is a significant step towards redefining regional connectivity and fostering long-term economic partnerships.

Source: <u>https://www.thehindu.com/opinion/op-ed/prioritising-imec-is-in-americas-best-interest/article69120478.ece</u>

