Energy Diplomacy During Crisis: A Case Study of India's Foreign Policy Adjustment Strategies in Facing the Potential Global Oil Shock in 2019

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ABSTRACT

This article aims to elaborate on how a state adjusts its energy diplomacy in the event of a potential global energy crisis, using India's foreign policy adjustment following the drone attack on the global oil supplier as a case study. The 2019 drone attack incident that occurred at Saudi Arabia's Aramco oil refinery hampered Saudi Arabia's oil supply in exporting petroleum and caused global oil prices to increase by around five percent. This event raised concerns for India, which depends on Saudi Arabian oil imports. India's dependence on petroleum continues to grow annually due to its large population and rapid industrial development. This research examines the Indian government's strategy for securing its oil supply in response to the imbalance in Saudi Arabian oil production. The method used in this research is qualitative, emphasizing comprehensive and descriptive analysis regarding India's energy security. Additionally, this research was analyzed using policy adjustment strategies, which emphasize a defensive approach, as evident in the Indian government's cautious response and actions. The results of this research reveal two distinct defensive strategies, both domestic and international. On the one hand, India utilizes its domestic strategic petroleum reserves, and on the other hand, India has decided to strengthen its collaboration with Russia and Venezuela. The analysis is also connected to energy security to identify India's energy diplomacy strategy during a crisis.

***Keywords**: Energy Diplomacy, India, Saudi Arabia, Policy Adjustment, Energy Security, Global Oil Crisis*

Artikel ini bertujuan untuk menguraikan bagaimana suatu negara menyesuaikan diplomasi energinya ketika ada kemungkinan terjadinya krisis energi global, dengan studi kasus penyesuaian kebijakan luar negeri India setelah serangan drone terhadap pemasok minyak global. Insiden serangan drone pada tahun 2019 yang terjadi di kilang minyak Saudi Aramco, Arab Saudi, berpotensi menghambat pasokan minyak Arab Saudi dalam mengekspor minyak bumi dan menyebabkan harga minyak global meningkat sekitar lima persen. Peristiwa ini menimbulkan kekhawatiran bagi India yang bergantung pada impor minyak Arab Saudi. Ketergantungan India terhadap minyak bumi terus meningkat setiap tahunnya karena jumlah penduduk yang signifikan dan peningkatan pembangunan industri. Penelitian ini menganalisis strategi pemerintah India dalam mengamankan pasokan minyaknya sehubungan dengan ketidakseimbangan minyak Arab Saudi. Metode yang digunakan dalam penelitian ini adalah kualitatif, menekankan analisis komprehensif dan deskriptif mengenai keamanan energi India. Selain itu, penelitian ini dianalisis dengan menggunakan strategi penyesuaian kebijakan yang menekankan pada strategi defensif, terlihat dari respons dan tindakan pemerintah India yang berhati-hati. Hasil penelitian ini menunjukkan dua strategi pertahanan domestik dan internasional. Di satu sisi, India menggunakan cadangan minyak strategis dalam negerinya dan di sisi lain, India memutuskan untuk memperkuat kolaborasinya dengan Rusia dan Venezuela. Analisis ini juga dikaitkan dengan ketahanan energi agar dapat menemukan strategi diplomasi energi India di tengah situasi krisis.

***Kata-Kata Kunci**: Diplomasi Energi, India, Arab Saudi, Penyesuaian Kebijakan, Keamanan Energi, Krisis Minyak Global*

The study of diplomatic energy has been significantly developed today, as the issue of energy security has become the primary global priority. Although the discussion about energy transition is encouraged worldwide, many countries continue to pursue access to oil and gas. However, the possibility of an energy crisis remains a threat to a country's energy security in a dynamic global energy landscape. Once a disruption occurs in global oil management, a state may calculate its possible policy response to the situation before the oil crisis strikes. Especially for countries that import mainly, the author will map the potencies of policy adjustment strategies to ensure their energy security. Ultimately, the policy adjustment will be reflected in its energy diplomacy with other countries. One of the case studies is India's policy adjustment during the drone attacks in Saudi Arabia. The concern regarding oil access was predicted to disrupt India's national energy supply.

In July 2019, around ten drones attacked one of Saudi Aramco's largest oil refineries in Saudi Arabia. As a result, Saudi Aramco's oil refinery facilities were utterly damaged, affecting Saudi oil output and reducing the world's oil supply by 5% globally (Hubbard et al. 2019). Since the incident, oil production has declined from 9.8 million barrels to approximately 4.1 million barrels of oil per day, resulting in a loss of 5.7 million barrels of oil per day (Chaturvedi 2019). In addition, this incident caused oil prices to increase in the global market, with crude oil prices soaring almost 20%, hampering the export of oil reserves (Chaturvedi 2019).

Since the incident at the Aramco oil refinery in Saudi Arabia, India has expressed concern about the difficulties in providing oil to its people. India's dependence on and need for oil consumption reaches a benchmark of around 85% (Banerjee 2019). Around 40% of India's total oil imports come from Saudi Arabia (Arora 2019). As stated by Narendra Taneja (a Bharatiya Janata Party (BJP) politician and energy expert) to the BBC (2019), he considers Saudi Arabia a safe country for India as a supplier. This incident worries India about the higher cost of oil imports and contributes more to India's trade deficit (Bhaskar and Phatak 2019). According to an Indian investment bank, the increase in oil prices of around 10 percent will widen India's balance sheet deficit by 0.4-0.5% of Gross Domestic Product (GDP) (Times of India

2020). This resulted in a decrease in Saudi Arabian oil imports to India, from around $6.91 billion in April-July 2019 to $1.75 billion after July 2019 (Mishra 2021). Vima Jayabalan (Research Director at Wood Mackenzie) said, "India will be the most exposed to the supply shock. China, South Korea, Japan, and India are the largest consumers in Asia, with China and Japan leading the pack at an average of 900–1,100 kilobarrels per day. India could be most exposed as its reserves are the least. China has a Strategic Petroleum Reserve (SPRs) and commercial crude storage, while Korea and Japan have International Energy Agency (IEA) reserves to fall back on" (Abdi 2019).

However, the Saudi Arabian government assured that the incident would have no long-term impact and would not disrupt India's oil supply (Bhaskar and Phatak 2019). As an oil-exporting country, Saudi Arabia planned to limit its oil supply to various countries while restoring its supply conditions. Raveesh Kumar, as a spokesman for the Indian Foreign Minister, also responded that the incident of the drone attack was part of violence and terrorism in all its forms and manifestations that had targeted attacks on the Aramco oil refinery (The Wire 2019). Additionally, the Minister of Oil, Dharmendra Pradhan, directly stated that they would continue to monitor the situation's development (Mahajan 2019). The drone attack became a concern for other countries trading with Saudi Arabia, primarily because it is related to Saudi Arabia's most significant oil reserves, both for domestic use and for export to other countries, such as India.

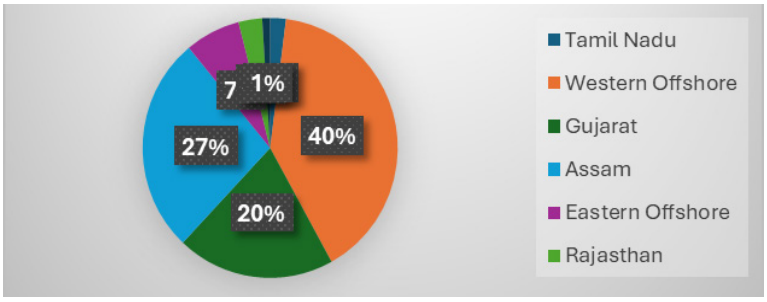
From the explanation above, this article discusses how the Indian government's energy diplomacy strategy is to ensure the supply of petroleum and national energy security after the drone attack in Saudi Arabia, which increased world oil prices in 2019. This article also discusses the relationship between India and Saudi Arabia in terms of energy imports, especially petroleum. This article was written based on qualitative research methods to provide a clear understanding of the research. The qualitative research method employed by the author is descriptive, presenting data and providing descriptive analysis. The secondary data in this article are sourced from books, official government websites, electronic journals, and news articles from trusted websites, utilizing

keywords such as energy diplomacy, India, energy security, Saudi Aramco, Saudi Arabia, and adjustment strategies. To address the objectives and benefits of the research, this article will be divided into four parts: an introduction, an explanation of the relationship between India and Saudi Arabia in the context of fulfilling energy security, policy adjustment strategies by India in response to the drone attack incident on Saudi Aramco, and a conclusion.

India-Saudi Arabia's Bilateral Relations on Energy Security

One of the primary concerns of the Indian government is the country's rapidly growing population, which drives an increasing demand for oil and other energy sources. India's oil consumption continues to increase annually. In 2018, India's oil consumption reached 239.1 million tons of oil equivalent, marking a 5.3 percent rise from the previous year (Narayan et al. 2019). Meanwhile, India's national production only reached 691 thousand barrels per day in 2016 and decreased to 622 thousand barrels per day in 2018 (CEIC 2023). Therefore, India needs to import oil to meet its domestic needs. In addition, the Indian government continues to strive for managed petroleum reserves, such as those of Indian Oil Corporation Ltd. (IOCL), a government-owned company founded in 1959 that operates in the petroleum and petrochemical sectors (Bloomberg 2020). The following graph illustrates India's petroleum reserves as of 2018.

Picture 1.
India's Oil Reserves in 2018



Source: Bloomberg (2020)

In 2018, India's petroleum reserves were recorded at 549.49 million tons, sourced from various domestic energy companies and production sites, including onshore fields in Assam and offshore reserves. With India's increasing consumption and dependence on petroleum, petroleum imports are crucial for meeting the country's needs. Thus, India's petroleum energy reserves come from two sources: domestic production management and imports. India's oil supply is obtained through imports from several countries, such as Iraq, Saudi Arabia, and the United States. Based on the available data, India's petroleum imports have shown a consistent upward trend each year. In 2018, the country imported a total of 220.434 tons of oil, an increase from 213.932 tons in 2017 (CEIC 2021). During the 2017–2018 period, India imported 36 million tons of oil from Saudi Arabia, valued at $15.263 billion. The number marked an increase from the previous year (2016–2017), when the value of oil imports from Saudi Arabia was recorded at $13.674 billion. The rise in import value was primarily attributed to the increase in international crude oil prices, resulting in a 12 percent growth in oil import value during the 2017–2018 period (Abdi 2019).

Energy Diplomacy, Foreign Policy Adjustment and Energy Security

Based on data managed by the Indian Strategic Petroleum Reserve Limited (ISPRL), with the disruption of oil supply due to drone attacks on Saudi Aramco, India reportedly only has strategic reserves for around 12-16 days and in contrast to the reserves available at the refinery which are only enough for 45-60 days (Tripathi 2019). The disruption of oil supply could pose a significant threat to the country's energy security, particularly in light of India's growing energy demands and overall stability. India's response to the developments in Saudi Arabia, its second-largest oil supplier, is analyzed using the theory of foreign policy adjustment strategies.

Energy diplomacy has evolved into a significant aspect of international relations, primarily aimed at securing a stable and reliable energy supply (Bovan et al. 2020). Its relationship

with foreign policy and national security is multifaceted and continually shifting, driven by the growing importance of energy in shaping both a nation's security and economic development. As energy increasingly affects national interests, it has become a central element of diplomatic and foreign policy strategies. Generally, there are at least three concepts closely related to initiating the analysis: energy diplomacy, foreign policy, and national energy security. National energy security is a primary consideration in the formulation or adjustment of foreign energy policy, as the international situation significantly influences it. The stability of national energy security can be measured through the 4As: availability, accessibility, affordability, and acceptability. Accessibility refers to the readiness or time required to maintain safety in achieving energy security. Affordability is reflected in the affordability of the oil supply price. Acceptability reflects the trust and acceptance of both parties, who already have a level of trust in each other. In the context of energy cooperation, this leads to mutually beneficial energy utilization and increased availability, facilitating cooperation due to the availability of goods (Cherp and Jewell 2014; Huda 2024).

In general, since energy has been integrated into foreign policy, national energy security has become crucial to achieving broader national objectives, including security and economics. In terms of security, energy resources and access to energy supplies have become integral to national defense strategies. Economically, control over energy markets and resources has become central to a country's financial stability and global economic influence. Thus, energy diplomacy developed through these dual channels, solidifying its place as a core component of foreign policy agendas in many nations (Bovan et al. 2020). In this scenario, during typical global oil politics, energy diplomacy can be conducted based on the assumption of business as usual. However, the state must adjust its foreign policy to ensure national energy security in the event of a potential disruption in global oil politics. Consequently, the implementation of energy diplomacy will differ from the usual approach.

According to Ikenberry (1988), policy adjustment strategies can be applied to a country that is related to the possibility of a global oil

shock. The definition of a global oil shock is an event in which the price of oil increases, negatively impacting a country and causing problems in sectors such as the economy and energy security (Bataa 2010). According to Huda (2024), this shock can affect a country's socio-economic condition, which may lead to domestic conflict and subsequently cascade into international instability. Therefore, the foreign policy adjustment strategy is divided into four possibilities for countries trying to overcome problems related to global shock (Ikenberry 1988). Some strategies are categorized by their international or domestic scope, and strategies are based on the desired objectives, namely, defensive or offensive. First, in the international offensive strategy, the country should be more ambitious in addressing this problem by implementing strategies such as creating a new international regime, thereby establishing a new international economic order that is better equipped to handle oil shocks.

Additionally, this involves a strategy to establish a new rule in international interaction. For example, it relates to trade regime agreements regarding tariffs and trade, as well as the Bretton Woods monetary system. Second is domestic offensive adjustment, where a country faces the challenge of changing its industrial structure to overcome economic changes. This strategy refers to gradual efforts to encourage the growth of specific industries or create new rules that can facilitate new adjustments to the domestic economy. Examples include eliminating and promoting the development of particular sectors, as well as creating new arrangements to facilitate domestic economic adjustments.

The third is defensive international adjustment. In its defensive international strategy, the country focuses on participating in international agreements related to global economic changes and cooperation. It is designed to ensure that the agreement serves to protect national industries from external competition (Ikenberry 1988). International contracts are also prioritized to moderate global economic changes, forming agreements that protect existing domestic industries and institutions from disruption. The fourth is the domestic defensive strategy, which the country must continue to implement to protect its domestic structure. The country does not make changes to its domestic structure but

continues to control or supervise them. For example, the country can regulate the price in response to a price increase. Ikenberry (1988) stated that a country does not have to implement all of them; instead, it may adopt foreign policy adjustment strategies according to its specific conditions. After adjusting the policy, one can see how this changing orientation is reflected in a country's energy diplomacy, determining whether it will employ offensive or defensive strategies.

In responding to the international situation after the drone attack in Saudi Arabia, the Indian government did not show hasty panic in taking action. The Indian government's action also did not imply a change in its energy structure. Meanwhile, several significant steps have been taken to enhance its energy security, including drawing on its strategic oil reserves to meet domestic oil needs and expanding cooperation with other countries. Therefore, with the Indian government's decision to preserve its strategic oil reserves rather than changing the scale of other energy utilization, this attitude is more closely explained by a defensive adjustment strategy.

India's Policy Adjustment and Energy Diplomacy After the Attack on Saudi Aramco

India's energy diplomacy in facing the potential global oil shock after the attack on Saudi Aramco in 2019 was influenced by its foreign policy adjustment. In this case, India remained open to exploring alternatives in both domestic and international contexts. Therefore, to answer the research question raised, the authors analyzed how India adjusted its domestic policy first. Afterwards, the authors found that the calculation of national energy demand influenced the foreign policy adjustment for implementing energy diplomacy. India maximized its energy reserve potential while exploring potential beneficial oil cooperation with countries outside the Middle East region.

In a domestic defensive strategy, a country typically avoids actions involving structural changes or shifts in energy utilization. Thus, its approach under this strategy tends to be cautious and non-

ambitious. Based on Ikenberry (1988), a defensive domestic adjustment strategy can be implemented in several ways, including monitoring and controlling the increase in oil prices that may occur and continuing to manage the country's strategic reserves without altering them. In implementing a domestic defensive strategy, India has prepared several actions. First, the Indian Ministry of Petroleum and Natural Gas stated that the Indian government continues to monitor the situation after the drone attack on Aramco by consulting and discussing India's oil reserves with those responsible for India's petroleum reserves (Mahajan 2019). In addition, the Ministry also asked refiners to continue utilizing and processing domestic petroleum reserves more regularly and consistently so that these reserves can help meet India's oil needs. This strategy was formulated to ensure that India's oil demand remains controlled and the availability of India's petroleum remains guaranteed. In ensuring energy security, the government needs to pay attention to key issues, such as petroleum, which is used as a fuel supply for the generation, transmission, distribution of electricity, and energy market conditions. To ensure energy security effectively, the concept of energy security has been widely defined as the ability to avoid risks that affect the continuity of energy commodity supply to meet the country's demand (Sharma 2019).

Second, India has decided to use its strategic oil reserves since the drone attack in Saudi Arabia, one of which is stored in underground caves in Mangaluru, Padur, and Visakhapatnam. The existence of underground storage reserves in those areas was established by the ISPRL as a guarantee against supply and price disruptions, ensuring that these reserves can be utilized in emergencies or when constraints arise on Indian petroleum. Based on data obtained in 2019, the ISPRL – which is responsible for managing India's emergency oil reserves – secured a total of 5.33 million tons of crude oil storage capacity in underground facilities. These oil reserves are stored in: Visakhapatnam, with 1.33 million tons of oil; Mangaluru, with 1.5 million tons of oil; and Padur, which has the most extensive total oil reserve storage, at 2.5 million tons of oil (Bureau 2019). According to the existence of this capacity, it can help meet approximately 9.5 days of India's oil needs until global oil supply conditions return to normal. In addition to the

certainty of oil reserves, the Indian government is also working to ensure energy accessibility by implementing policies to regulate the potential for spikes in oil prices. As reported by the Petroleum Planning and Analysis Cell (PPAC), Indian crude oil prices, which averaged $47.56 and $56.43 per barrel in 2017-18, rose to $59.35 in August 2019, and then to an average of $60.05 per barrel on September 12, 2019 (Bhaskar 2019).

Based on the statements issued by the Indian government, the defensive strategy can be interpreted as the government's effort to monitor and anticipate potential impacts. One such measure involves tracking the price of oil imports to prevent a sharp increase in domestic oil prices, which are expected to occur due to constrained supplies from Saudi Arabia. The Indian government's adoption of a defensive strategy is also evident in its continued efforts to manage domestic oil consumption and reserves. This includes measures to control and enhance domestic oil production, as demonstrated by the establishment of strategic petroleum reserves capable of sustaining national supply for approximately 12 to 16 days (Tripathi 2019).

The subsequent adjustment undertaken by the Indian government reflects a cross-border or international defensive adjustment strategy. According to Ikenberry (1988), the international defensive strategy involves forming international agreements and establishing cooperation with other countries to protect existing domestic industries rather than altering them. In this strategy, the goal is to develop cooperative relationships with other countries to strengthen prices and secure oil supplies for an extended period. This defensive international adjustment then reflected how India employed its energy diplomacy to approach other major oil-exporting countries, such as Russia and Venezuela.

Based on a statement from the Indian Ministry of Foreign Affairs, the government is exploring alternative routes as part of its emergency plan, including purchasing crude oil from other countries (Sikri 2009). The Indian government requires additional oil imports from external sources due to a decrease in Aramco's oil imports. India's state-owned and private oil companies have also actively collaborated by making substantial investments in the exploration and development of oil fields in various countries,

including Russia, Sudan, Vietnam, Venezuela, Iran, Iraq, Yemen, Oman, Syria, Egypt, Libya, Colombia, Brazil, Cuba, Nigeria, and several other nations in West Africa.

One of India's strategic efforts to secure its oil supply involves strengthening bilateral energy cooperation with Russia (Jacob 2019). This policy was chosen for several reasons: (1) India has good relations with Russia; and (2) supplies from Russia can help India ensure a reliable supply of petroleum at a reasonable price. The two countries are strengthening their partnership in the energy sector, particularly in the trade of fossil fuels (Srinivas 2019). During the previous period, India and Russia implemented various long-term and large-scale joint projects in the energy sector. However, they focused on developing renewable energy, especially in the nuclear industry. Following the drone attack, India-Russia's cooperation expanded its focus to nuclear energy and oil investment (Srinivas 2019). The enhancement of bilateral cooperation with Russia ultimately supports India's pursuit of the concept of acceptability in the petroleum supply context, as demonstrated by the mutual trust and agreement between the two parties regarding the quality and quantity of petroleum traded. As a result, the energy partnership allows both countries to derive mutual benefits, particularly in navigating challenges posed by unfavorable global conditions.

In a statement issued on November 12, 2019, Indian Oil Corporation (India's leading oil refiner) announced that it was in discussions with Rosneft to increase oil imports and expand investments in Russian refinery projects. This initiative came in response to the disruption in petroleum energy supplies following the drone attack on Saudi Aramco (Simes 2019). Over the past few years, Indian companies have invested over $10 billion in major Russian oil projects, including Sakhalin-1, Vankorneft, and Taas-Yuryakh (Simes 2019). Additionally, Indian companies have expressed interest in participating in the multi-billion-dollar Arctic LNG-2 and Arctic LNG-3 projects over the past few months. Indian Oil Minister Dharmendra Pradhan stated that Indian companies plan to participate in Rosneft's $157 billion Vostok Oil project. Rosneft CEO has indicated the company's readiness to intensify cooperation aimed at strengthening energy security in

India and also in supplying high-quality crude oil raw materials to four Indian-owned companies, namely Indian Oil Corporation (IOC), Bharat Petro Resources (BPRL), ONGC Videsh (OVL) and Oil India (OIL) (Jacob 2019).

From the cooperative relationship between India and Russia, various agendas have been developed to secure their energy, particularly for the Indian government's oil supply reserves. Indian Prime Minister Narendra Modi also officially visited Vladivostok, marking a crucial moment for Russia and India to adopt a five-year roadmap for building the "Far East Energy Corridor". It aims to increase Russian oil, gas, and coal exports to India. In addition, according to a statement by Chris Weafer (CEO of Moscow-based Macro Advisory), the relationship between Russia and India can foster good political relations and aims to strengthen it through robust economic relations (Simes 2019). With this strategy, India can strive to meet its growing energy needs, including those for transportation and infrastructure utilization.

Another measure undertaken by India involves establishing cooperative relations with Venezuela in the petroleum energy sector. Venezuela has also become one of the countries that play a significant role in India's oil imports. Venezuela is ranked fifth in the world in terms of its considerable petroleum exports. Specifically, the amount of petroleum imports in 2018 was approximately 1.03 million tons, and this figure increased to 1.30 million tons in 2019, indicating that oil exports from Venezuela to India also grew (Rai 2022). Petroleum sources in the Middle East, such as those in Iraq and Saudi Arabia, have become crucial for India in securing its petroleum supplies. However, relying heavily on Middle Eastern countries for such vital and strategic resources poses significant risks for India, as unforeseen disruptions (such as the 2019 Aramco incident) can threaten the stability of national energy supplies. Furthermore, data indicates that India increased its oil imports from alternative sources following supply constraints caused by the drone attack on Aramco and the cessation of oil imports from Iran due to U.S. sanctions. Therefore, the Indian government is actively trying to diversify its sources of petroleum imports. Notably, imports from Venezuela rose by 26% from June 2018 to June 2019 (Rai 2022).

Moreover, Indian Minister of Oil Dharmendra Pradhan suggested that action on oil supply could be taken into consideration in light of global geopolitical developments. He also stated that he would consider relations with Russia and Latin America to address these needs (Seshasayee 2019). India's decision to strengthen energy cooperation with Venezuela is primarily driven by the capability of several major Indian refineries to process Venezuelan crude oil (classified as heavy). This type of petroleum is denser and more viscous. While it requires a more complex and costly refining process, it is generally priced lower than lighter crude oil (Seshasayee 2019). The Venezuelan oil can be purchased for $69.31 in September 2018, which is the price of heavy petroleum, and is overall 12% lower than the price of light petroleum ($78.80). It provides an advantage to Indian refiners, who can generate profits by converting heavy crude into finished products, such as petrol or diesel, and selling them on the global market. The cooperation with Venezuela also ultimately affects the certainty of affordability and economic prices in India's energy security. Therefore, India and Venezuela are well-positioned to establish long-term collaboration in the heavy crude oil sector due to continuous technological advancements that make the extraction, refining, and transportation of heavy crude more efficient and cost-effective (Seshasayee 2019).

From the data obtained, India's private oil refiners, Reliance Industries and Nayara Energy, are the buyers of Venezuelan oil (Verma 2019). Reliance had signed a 15-year agreement in 2012 with Petróleos de Venezuela, S.A. (PDVSA) to purchase up to 400,000 barrels per day of heavy oil. Nayara then received approximately 1 million tonnes of oil from Venezuela in June 2019, resulting in India's imports of Venezuelan oil being around 54% higher than the previous year. In the first half of 2019, oil imports from Venezuela increased by 11% to approximately 357 thousand barrels per day (Verma 2019). Data concluded from September to October 2019 showed that Indian oil imports increased by approximately 3.8 million barrels per day in September 2019, rising to around 4.5 million barrels per day in the next month (Verma 2020). Therefore, the supply of oil from Venezuela ultimately helps increase India's oil supply, and in this case, India receives around 217,739 barrels of oil per day in exports.

Given its energy cooperation with both Russia and Venezuela, India perceives greater security in its oil supply. It is not constrained if Saudi Arabia is still unable to restore its global supply capacity within a specific timeframe. However, Saudi Arabia stated that it is committed to meeting India's energy security needs and will work constructively to meet its demand (Business Standard 2019). Even though there are real challenges after the drone attack, India's relationship with Saudi Arabia can still be guaranteed to be stable, as indicated by the recovery in Saudi Arabia in 2020. In 2020, Saudi Arabia remained one of India's leading suppliers, ranking second as the largest supplier of oil, with approximately 9.9 million tons of oil (Hellenic Shipping News 2020).

Based on the two foreign policy adjustment strategies — defensive international adjustment and defensive domestic adjustment — it is evident that preparing a national strategy for dealing with oil shocks is crucial for a country whose energy consumption continues to increase annually. On the one hand, the Indian government's domestic actions aim to secure its domestic oil reserves. Ultimately, India can assess and plan its energy availability over a defined period following the decline in Saudi Arabian oil supplies, thereby meeting its domestic consumption needs. On the other hand, India implements an international strategy to expand cooperation with Russia and Venezuela, which benefits India by securing more affordable oil prices. Beyond enhancing bilateral relations, additional oil imports from Venezuela and Russia contribute significantly to strengthening India's strategic petroleum reserves. Furthermore, mutual investments undertaken by Russia and India play a pivotal role in deepening their long-term diplomatic and economic partnerships.

Conclusion

This article demonstrates how a state can implement energy diplomacy during a crisis by adjusting its foreign energy policy to ensure that national energy objectives are achieved. The authors analyze how national energy security was prioritized despite the potential impact of the global shock. In such circumstances, a state is likely to recalibrate its foreign energy policy, which in

turn prompts further adjustments in the execution of its energy diplomacy. By examining India's foreign policy adjustments following the attack on Saudi Aramco, the authors found that a careful calculation of national energy security may affect the adjustment in foreign policy; therefore, some additional energy diplomacy was conducted to achieve these goals.

The 2019 attack on the Aramco oil refinery raised India's concern regarding the stability and security of international energy supplies. Following this incident, the Indian government promptly prepared a response to the disruption. The Indian government's response was then analyzed using the foreign policy adjustment strategy, a form of adjustment policy employed by the country's government in response to a global oil shock. Based on the concept of foreign policy adjustment strategies, India tends to implement a defensive strategy pattern at the domestic and international levels. In this strategy concept, defensive domestic adjustment emphasizes the implementation of a strategy that does not alter a country's structure or only utilizes its energy reserves. India is using its strategic oil reserves located in Mangaluru, Padur, and Visakhapatnam. Meanwhile, defensive international adjustment focuses on discussing strategies to address a global energy supply crisis through cooperation with other countries. India chose to cooperate with Russia to meet its strategic oil reserves. India stated that collaboration with Russia opens up opportunities to import more oil and also invest in the energy sector. Another cooperation that has been established is between India and Venezuela. Both countries have achieved benefits ranging from the affordability of Venezuelan oil to India's increasing oil needs in 2019.

Thus, it can be seen that growing energy security issues demand an international system capable of coordinating and addressing energy security concerns that affect all countries. India's energy cooperation between Russia and Venezuela – which covers several energy sectors and is based on the fundamental pillars of political and strategic partnership, cooperation in the fields of economy, energy, industry, and science and technology – has become an alternative to diversify energy supplies other than from the Middle East region, especially in the period after Saudi Arabia announced a potential disruption to the global oil supply.

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