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The Middle East and China

*Remarks to a Conference of the United States Institute of Peace and
Georgetown University*

Ambassador Chas W. Freeman, Jr. (USFS, Ret.)

Washington, DC 17 February 2015

The Middle East is where Africa, Asia, and Europe come together and where the trade routes between China, India, and Europe converge. It has two-thirds of the world's energy reserves. It is also the epicenter of this planet's increasing religious strife. Relationships between this strategically crucial region and the rest of the world are now undergoing a sea change. I have been asked to speak to you about China's likely reactions and role in the region as this occurs.

By the Middle East, China means the mainly Arab and Persian-inhabited areas of West Asia and North Africa. The collapse of the post-colonial order there has coincided with China's return to wealth and power. We in the West often include Central Asia in the Middle East. China does not. The Chinese see the post-Soviet state of affairs in Central Asia – in the mainly Turkic-speaking Muslim nations between China, Russia, and Europe – as developing satisfactorily within the framework of the Shanghai Cooperation Organization (SCO). They are nowhere near as sanguine about their ability to manage trends and events in the Middle East.

Before I discuss the dilemmas Beijing confronts there, let me spend a few minutes talking about how the Middle East got to be the zone of intolerance and strife much of it is today. I'll then turn to China's current strategy – or rather the apparent lack of one. I'll wind up by briefly assessing the probability of more active Chinese engagement in the region, including the prospects for Sino-American cooperation or rivalry there.

Most historians date the modern Middle East to the 1st of July 1798. That was when Napoleon landed in Alexandria, proclaimed Egypt to have been liberated, and launched the first foreign effort to impose

Western-style government on an Arab people. His well-intentioned but culturally insensitive actions – including the repurposing of some mosques as cafés – soon provoked a revolt by the devoutly Muslim citizens of Cairo. The French army put down that revolt and defeated the Ottoman forces arrayed against them. The ease with which French troops did this provided the world’s Muslims with an impressive demonstration of the increasing superiority of Western military technology and organization.

Napoleon’s year in Egypt and Palestine set off a two-century-long Western rampage through the Middle East that subjugated its peoples and systematically subverted their traditional values, imposed unwanted states and borders on them, developed and extracted enormous profit from their energy resources, deposed and appointed their governments, sold avalanches of military hardware to their armed forces, and killed and displaced millions of them. The Middle East had been a region that produced a lot of human history. In the nineteenth and twentieth centuries, it was a passive and impotent object of contention between imperial powers and causes largely foreign to it.

The Islamic Revolution of 1979 in Iran and the Arab uprisings of 2011 mark the end of this epoch of passivity and victimization on the part of the core nations of the Muslim umma. The Dar al Islam’s humiliated peoples are now retaking control of their destiny. They are doing so amidst a widespread view that incumbent regimes are unjust, lack legitimacy, and remain in power only because they enjoy the protection of foreign, mainly Western – that is, American – patrons.

This simultaneously anti-establishment and barely concealed anti-Western sentiment could be heard on the streets of Cairo in 2011, when protesters chanted : “the people want the downfall of the regime.” The same mentality is visible today in majorities in parts of the Arab region who condemn the meticulously provocative atrocities of the so-called “Islamic State” or Daesh but take quiet pleasure in the Western outrage they evoke. Many in the region had earlier seen the assault on New York and Washington by a small gang of aggrieved fanatics on “9/11” 2001 as not just blowback but payback – the beginning of iterative reprisal for past Western interventions and injuries. Subsequent events have reinforced rather than reduced the sympathy of many Muslims for what

they view as a justifiable counterattacks and counter-humiliations of the West that prove that Islam is no longer impotent.

The states established by European invaders were originally configured and their borders drawn to facilitate colonial policies of divide and rule. Colonial regimes were succeeded by autocracies that continued to govern on this basis. The recent overthrow of these autocracies has created a state of nature in which religious and ethnic communities, families, and individuals have been able to feel secure only when they are armed and have the drop on each other. Where foreign-supported regime change has occurred, violent politics, partition, and ethno-religious cleansing have almost everywhere succeeded unjust but tranquil order.

The anarchy brought to the Levant by the American removal of the Sunni-dominated secular regime in Baghdad in 2003 and the attempted removal of a similarly Shi'a-managed secular government in Damascus since 2011 have kindled an ever-widening religious conflagration in the Islamic heartlands. Borders established in the colonial era no longer confine sectarian conflict. The region's rage has begun to spill far beyond it. Allegiances formed in the Cold War between states in the region and foreign patrons are meanwhile attenuating.

What happens in the Middle East is now decided in the Middle East. External forces can no longer intervene with impunity there. Developments in the Middle East no longer stay there. They affect nations and regions far beyond the region. China is no exception.

China's relations with the Middle East are ancient but more distant and less obsessively linked to religion than those of the West. In 138 B.C., China's Han dynasty dispatched emissaries to establish economic and political relations with it. This Chinese initiative inaugurated the so-called "Silk Road," which for more than a millennium linked China by land to Persia, even as a parallel maritime route connected it to the Arabs.

Islam had already reached China by 651 A.D., when the newly established Tang Dynasty (唐朝) received the ambassador of Caliph `Uthman ibn `Affan (بن عثمان). Today there are at least 3,500 Koranic schools, nine Islamic universities, and about 45,000 mosques in China. Official statistics count about 25 million active Muslims in China but much evidence suggests that the number of Chinese who consider themselves Muslim is well over 100 million. Most

are not members of ethnic minorities, though ten of China's 55 officially recognized ethnic groups are predominantly Muslim.

In the early fifteenth century, the Ming Dynasty Admiral Zheng He (郑和) reaffirmed China's ties to the Middle East as well as his own. (Admiral Zheng was a nominal Muslim and the great-great-grandson of the Persian governor of Yunnan under the multinational Yuan Dynasty (元朝) established by the Mongols.) But China soon abandoned this outreach, and the arrival of seaborne European imperialists then severed communication between it and West Asia. This communication and links between Chinese and Arab Muslims are now being restored.

China's recent proposals for a new Silk Road backed by a \$40 billion infrastructure investment fund evoke memories of its ancient trade and cultural connections to the Middle East and regions farther west. After the European Union (EU), China is the region's biggest trading partner. There is no question about the centrality of the Middle East to China's energy-related geopolitical calculations. The region already supplies half of China's oil imports, or about 30% of its domestic oil consumption. China is the largest foreign investor in Iraq's oil production. Qatar is China's biggest source of imported gas. (Turkmenistan is second.) Iran is a large potential source of gas as well as oil. China's energy imports from the region could well double over the coming decade and a half.

All three Chinese oil majors gained significant access to oil in Iraq after the American WMD snipe hunt and failed hit-and-run democratization attempt there. Still, China remains cautious about the Middle East even as an energy source. West Asia and North Africa have received much less Chinese investment than their energy resources would justify. The relatively low level of Chinese commitment is, in part, a reflection of the fact that national oil companies like Saudi Aramco (from which China buys a fifth of all the oil it imports) have no need of foreign partners and offer them no significant openings to invest except in refineries dedicated to importing their oil. Africa and South America have proven both more hospitable and easier for Chinese companies to understand. But China's attention deficit when it comes to the Middle East also reflects misgivings about the region.

Chinese society has traditionally inclined toward religious skepticism, that is agnosticism tempered by the cheerful tolerance of

popular superstition. There is something inherently alarming to Chinese about a region where politics center on contests of religion and degrees of religiosity. Then, too, today's Middle East is not just politically volatile, it is a zone of frequent war. Israel periodically bombs and strafes its neighbors. The United States conducts vast, politically inconclusive interventions. Arabs and Persians engage in rivalry that mixes religious zealotry with geopolitics. Bearded men with guns kidnap and murder each other for perplexing reasons. Some people want the downfall of some regimes. Like the Balkans in the run-up to World War I, the states of the region manipulate and seek to enlist the support of outside powers against each other.

There is, of course, much more to the Middle East than this caricature, but what most Chinese know about it is more off-putting than enticing. They view the region with the same blurry myopia that Americans apply to Latin America – imagining it as an undifferentiated mass rather than the tapestry of distinctive societies it is. Unlike many Western expatriates there, Chinese are for the most part new and still personally uncommitted to careers in the Middle East. And China seems for the most part to be following generic rather than region-specific policies there.

The Chinese cabinet – the State Council – has issued White Papers on many foreign policy issues and regions. It has offered no such guidance on relations with the Middle East. Beijing has belatedly begun a strategic dialogue and is discussing a free trade agreement with the Gulf Cooperation Council (GCC) but it has not established a “strategic partnership” with any country or grouping of countries in the Middle East, as it has in every other region of the globe. Aside from access to energy and the sale of goods and engineering services, China has yet to define its strategic interests or intentions in the Middle East. There are, no doubt, many reasons for this.

Shortly after the establishment of the People's Republic, China proclaimed its adherence to “five principles of peaceful coexistence” that it crafted with India. The new doctrine stipulated that relations between states should be conducted on the basis of “mutual respect for each other's territorial integrity and sovereignty, mutual non-aggression, mutual non-interference in each other's internal affairs, equality and cooperation for mutual benefit, and peaceful co-existence.” The five

principles were an effective repudiation of the hegemonic tributary system by which China had traditionally conducted its foreign relations and a detailed affirmation and embrace of the Westphalian order that is the foundation of the United Nations Charter.

The People's Republic has since become one of the world's most committed advocates of the sovereign equality of states, their immunity from foreign dictation or intervention in their domestic affairs, and their right to their own ideology, regardless of what foreigners may think of it. China is now often criticized by Western bureaucrats and politicians for its insistence that business is business, and politics is politics, and the two should not be mixed. By marked contrast, those doing business with China seem to find its apolitical approach to trade and investment both reassuring and refreshingly undomineering.

In the Middle East, it has suited both the Chinese temperament and China's national interests to stand on isolationist principles rather than develop a strategy. This has enabled China to avoid involvement in the region's uniquely turbulent and toxic politics. China has also avoided challenges to established powers – like the United States – that make periodic efforts to influence politico-military interactions there. For China, no rivalry means no spillover of differences about trends and events in the Middle East to relations with America or other great powers. China's wary neutrality in the region's complex nationalist, religious, and geopolitical quarrels has frustrated the participants in these struggles. Beijing is happy to sell regional actors weapons or, in the case of Israel, buy military and internal security technology from them, but it has been completely unresponsive to efforts to enlist it as any party's patron. In recent years, the United States has developed an agenda in the Middle East independent of its traditional security partners there. Without exception, these partners now seek to dilute what they have come to regard as overdependence and overreliance on America. But China has not been willing to extend even implicit security guarantees to them, to offset their military dependence on the United States, Russia, or other great powers, or otherwise to compete for their allegiance.

Beijing has carefully dissociated itself from America's misadventures in Iraq, Libya, and Syria but has not exercised its veto to block Washington in the UN Security Council or otherwise tried to prevent what it has seen as U.S. miscalculations and misdeeds. China's

aloof stance endears it to no one in the Middle East, still less Washington, but its caution has so far enabled it to avoid Islamist reprisal for offensive conduct abroad. It has yet to suffer externally directed terrorist acts of the sort that now ever more frequently disturb domestic tranquility in the West.

In both Africa and Central Asia, by contrast, China has policies of active engagement, clear strategies, and frameworks for implementing in them. In Africa, China is developing natural resources and markets for its goods and services. In doing so, it is acting much as the United States did in the post-World War II Middle East. In Central Asia, the SCO is not just a means of deconflicting China's and Russia's roles but also a guarantee and enforcement mechanism to counter Islamist politics and ethnic separatism in adjacent areas of China. The Uyghurs now fighting with Daesh in Iraq and Syria — whatever their number — have leapfrogged the SCO's barriers to the internationalization of their anti-Chinese insurgency in Xinjiang and linked it directly to the revolutionary theocracies of the Middle East. Religious affinities connect Chinese Muslims to the region. These bonds are becoming an avenue of religious and political contagion from the intensifying strife in the Arab world.

Daesh's acquisition of a Uyghur component and constituency has led it to endorse armed jihad in China. For its part, China has pledged to aid the Iraqi government's fight against Daesh "from the air." (Most likely this means arming Baghdad and Erbil with drones, a dual-use technology in which China is now a world leader.) This is a small but significant step toward military involvement in the politico-military affairs of a region far from the Chinese homeland.

Meanwhile, despite preemptive withdrawals, there are still many thousands of Chinese oil and construction company employees in Iraq to attract the malevolent interest of Daesh. Both Chinese citizens working in current and potential conflict zones in the Middle East like Iraq, Egypt, Israel, Lebanon, Libya, Sudan, Syria, and Yemen and their relatives back home expect Beijing to look after them. Just so, a few years ago, Chinese shipping companies and their crewmen sought and eventually obtained action from the People's Liberation Army Navy (PLAN) to protect them from piracy in the Gulf of Aden.

Clearly, there is mounting pressure from Chinese enterprises and individuals for China to take a more active role in the security of its

companies' investments and the safety of their personnel in the Middle East. In the end, much as Beijing may wish to stick to economics, other elements of China's national power cannot remain totally unengaged. There are striking parallels with the way an infant United States was driven to develop power projection capabilities in order to protect American citizens and shipping in the Barbary states of North Africa.

Still, there are clear limits to the potential for Chinese involvement in the Middle East outside the realm of commerce. China's interests in the region remain far narrower than our own. It has no allies anywhere whose economic or other interests it must defend on the battlefield or in international fora. It has no protectorates or client states in the region and pursues no ideological agenda there.

By contrast, the United States has unilaterally assumed responsibility for ensuring untrammelled access to Middle Eastern energy supplies to sustain the health of the global market economy. As a corollary, the U.S. Navy has undertaken to police the global commons to assure that merchant vessels of all nations can navigate to and from the region freely. This hegemonic role entails moral hazard. To the extent the United States is prepared to act to protect the interests of all the world's consumers of energy, other countries – like China – feel no need to develop the capability to do so or do anything at all to protect even their own interests.

Only when United States and other countries' efforts to protect Chinese interests prove inadequate – as happened with Somali piracy in the Gulf of Aden – does China move to project its own power to protect those interests. When it does this, the Somali precedent suggests, China will be prepared to recognize the parallel interests of others and coordinate its actions with them. But it will not put its forces under foreign command. Nor will it join a coalition outside the context of the United Nations (in whose peacekeeping operations the People's Liberation Army has become a major participant).

As a country without entangling alliances, China has felt free to stand on principle in the United Nations Security Council. Beijing has cast a total of nine vetoes, all in support of non-interference in the internal affairs of member states. The four most recent such vetoes saw China join Russia in blocking calls for the reorganization of Syrian politics to facilitate the ouster of its government, to whose survival

Russia, but not China, is bilaterally committed. By contrast, the United States has cast 79 vetoes, 44 of which were to prevent criticism of Israel or international interference in the Israel-Palestine problem.

So far China has managed to straddle the Israel-Palestine issue. It has supported both self-determination for the Palestinians and U.S.-led efforts to achieve acceptance for Israel as a legitimate part of the Middle East, but it has kept its own distance from these controversies. There is no reason to expect it will alter this stance anytime soon. As the international action on issues in the Holy Land migrates away from the United States to the international courts and Western consumer and investor boycotts, China will remain a bystander. It will try, as in the past, to maintain productive, if low-key ties to Israel while remaining on untroubled terms with the Palestinians and their supporters. To the disappointment of both, it will not take sides.

How China will deal with the rising tide of Islamist terrorism is, however, an open question. Western counter-terrorist operations have not just failed to contain Islamism and the extremist violence with which it is associated, they have helped it spread to many areas beyond the Middle East – in the Sahel, South Asia, Europe, Russia, and now China. A major unintended consequence of the “global war on terrorism” launched after 9/11 has been to institute or strengthen garrison states and to reverse earlier advances in both Muslim and Western societies toward expanded civil liberties and the rule of law. The spread of Islamist terrorism to China is now having the same illiberal consequences there.

Beijing has responded to terrorist attacks in Xinjiang by repressing Muslim religious practices. This Islamophobic overreaction increases the probability of escalating armed resistance by Uyghur and other Muslim minorities. It also risks a backlash against China from the 57 member countries of the Organization of Islamic Cooperation (OIC) and undercuts Beijing’s efforts to cultivate good relations with them. The consequences of a bad image for China among Muslims extend well beyond the Middle East. Three-fifths of the world’s Muslims live in China’s own Indo-Pacific region. China’s reputation among them has been much better than that of the United States. It is now worsening.

To sum up, China is not going to fix the mess in the Holy Land. Nor will it mediate between Saudi Arabia and Iran. It will not be a bridge between the Turks and Arabs. It will not conciliate Sunnis with Shi’i. It

will neither help to impale America on its own mistakes in the Middle East or to take us off the hook there.

China is the champion and vindicator only of its own interests. It is determined to guard its independence while demonstrating respect for that of the states of the Middle East. It is neither a potential ally nor an enemy of any country there. It will not ally with one Middle Eastern country against another. In the Middle East, China's interests are limited to access to energy and markets, the safety of Chinese citizens who labor or do business there, and the avoidance of contagion from the region's religious wars. Barring direct challenges to these interests, Beijing is neither a potential rival or partner to Washington in the region. In the Middle East, China is a friend to all that epitomizes the dispiriting insight of the late King `Abdullah ibn `Abdulaziz Al-Sa`ud, who said: "a friend who does not help you is no better than an enemy who does you no harm."

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The Dragon Heads West: China-Arab Cooperation in the New Era¹

Degang Sun

It has been over ten years since the establishment of China-Arab States Cooperation Forum (CASCF) in 2004. In the new era, China-Arab cooperation is based on historical, economic and geo-political links. The first is the traditional and cultural ties, i.e. their shared knowledge of the “Ancient Silk Road”; the second is the modern market principles of win-win trade and investment; and the third is strategic and security interests of both sides.

With the further development of its economy, China’s dependence on overseas markets, raw materials, fuels and resources is accumulating, particularly that of the Arab world. Under the new concept of “One Road and One Belt Strategy”, i.e. the “Silk Road Economic Belt” and the “21st Century Maritime Silk Road”, both proposed by President Xi Jinping in 2013, the dragon begins to “look west”--China has shifted its diplomatic priority from the developed economies, such as the United States, European Union, Japan, Australia and Canada, to the developing countries with the Arab world as one of the priorities.

China’s new posture to “look west” is driven, first and foremost, by its practical and commercial interests in the 21st century. With its domestic market increasingly saturating, Beijing has to explore and expand its overseas market for its oversupplied commodities. The geographically broad and potential budding markets from Central Asia to

¹ This research is jointly supported by the research program “The Theoretical and Empirical Studies of China’s Participation in the Middle East Governance in the New Era” (14JJD810017) granted by China’s Ministry of Education, by “the Program for New Century Excellent Talents in Universities” (NCET), by “Shanghai Pujiang Talent Program” (14PJC092) and by the 2014 innovative research team of Shanghai International Studies University for their joint supports. The author is indebted to Professor Yahia ZOUBIR for his invaluable evaluation and suggestions.

West Asia, and from North Africa to the Black Africa are of great significance. The 22 Arab states stand at the strategic corridor connecting Central Asia, South Asia, Africa and Europe, and become China's economic beachhead to expand its economic presence further to Africa and Europe.

It is not a light job for Beijing to secure a position in the Arab world. Currently, the major powers, including the United States, Europe, Japan, Russia, India, and even Latin American countries are trying to expand their influence in the region. Besides, the Arab countries are too divergent, making it hard for Beijing to design a smart and unified policy. So far, the Arab states can be roughly divided into three blocs: first, the stable and pro-West moderate monarchies, represented by the six GCC countries, Jordan and Morocco; second, the stable and politically independent transitional republics, represented by Egypt, Sudan, Algeria, Mauritania, and Tunisia; and third, the unstable and failing countries, such as Iraq, Syria, Libya, Yemen, South Sudan, Palestine and Lebanon, etc.

As to the first group, these eight monarchies seek geo-political and geo-economic dichotomy--they "look west" for military and defense cooperation with the United States and European Union, but "look east" for trade, investment and energy cooperation with China, India, South Korea and Japan. As to the second group, they underscore to stand on their own two feet, and meanwhile pursue sound relations with all outside players: both established and emerging powers; as to the third group, their current overwhelming task is to maintain stability and restore order at home, and have yet formed clear foreign strategies, but they are all on good terms with China. The above three groups' "eastward strategy" has provided a favorable condition for the development of China-Arab relations.

Therefore, in the 21st century, the Arab countries—both Arab monarchies and republics, both oil rich and oil poor countries, have proposed the Arab version of "Orientalism", emphasizing the necessity of active diplomatic relations with East Asia countries with China as the pivot. They seek to carry out "equidistance diplomacy with great powers"—they need China to reduce unemployment and to counterbalance western powers' pressure on their domestic political reform. The equilibrium of great powers is believed to serve the interests

of Saudi Arabia, UAE, Qatar, Iraq, Egypt, Algeria and other major Arab states.

Dynamics of China-Arab Cooperation

The dynamics of China-Arab cooperation are twofold: economic and political. In the 21st century, the political and economic relations are two sides of a coin: healthy political relations normally lead to good economic links, vice versa; trade and economic relations between China and the Arab World are the “barometer” of their political relations as well.

From the economic dimension, China and Arab states are essential partners, and they have maintained a good momentum of development in economic and trade ties. In 2008, Chinese enterprises made direct investments of \$700 million in Arab states, an increase of 40% compared to the previous year. The actual amount invested in China from Arab countries was \$400 million, an increase of 61%.² In 2009, in spite of the impact of the global financial crisis, the mutual trust between the two sides still had a positive and strong impetus to their bilateral trade and economic relations. As a result, bilateral trade volume reached \$108.24 billion in that year, and cooperation in the fields of energy, finance, investment and infrastructure also continued to make headway. Chinese and the Arab countries signed bilateral economic, trade and technological cooperation agreements at various levels, set up economic and trade committee, and held meetings regularly or irregularly.³ In 2013, China-Arab trade volume reached a historical record of \$240 billion. China is number one trading partner to nine Arab countries, and number two trading partner to most of the rest Arab countries. The rocketing bilateral trade volume, together with Beijing’s substantial economic presence in the Arab world has substantially changed the Middle East geo-economics at present and geo-politics in the near future.

Since the Chinese new leadership was elected in 2012, the Arab world is an important component in China’s “One Road and One Belt

² West Africa Division, Department of Commerce, “China-Arab economic and trade relations are developing steadily,” *International Business Daily*, April 21, 2009.

³ “China-Arab Relations, June 19, 2006, Retrieved March 8, 2015 from http://news.xinhuanet.com/ziliao/2006-06/19/content_4716235.htm.

Strategy”. The Middle East plays an essential role in strengthening China’s energy security, expanding overseas markets and propelling soft power in the next decade. Saudi Arabia, Iraq, UAE, Kuwait and Oman are among the top ten oil exporters to China. The Arab world is also crucial for China to fight against Somali piracy, to deploy peacekeeping forces in South Sudan and Sudan as well as in Lebanon, to establish economic presence through CNPC, SINOPEC, among others, to build Confucius institutes, and to protect its overseas investment projects in case of emergency. China’s economic growth also provides an important impetus for the local economic growth and employment in the Arab countries. The two sides are all developing countries, so their development-oriented strategies are similar and compatible with each other.

Apart from economic dynamic, the political impetus for China-Arab cooperation is also crucial. Indeed, since the outbreak of the Arab Revolts, both Chinese and the Arabs have strong belief that the international system is characterized by “a rising East vis-à-vis a declining West”. Although China was criticized as supporting dictatorship of Syrian regime after it vetoed the UNSC resolution for three times, anti-China sentiment in the Arab world faded away since 2014. Chinese and the Arabs have enhanced their political trust and both highlight the importance of non-interference in other’s internal affairs, including the GCC countries. Their bilateral political consensus has been consolidated in recent years.

First, Beijing underlines that the two sides are not only geographically adjacent to each other, but also share a lot of political commonalities. Compared with East Asia, Southeast Asia and Europe, the United States and other western powers’ predominance over the Middle East is weak. China and the Arab countries belong to the “greater oriental society”, and they share similar views on international order, democracy and human rights protection. For example, the Gulf monarchies, Egypt, Algeria, Sudan etc. all believe that democracy cannot be exported, nor transplanted by outsiders. Instead, democracy should be in line with domestic values—they must be either socialist democracy with Chinese characteristics or Islamic democracy with Arab characteristics, not western democracy with western characteristics. They both believe that the world should be divergent; cultural diversity and different

development modes can better help realize the harmonious coexistence of sovereign states; countries should resolve their disagreements through dialogue and negotiation instead of foreign intervention; the economic and social transformations of the transitional Arab countries should follow an incremental instead of a radical manner.

Second, both China and the Arab states perceive each other as the reliable and rising political force in the new era. Beijing highlights that it has never colonized or conquered the Arab world, and it has maintained good brotherhood with all Arab countries; Beijing places emphasis on “Four-NO foreign policy”, that is non-alignment, non-interference in the other’s internal affairs, no political conditions attached in offering aid and no foreign military bases abroad, which are welcomed by the Arabs. Beijing also points out that the two sides have been supporting and sympathizing each other in the international affairs. In the United Nations Security Council, China always sides with Palestinian cause, and supports the independence of Palestine with East Jerusalem as its Capital, opposing the Israeli building of Jewish Settlements in the West Bank, which is universally appreciated by the Arab world.

The Arabs are politically reliable too. Currently, none of the 22 Arab countries have official connection with Taiwan authorities; none of them have publicly echoed “Taiwan independence”, “East Turkistan separatism” or “Tibetan separatism”. Their support may help China uphold national unity and territorial integrity, the vital interests of China. In addition, China-Arab strategic partnership will help prevent China from being caught in an isolated position in case of conflicts with its neighbors due to territorial disputes (Japan and the Philippines in particular), as these countries could at least stay in “benevolent neutrality”.

China-Arab Cooperation through Pivotal States

China-Arab strategic partnership can mainly be promoted in two ways: through bilateral channels and multilateral arena. First, objectively speaking, there exist some ideological and political differences between China and the Arab countries. Among the Arab countries, political systems, religion-society relations and the degree of intimate relations with Western countries vary greatly, which requires China to treat them differently when building a strategic partnership, and to find the greatest

common interests in cooperation. From Beijing's perspective, the major Arab countries, such as Saudi Arabia, Egypt, Sudan and Algeria, are constantly enriching their bilateral cooperation with China. These countries, perceived as "pivotal states", are of geo-economic and geo-political significance in the Gulf, eastern Mediterranean, the Red Sea, and northern Africa respectively.

First, the strategic partnership between China and Saudi Arabia continues to heat up in recent years. Saudi Arabia is a great regional power in the Gulf region, as well as a leader in the Arab world. It is one of the initial sponsors of the Organization of the Islamic Conference (OIC, renamed Organization of the Islamic Cooperation), and plays an active role in the Middle East and the Islamic world at large. Saudi Arabia is the guardian of the two holy sites of Mecca and Medina, so developing bilateral economic, political and security relationship with Saudi Arabia will enhance Beijing's influence from the Gulf to the Red Sea. More importantly, Saudi Arabia is of special significance for China's energy security. In the Gulf region, Saudi Arabia is a top oil producer and exporter. In recent years, with the decline of U.S. import from Saudi Arabia and more dependence on shale gas at home, there is a promising prospect of Sino-Saudi cooperation in oil production, sale and refinery. Officials and the public opinions of Saudi Arabia are dissatisfied with the U.S. policy of "abandonment" since the Arab Revolution, which has added an important motivation in Sino-Saudi Arabia strategic partnership. The complex US-Saudi relations, "balance of power" strategy of Saudi Arabia in recent years and the "eastward" strategy actually provide an opportunity for a Sino-Saudi strategic relationship.⁴ Former President Hu Jintao visited Saudi Arabia twice in 2006 and in 2009, and Chinese new President Xi Jinping received then Crown Prince Salman in 2014 in Beijing, which indicates China's attention on its relationship with Saudi Arabia. Since Saudi Arabia strides at the converging points of "Silk Road Economic Belt" and "the Maritime Silk Road of the 21st century", China will promote Sino-Saudi relations to a new height.

Second, Egypt and Algeria are located at the crossroads of Asia, Europe, and Africa, the Mediterranean and the Red Sea, as well as the

⁴ B. Korany & A. Dessouki, *The Foreign Policies of Arab States* (Cairo and New York: The American University in Cairo Press, 2008), 343-396.

East and the West. Their locations are of geo-political importance, perceived as the pivotal states by China too. In recent years, Egypt and Algeria are facing the dual tasks of developing economy and maintaining domestic stability; they enjoy a strategic relationship with China that shares the similar domestic governance tasks. The United States puts pressure on the Mubarak and thereafter Morsi administration as well as the Algerian Abdelaziz Bouteflika government, forcing them to follow a Western path of democracy. This leaves the two countries no choice but to seek external support, such as using China to softly balance the Western powers.⁵ Egypt and Algeria are not only Arab republics, but also African countries. The two are crucial to both China-Arab and China-Africa relations. In November 2014, Yu Zhengsheng, Chairman of Chinese People's Political Consultative Conference (CPPCC) visited Algeria; in December 2014, Egyptian President Al-Sisi paid a visit to China and had a successful discussion with Chinese President Xi Jinping.

Finally, in terms of the strategic cooperation between China and Sudan, China's performance on South Sudan and Darfur issue has successfully paved roads for the development of bilateral relations and mutual trust. Since a substantial reserve of oil was discovered in Sudan in the 1990s, the two countries have begun to gradually establish a strategic partnership through energy and trade ties. Sino-North Sudan cooperation in the energy sector has become a tie between the two countries for further strategic cooperation.⁶

Since the beginning of the 1990s, Sudan has been the largest oil producing base of CNPC. In 1999, CNPC started to develop petroleum resources in Muglad Basin; in 2002, this project achieved an annual output of 12.68 million tons of oil; on July 25, 2003, CNPC made a major breakthrough in the 3/7 district, discovering a world-class oil field which was proven to have geological reserves of about 2 billion barrels and recoverable reserves of about 600 million barrels.⁷ Energy cooperation is the foundation of the Sino- Sudan strategic cooperation, and CNPC's oil

⁵M. Kamrava, "The Middle East's Democracy Deficit in Comparative Perspective," in M. Parvizi Amineh, ed., *The Greater Middle East in Global Politics* (Leiden and Boston: Brill, 2007), 177-202.

⁶ Liu H. & Li X., *Darfur Issues under a Global Perspective* (Beijing: World Knowledge Press, 2008), 246-247.

⁷ Qian Xuewen, *Oil and Gas in the Caspian Sea and the Middle East and China's Energy Security Strategy* (Beijing: Current Affairs Press, 2007), 248-249.

projects in Sudan represented Beijing's largest overseas interest. In 2006, gross profit of CNPC in Sudan amounted to \$25.8 billion, with net profit of \$14.69 billion; in contrast, Sudan's GDP in that year was just \$38 billion.⁸ China and Sudan have formed a *de facto* community of interests, as the two sides agreed.

In recent years, military exchanges and cooperation between Sudan and China are also expanding. On April 2, 2007, the former vice chairman of the Central Military Commission Cao Gangchuan met with the Chief of Staff of Sudanese Armed Forces Haj Ahmed El Gaili. Cao pointed out that although China and Sudan are far away from each other, the two countries had a strong friendship, and the military exchanges went smoothly. Cao expressed his wish that the two sides should expand their cooperation to various fields.⁹

In May 2007, China established a Special Representative Office on the Darfur issue, and repeatedly visited Sudan, South Sudan, other African countries, Europe and the United States to carry out its mediation diplomacy. In recent years, there has been a great progress in the Sino-Sudan strategic partnership. On February 4, 2009, Former Chinese President Hu Jintao exchanged congratulatory messages with Sudanese President Omar al-Bashir to celebrate the 50th anniversary of the establishment of diplomatic relations between the two countries. The Chinese government said, "China and Sudan are developing countries, and the further development of sincere and friendly bilateral relations of equality and mutual benefit is of great significance to deepen South-South cooperation, common development, regional peace and stability, as well as China-Africa and China-Arab states new strategic partnership."¹⁰

China-Arab Cooperation on the Multilateral Arena

In addition to bilateral channels, China has propelled the strategic partnership with the 22 Arab members through multilateralism, such as

⁸ Liu H. & Li X., *Darfur Issues under a Global Perspective* (Beijing: World Knowledge Press, 2008), 246.

⁹ See http://english.peopledaily.com.cn/200704/02/eng20070402_363135.html for more information on China-Sudan military diplomacy.

¹⁰ "Chinese and Sudanese leaders exchanged congratulatory messages to mark the 50th anniversary of the establishment of diplomatic relations between the two countries," *People's Daily*, February 5, 2009.

the CASCF, the Arab League, the GCC, Arab Maghreb Union, UN, IMF, World Bank, G20, etc. China has an age-old history regarding its relationship with the Arab world on the world arena. On December 21, 1963, Chinese Premier Zhou Enlai proposed five principles to deal with relations with Arab countries during his visit to the United Arab Republic. They were: first, China supports the Arabian cause to fight against imperialism, win and safeguard national independence; second, China supports the Arab countries to pursue peaceful and non-alignment policy; third, China supports the Arabian people to achieve national solidarity and unity in their own ways; fourth, China supports the Arab countries to resolve their disputes through peaceful negotiation; fifth, sovereignty of Arab countries should be respected by all countries and China is against any aggression and interference.¹¹ In 1971, 13 Arab countries, together with African countries, voted in favor of restoring the People's Republic of China's seat in the United Nations. Meanwhile, China stood aside with the Arab countries in all United Nations resolutions on Palestine issues.

Among these multilateral arenas mentioned above, the "CASCF" is the most far-reaching, and both sides view their relations as a "strategic partnership". In September 2004, the first Ministerial Conference of the CASCF was held in Cairo, headquarter of the Arab League. The "Declaration on CASCF" and the "Action Plan on CASCF" were released during the meeting. As the framework of collective dialogue and cooperation between the two sides on the basis of equality and mutual benefit, the forum is in line with the common aspiration and interests of both sides, establishing a new partnership of equality and comprehensive cooperation.¹² In July 2007, the fourth Senior Officials Meeting of CASCF was held in Cairo, the Arab League headquarters; on June 23, 2009, the Sixth Senior Officials Meeting of CASCF was held in Beijing;¹³ in November 2009, former Premier Wen Jiabao pointed out in his speech at the Arab League headquarters of Cairo that similar

¹¹ Communist Party Literature Research Center, Ministry of Foreign Affairs, *Selected Works of Zhou Enlai in Diplomacy* (Beijing: Central Literature Publishing House, 1990), 387.

¹² J. Luo, *African Integration and China-Africa Relations* (Beijing: Social Sciences Academic Press, 2006), 318.

¹³ Since the establishment of the Forum, the two sides have held cultural activities such as "China-Arab States Cultural Dialogue Seminar", "China-Arab Friendship Conference", "Arab Arts Festival", "China-Arab Press Cooperation Forum", etc.

experiences and the pursuit of common goals of development have endowed Chinese and the Arab countries with profound friendship. Chinese people view Arabian people as good friends, good partners, and good brothers.”¹⁴ In terms of opposition to hegemonism and great power politics, the pursuit of political multi-polarization, civilization diversity, and deeper economic and energy cooperation, Chinese and the Arabs boast a solid foundation for strategic cooperation. On May 13, 2010, the Fourth Ministerial Conference of the CASCF was held in Tianjin. In this meeting, both sides defined their relations as a “strategic partnership” officially for the first time. Former Chinese Premier Wen Jiabao showed up at the opening ceremony of the Conference and delivered a keynote speech. He illustrated comprehensively the Chinese government's views on the international political and economic situation and relevant policies. He proposed to establish the strategic partnership and comprehensive cooperation between Chinese and the Arabs to promote common development as well as world peace, development, and progress. China’s strategic partnership with 22 Arab countries has created a new picture of China-Arab relations, and provided the two sides with more strategic resource.

In June 2014, at the sixth Ministerial Conference of the CASCF, President Xi Jinping pointed out that China and Arab countries should carry forward the spirit of the Silk Road, advocating dialogue and peace. China firmly supports the Middle East’s effort in pursuit of peace, and has continuously supported an independent state of Palestine with East Jerusalem as its capital and based on the 1967 borders and China wishes it could enjoy full right of a sovereign state.¹⁵ At the conference, President Xi proposed the establishment of a “1+2+3” pattern of cooperation, namely, to take energy cooperation as the core, infrastructure construction and trade and investment facilitation as two wings, and three high and new tech fields of nuclear energy, space satellite and new energy as new breakthroughs. In the next 10 years, President Xi underscored that

¹⁴ “Wen Jiabao delivered an important speech on respecting the diversity of civilizations and China-Arab relations at the Arab League headquarters,” *People’s Daily*, November 8, 2009.

¹⁵ Xi Jinping, “Carry forward the spirit of the silk road, deepen China-Arab cooperation,” *People’s Daily*, June 6, 2014.

efforts should be made to increase the bilateral trade volume from \$240 billion of 2013 to \$600 billion.¹⁶

In multilateralism, China would establish closer multilateral strategic partnership with the GCC in the next decade. As a first step, the two sides would choose to accelerate the pace of establishing a free trade area; China and the GCC would establish a closer strategic relationship to promote the consistency of Arab countries in foreign policy. China would expand its overseas interests in the Gulf and even throughout the Middle East via multilateral mechanisms of the GCC. China would support the GCC and hope it would play a more active role in regional affairs, such as maintaining Gulf stability, combating the “Islamic State”, etc. It would also enhance the strategic cooperation with the GCC countries through United Nations General Assembly, the Security Council, G20, Conference on Interaction and Confidence-Building Measures in Asia (CICA)¹⁷, IMF and other multilateral and regional organizations. In 2014, China initiated the Silk Road Fund (\$ 40 billion) and Asian Infrastructure Investment Bank (AIIB, with registered capital of \$100 billion). As of 2015, five Arab countries of Saudi Arabia, Qatar, Kuwait, UAE, Jordan have joined AIIB as founding members, and their membership will reshape international financial architecture in the years to come.

China-Arab Cooperation: Styles and Hurdles

China-Arab relations have the following characteristics. The first is policy flexibility. China does not identify friends and enemies by their political systems, nor by how close a country is with other great powers. Instead, China has been actively developing relations with any country as long as it can contribute to China’s national security and overseas interests in the new era. For example, Saudi Arabia is a special security partner of the United States, but in recent years, the relationship between Saudi Arabia and China has made tremendous improvements. By this means, China seeks “zero-problem” with all Arab partners.

¹⁶ Xi Jinping, “Carry forward the spirit of the silk road, deepen China-Arab cooperation,” *People’s Daily*, June 6, 2014.

¹⁷ Jordan, Egypt, Palestine, UAE, and Bahrain are the full members, while Qatar and the Arab League are observers.

The second is to keep a low key. Building an official alliance or quasi-alliance with the Arab League or its members may cause suspicion of the United States, Europe, Russia, Iran, Turkey, Iran and Israel. Moreover, currently it is not China's long-term interests to overtly challenge the hegemony of Western countries in the Middle East. Instead, China seeks to build a "new model of great power relations" with the United States in the region. Therefore, when constructing China-Arab strategic partnership, China has emphasized cooperation of mutual benefits, avoiding targeting any third party and keeping its geo-political implications at the minimum level.

The third attribute is its limited scope. A strategic partnership between China and the Arab countries is compatible with the "Dos and Don'ts" approach, and China's participation is largely confined to economic cooperation, thus avoiding entanglement of the Middle East security disputes. For instance, in combating the "Islamic State", China voted in favor of the West and some Arab countries to launch air strikes at the UNSC, but avoided taking any concrete steps. China keeps a balance between Sunni and Shia, between Israel and Palestine, between monarchies and republics, between Arabs and non-Arabs, and between moderate and radical Arab countries under the excuse of "non-interference in other's internal affairs".

After the U.S. launch of the global anti-terror war in 2001, the Arab countries have been pushed to the forefront of conflicts between the Islamic world and the West. Although the tension between the Arab world and the West has been greatly eased after Obama took presidency, contradictions and differences in culture, values and views on Palestine-Israel peace process, on Iranian nuclear issue, and on Syrian crisis remain intact. Therefore, the Arab countries as a whole are important for China in terms of its rich oil and gas reserves, its important destination for Chinese investment, and its implications as an essential political asset.

Apart from the above-mentioned opportunities, there is also vast room for further improvement in economic and political relations between the two sides. In the next decade, Chinese and the Arabs are facing with a number of hurdles in building a strategic partnership, which, if not properly addressed, will be bound to affect the depth and breadth of the bilateral cooperation.

First, the Arab countries are facing pressing tasks to maintain internal solidarity. After the Middle East upheaval broke out in late 2010, the Arab states, which have divergent interests, national conditions and political development models, hold different positions on their respective external strategies. They even disagreed on issues such as Gaza crisis, Syrian civil war, Israel policy, Iranian nuclear issue, Muslim brotherhood, combating the “Islamic State” and some other major issues, affecting the effectiveness of their bilateral cooperation with China. Today, the Shanghai Cooperation Organization (SCO) has become a fully fledged regional organization with a global influence, and the China-Africa summit is institutionalized within the framework of China-Africa Cooperation Forum, but the “CASCF” is still at the ministerial level, which is related to the inconsistency inside the Arabs.

Second, regional integration in the Arab world is relatively low. Compared to North America, Europe, South America, Southeast Asia, and even Africa, the Arab world has a lower degree of regional integration, although its regional organizations were set up earlier. The Arab League, the Arab Maghreb, the GCC, and OAPEC all have problems in decision-making and implementation. The Arab world has long been at a low level of regional integration, which will also affect its cooperation with China as a united force.

Third, China and Arab countries’ role in each other’s overall diplomacy is relatively low. Regarding China’s diplomacy, the grand strategy is described like this: “regarding great powers as the key, surrounding neighbors as the primary, developing countries as the fundamental and multilateral relations as the stage”. For a long time, China has regarded the United States, Russia, Europe, East Asia, Southeast Asia and Central Asian countries as diplomatic priorities; in contrast, Arab country is still in a relatively minor role. Since Xi took presidency in 2012, he has paid visits to Russia, Europe, Africa, North and Latin America, South and South East Asia, and even the tiny South Pacific islands, but he skipped the Middle East.

For the counterpart, many of the Arab countries also view their relations with the United States, the European Union, surrounding countries and Islamic world as their priority, especially in security issues. For example, in recent years, the United States has maintained its military presence on the territory of all Gulf countries, including 3,432 people in

Qatar, 1,496 people in Bahrain, 500 people in Saudi Arabia, 5,000 people in Kuwait, 546 people in United Arab Emirates, 26 people in Oman, as well as 3 thousand troops in Turkey and Djibouti respectively.¹⁸ Then French President Nicolas Sarkozy officially announced the establishment of the first permanent military base in the Gulf on May 26, 2009—the Abu Dhabi military base in UAE. This military base can accommodate up to 500 soldiers of army, navy and air force.¹⁹ In 2014, the Cameron government of Britain declared that it would reestablish a new military base in Bahrain. In addition, France, the United States, and Japan have also stationed military bases in Djibouti on the Horn of Africa. Apart from GCC countries, Egypt under President Al-Sisi, Jordan, Morocco and some other Arab countries also view security cooperation with the United States and European Union as the priority in a long-term.

Fourth, it is an issue on how to improve the bilateral trade. China has now been the largest trading partner of the Arab world. In the next five years, China's foreign direct investment will reach more than \$10 trillion. However, in 2013, Chinese imports from Arab countries were only \$140 billion, 7% of estimated total annual imports of goods (average \$2 trillion each year). Chinese foreign direct investment in the Arab countries was only \$2.2 billion, or 2.2% of the estimated annually \$100 billion in the following years. The gap is still very large.²⁰ The market share of Arab countries exceeds \$2 trillion, while China-Arab trade volume was only \$240 billion in 2013, about 10%, and only 5.3% of China's total international trade volume, which amounted to \$2.5 trillion.²¹

Conclusion

China does not have a clear Middle East strategy. The essence of Chinese strategic cooperation with Arab countries is to maintain strategic

¹⁸ See R. Grimmett, *Instances of Use of United States Armed Forces Abroad, 1798-2009* (Washington, DC: Congressional Research Service, January 2010).

¹⁹ "Iran slams UAE over French military bases," *Tehran Times*, May 27, 2009.

²⁰ Xi Jinping, "Carry forward the spirit of the silk road, deepen China-Arab cooperation," *People's Daily*, June 6, 2014.

²¹ Xi Jinping, "Carry forward the spirit of the silk road, deepen China-Arab cooperation," *People's Daily*, June 6, 2014.

flexibility and thus readjustments in front of opportunities, and decisions are made on the case-by-case bases according to the decision-makers' trade-off.

Alliance politics is a tool of the United States to seek and maintain its Middle East leadership; China-Arab strategic partnership only aims at creating a favorable environment for bilateral economic and political cooperation instead of targeting the third party. In terms of implementation of strategic cooperation with Arab countries, China can not only make use of bilateral channels through regional pivotal states, but also take advantage of the multilateral arena, such as the "CASCF", the UN, IMF, G20, CICA, AIIB, the Silk Road Fund, Arab Maghreb Union, the GCC, the OAPEC, and the OIC, etc.

To deepen China-Arab strategic partnership, the two sides will be likely to continue to take the following measures: first, efforts would be made to continue to strengthen the political cooperation within "CASCF" and transform the forum to a regional organization like SCO; second, the two sides would have a stable energy supply relationships and carry out mutually beneficial trade relations; third, Chinese and the Arabs would support each other in political issues: China would actively support the Arab countries' right of development, particularly the Palestinians, and the Arab countries would support China's reunification and overseas interest protection in the Middle East; fourth, the two sides would increase security cooperation, including training officers and arms sales to the Arab countries; fifth, efforts would be made by the two sides to increase visits between high-level officials, as well as non-governmental exchanges and the frequency of student exchanges.

In a word, the strategic cooperation with Arab countries will play an important role in enhancing China's energy security, expanding overseas markets for goods and services, safeguarding national unity, promoting multi-polarization, and carrying out the "One Belt and One Road strategy", initiated by President Xi. Chinese government highlights that the two sides share similar dreams of achieving their respective national rejuvenation in the 21st century. However, the intertwined geo-political and geo-economic factors that have emerged since the Arab revolts might make it harder for China to reap economic benefits while

shelving political entanglement to sustain this economic diplomacy in the long run.²²

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²² Degang Sun and Yahia Zoubir, "China's Response to the Revolts in the Arab World: A Case of Pragmatic Diplomacy," *Mediterranean Politics*, 19(1), 2014, p. 2.

Does China Enhance Stability in the Middle East?

Double Games, Elements of Power, Energy, SLOCs and more

Paul Sullivan¹

Write up of talking points for the China in the Middle East Conference that was to be at USIP on February 17, 2015.

As I prepared for this I was remembering a meeting I had with the East-West Institute for the China-EU-US Trialogue in Berlin many years ago. We discussed terrorism, the Middle East, energy and more. I was quite impressed with the quality and the knowledge of the military and diplomatic leaders from China who were part of that meeting. However, I also got a sense of the growing sense of power of China, and how it needed to show that power to the world.

I am defining the Middle East as North Africa, the Gulf area, including Iraq, Iran and the GCC, as well as the Levant and Turkey. However, this could easily be stretched to Pakistan, Afghanistan and more given the interconnected nature of the usually defined Middle East with other areas, which would also include The Sahel, Central Asia, and more. Given the heterogeneity and complexity of the region it would be best to look at China's relations with each country separately and then as a whole, but that is beyond the scope of this paper.

¹ All opinions are Professor Sullivan's alone

The Politics of Policy

China's views on the Middle East are quite nuanced and complex. They may often seem contradictory.² However, the Chinese, like we, have competing agendas within their government and leadership. Some of the main competing agendas in China seem to be between the Ministry of Foreign Affairs and the Ministry of Defense. As with here, one can consider how different responsibilities, objectives, institutional cultures and more of the diplomats can sometimes not fully correspond with those of the military. One could think of various conflicts and tensions we

² Stenslie, Stig, "China debates its role in the Middle East", Norwegian Peacebuilding Resource Center, May 2014, http://www.peacebuilding.no/var/ezflow_site/storage/original/application/ca7bfac3f738854c217662c8176b4fb5.pdf ,
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John, "China in the Middle East", Statement before the US-China Economic and Security Review Commission, June 6, 2013, CSIS, http://www.uscc.gov/sites/default/files/ALTERMAN_testimony.pdf ,
Alterman, John and Michael Garver, "The vital triangle: China, the United States and the Middle East", <http://csis.org/files/media/csis/pubs/080624-alterman-vitaltriangle.pdf>

have had where our State Department and our Defense Department compete for a voice in policy development.³

Some of the determining factors of whether China could be a source of instability or stability in the future could be found in the outcomes of the bureaucratic battles between the Chinese Ministry of Defense, their Ministry of Foreign Affairs, major banks and businesses in China and other stake holders who see the Middle East as being important for China – and how and why they see the Middle East as important.

The policies of a country are often defined by the personalities of the bureaucracies and others who may counter, directly support, or tacitly support leadership policies and ideas. It is impossible to tell who will be in charge in China in the coming years and decades, and what changes in policies, behaviors and actions may occur. Future personality and leadership changes could bring significant instability.

Stability or Instability?

What is meant by stability in the region? It is not exactly stable now. As far as I can judge China had little to do directly with the present instability in the region. Some of its votes in the Security Council at the

³ Bagwandeem, Mandira, “Navigating the Gulf: China’s balancing strategy”, Stellenbosch University, December 2014, <http://www.ccs.org.za/?p=10508> ,
Chen, Xianming, “China and the Middle East: more than oil”, *European Financial Review*, February 14, 2014, <http://www.europeanfinancialreview.com/?p=355> ,
Freeman, Chas, “China and the CENTCOM AOR”, <http://chasfreeman.net/centcomaorchina/> ,
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Jisi, Wang, “China in the Middle”, *The American Interest*, 2 February 2015, <http://www.the-american-interest.com/2015/02/02/china-in-the-middle/>

UN, or rather its non-votes, especially on Syria and Libya may have jolted situations.⁴ The Russians seem more of a destabilizer in Syria than the Chinese, especially considering their stonewalling in the early years of the Syrian uprising to protect their naval base in Tartus, their military sales to the Syrian regime and their troops and advisers on the ground in Syria. The NATO intervention and the rise of insurgent groups on many parts of the political spectrum seemed to more of a destabilizer in Libya than the Chinese.

China's actions in the region, even including those in Iran, do not seem destabilizing so far. It is also better for China to have a stable Middle East. Although sometimes it gains from instability given that this keeps greater competition for its businesses out of places like South Sudan, Iran and the like. Overall, Chinese policy looks more like business, money, strategic thinking in the long run, and every so often trying to present difficulties for the United States by supporting those we have some difficulties with. Russia is often far more aggressive and outward in its attempts to present difficulties for the United States and to destabilize the region than the Chinese – so far.

There are many factors and actors within and from outside the Middle East which have a very large impact on the stability of the region. How much more can China add to the instability of the region beyond what other groups, countries and other factors have already done? This should have been the question.

The U.S. invasions of Iraq and Afghanistan, its failures to contain the Syria conflict, its failures to properly deal with ISIS, its slippery slope to the loss of Egypt, and its inability and seeming unwillingness to deal with the Palestinian-Israeli issues are for more important than anything China has done. Although the question does arise: what could

⁴ Garwood-Gowers, Andrew, "China and the responsibility to protect: the implications of the Libyan intervention", *Asian Journal of International Law*, July 2012, <http://journals.cambridge.org/action/displayAbstract?fromPage=online&aid=8660591&fileId=S204425131200015X>,
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Sayigh, Yezid, "China's position on Syria", Carnegie Endowment for Peace, 8 February 2012, <http://carnegieendowment.org/2012/02/08/china-s-position-on-syria>,
Singh, Michael, "Chinese policy in the Middle East in the wake of the Arab uprisings", The Washington Institute for Near East Policy, December 2014

the United States have done differently? Also, should all of this have been left up to the United States to resolve? China could have been a much greater source of stability in the region if cooperation with the United States were better – and if we learned from each other, the region and others along the way on how to handle the dangerous and complex problems of the region better.

An even odder question may be: if China were in the United States' place in the region over the last 50 years, and they were as rich and as powerful as the United States would they have behaved differently? I doubt they would have been so much involved, or involved in the ways we were.

Regional Thinking, Direct and Indirect Connections

Regional thinking often lacks the vision to deal with problems that some may think are within a region, but actually extend and reverberate across regions and even globally. China-Middle East relations do not exist in a vacuum. This is particularly so when considering the importance of the Uighurs, terrorism, energy flows, trade, investments, etc. Also, relations between China and the Middle East can also be far more complex and indirect than those presented in the media or even at academic conferences, which are often more narrow than effective.

Examples of such indirect connections include how a drought in China could have helped produce a supply and price shock in food markets, which helped lead the Middle East into the “Arab Spring”.⁵ The consumptive power of China for raw materials can have a destabilizing impact on many regions, not just the Middle East, via the energy-water-minerals-food nexus and other resource connections via global and regional supply chains.

Then there are the problems of global or supra-regional non-state actors, such as ISIS, AQIM, and AQAP, criminal gangs, smuggling

⁵ Aulakh, Raveena, “How a drought in China may have sparked the Arab Spring”, *The Star*, 5 March 2013, http://www.thestar.com/news/world/2013/03/05/climate_change_played_role_in_arab_spring_report_suggests.html, Werrell, Caitlin and Femia, Francesco, “The Arab Spring and Climate Change”, Center for American Progress, 2013, <https://climateandsecurity.files.wordpress.com/2012/04/climatechangearabspring-ccs-cap-stimson.pdf>

groups and other organized crime.⁶ These cut across many regions and often are more fluid, shadowy and intractable than many state-led problems, where there may be some mechanisms and institutions to help resolve the problems and threats.

Double Games with Iran, Saudi Arabia, the UAE, Qatar, Egypt, the Palestinians and Israel

China is playing a double game in Iran trying to outflank sanctions, while at the same time getting massive oil service deals to develop some of the

⁶ Chen, Xianming, “China and the Middle East: more than oil”, European Financial Review, February 14, 2014, <http://www.europeanfinancialreview.com/?p=355> , CFR, “The East Turkistan Islamic Movement”, <http://www.cfr.org/china/east-turkestan-islamic-movement-etim/p9179>,
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largest oil fields in Iran.⁷ About 60% of Iran's oil exports go to China.⁸ It has also garnered contracts to help Iran with the development of rail, road and communications systems. China even tried to , help develop, for a while the South Pars natural gas field and the LNG (liquefied natural gas) facilities that may be attached to that and other fields in Iran to aid Iranian export of natural gas.⁹

China has invested in and worked on developing energy facilities, roads, rail networks, desalination plants and more in Iran's arch enemy, Saudi Arabia.¹⁰ China is deeply involved with trade with another arch enemy of Iran, the UAE.¹¹ There are many Chinese in the UAE. They are mostly traders and business people. Interestingly, China relations with Iran, Saudi Arabia and the UAE have all been going fairly well. China has also worked with Qatar and the rest of the GCC in business and other dealings even during the toughest times in the sometimes rollercoaster like relations between Qatar and Saudi Arabia and the UAE. The sometimes fraught relations between Qatar and the UAE seemed to have little effect on Chinese economic and other developments in both. The Chinese have been masters at playing all sides in the Gulf.

⁷ BBC, "China to double Iranian investment", 16 November 2014, <http://www.bbc.com/news/business-30075807>,

DIIS, "Is China challenging the US in the Persian Gulf?", DIIS Report 2014: 19, Dipoala, Anthony, "Growing Iran oil exports challenge US sanctions", Bloomberg Business, 12 January 2014, <http://www.bloomberg.com/news/articles/2014-06-12/growing-iran-oil-exports-challenge-u-s-nuclear-sanctions> ,

Garver, John, "Is China playing a dual game in Iran?", *The Washington Quarterly*, Winter 2011, pp. 75-88,

Harold, Scott, and Neda, Alireza "China and Iran: economic, political and military relations" Rand, http://www.rand.org/pubs/occasional_papers/OP351.html

⁸ EIA, "China", <http://www.eia.gov/countries/cab.cfm?fips=CH>

⁹ Faucon. Benoit, "Sinopec advances on Iran oil-field plans despite cancelled China deal", *Wall Street Journal*, 22 May 2014, <http://www.wsj.com/articles/SB10001424052702303749904579578333079768774>,

EIA, "Iraq", <http://www.eia.gov/countries/cab.cfm?fips=IZ> , International Energy Agency, "Update on overseas investments by China's national oil companies", IEA, 2014, <http://www.iea.org/publications/freepublications/publication/PartnerCountrySeriesUpdateonOverseasInvestmentsbyChinasNationalOilCompanies.pdf>

¹⁰ Arab news, "China Civil builds on its Saudi success", <http://www.arabnews.com/saudi-arabia/news/637996>

¹¹ <http://www.dragonmart.ae/>

China is involved with Egyptian free trade zones,¹² Egyptian weapons procurement and some developments of Egyptian infrastructure.¹³ Both ousted President Morsi and present President El-Sissi visited China.¹⁴ China seems to have supported both leaders at different times. Again, they are masters at playing both major sides of the political divide in Egypt.

China has been supportive of the Palestinian causes,¹⁵ but at the same time had military and technology deals with the Israelis, such as the infamous Phalcon weapons systems deals.¹⁶ China has a special envoy to

¹² Scott, Emma, "China goes global in Egypt: the special economic zones in Egypt", Center for Chinese Studies, Stellenbosch University, 2013, http://www.ccs.org.za/wp-content/uploads/2013/08/CCS_DP_China_Goes_Global_Emma_Scott_2013_Final1.pdf
Scott, Emma, "China's silk road strategy:: a foothold in the Suez, but looking to Israel", China Brief, Volume 14, Number 19, Jamestown Foundation, October 10, 2014, [http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews\[tt_news\]=42943&cHash=cd567bb412105564276319db84ddec33#.VQ3PN-HqVbw](http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews[tt_news]=42943&cHash=cd567bb412105564276319db84ddec33#.VQ3PN-HqVbw)

¹³ China Daily, "China to work with Egypt on infrastructure projects", 2014, 24 December 2014, http://www1.china.org.cn/world/2014-12/24/content_34394735.htm

¹⁴ O'Reilly, Brendan, "Egypt joins the China club", Asia Times, 12 August 2012, <http://www.atimes.com/atimes/China/NH31Ad01.html> ;
Al Ahram, "Photo gallery: El Sissi visits China", 24 December 2014, <http://english.ahram.org.eg/NewsContentMulti/118751/Multimedia.aspx>,
Schleiffer, Abdullah, "Shifting sands, El Sissi goes all out in China", Al Arabiya, 26 December 2014, <http://english.alarabiya.net/en/views/news/world/2014/12/26/Shifting-sands-Egypt-s-Sisi-goes-all-out-on-China-visit.html>

¹⁵ Chen, Yiyi, "The basis of China's pro-Palestinian stance and the current status of its implementation", DOMES, Fall 2013, <http://onlinelibrary.wiley.com/doi/10.1111/dome.12029/abstract>

¹⁶ Alpher, Yosi, "Israel's growing relationship with China: a problematic buffer against European sanctions?", Norwegian Peacebuilding Research Center, February 2014, http://www.peacebuilding.no/var/ezflow_site/storage/original/application/7b85c95349b938d53896d7cf37600d42.pdf,
Evrom, Yaram, "Between Beijing and Washington: Israel's technology transfer to China", *Journal of East Asian Studies*, December 2013, <http://journals.rienner.com/doi/abs/10.5555/1598-2408-13.3.503>,
Adelman, Jonathan, "The Phalcon sale to China: lesson for Israel", Jerusalem Center for Public Affairs, <http://www.jcpa.org/jl/vp473.htm>

help resolve the Palestinian-Israeli disputes.¹⁷ It is playing a double game here as well.

The Energy Connection

We are lucky to have the wonderful Canadians to our north and our own shale gas and shale oil for a big part of our energy security.¹⁸ Our production of oil and gas has blossomed in the last few years.¹⁹ Our net imports of oil and gas have plummeted.²⁰ We have become a significant exporter of refined oil products and we could become a major exporter of LNG and oil, if technological, legal and financial issues allow.²¹ We can rely a lot on North Dakota, Texas and Alberta. Our reliance on the Middle East has declined significantly since the shale revolution began in earnest in the mid-2000s. However, that does not mean that we will leave or that we will leave it to China.

China's energy use is about 70% coal. They do not rely at all on the Middle East for the coal. About 18% of its energy needs are for oil. Most of that is for transportation and its oil needs are growing quickly, as is its reliance on the Middle East for it. The Chinese rely hugely on the GCC and Iran for their oil imports, and they rely hugely on Qatar for their LNG. They do not have a Canada equivalent to bolster their energy security as a solid, stable nearby base supplier as we have.

China became a net importer of oil in 1993.²² Its demand for oil really started to take off only after 2000 or so as its economy also took

¹⁷ Tiezzi, Shannon, "China appoints special envoy to the Middle East", *The Diplomat*, 5 September 2014

¹⁸ EIA, "US imports from Canada of crude oil and petroleum products", <http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MTTIMUSCA1&f=M>

¹⁹ EIA, "Petroleum and other liquids", http://www.eia.gov/dnav/pet/pet_crd_crdpn_adc_mbb1_m.htm

²⁰ EIA, "US net imports of crude oil and petroleum products", <http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MTTNTUS2&f=M>

²¹ EIA, "US exports of refined products", <http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MTPEXUS2&f=A>

²² EIA, "China", <http://www.eia.gov/countries/cab.cfm?fips=CH>

off²³. That is also when their consumption of oil from the Middle East, especially from the Gulf region started to take off and become a vital source of energy for them. Oman was the first Middle Eastern country to export oil to China back in 1983, but it was not a large amount and not a very big deal politically for China or for the region. China in 1983 was seen as a far different place than it is seen now.²⁴

China's oil imports grew from zero in 1993 to about 2 million barrels a day in 2008 then on to about 5.7 million barrels a day in 2013 to 7.2 million barrels a day recently. That recent leap may be to grab the cheaper oil to stockpile it, but it may also keep up that demand growth pace for a while. Its overall oil consumption grew from about 2.5 million barrels a day in 1993 to close to 12 million barrels a day recently. China gets about 60% of its oil imports from the Middle East. Except for its oil from Oman, about 9% of its total imports of oil, all of the rest of its oil imports from the region come from the inside of the Straits of Hormuz. China's exports out of the Straits of Hormuz and The Red Sea and Africa also go via the Straits of Malacca.²⁵ It's most important sources of

²³ Google Public Data, China, GDP, http://www.google.com/publicdata/explore?ds=d5bncppjof8f9_#!cstype=1&strail=false&bcs=d&nselm=h&met_y=ny_gdp_pcap_cd&scale_y=lin&ind_y=false&rdim=region&ifdim=region&tdim=true&hl=en_US&dl=en_US&ind=false, EIA, "China", <http://www.eia.gov/countries/cab.cfm?fips=CH>

²⁴ Al-Sudairi, Mohammed Turki, "Sino-Saudi relations: an economic history", The Gulf Research Center, 2012, <http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?id=156677>,

Chen, Xianming, "China and the Middle East: more than oil", *European Financial Review*, February 14, 2014, <http://www.europeanfinancialreview.com/?p=355>,

IEA, "Emergency response systems of individual partner countries: People's Republic of China", http://www.iea.org/media/freepublications/security/EnergySupplySecurity2014_China.pdf,

Noel, Pierre, "Asian's energy supply and maritime security", *Survival*, June-July 2014, pp. 201-216, <http://www.iiss.org/en/publications/survival/sections/2014-4667/survival--global-politics-and-strategy-june-july-2014-3d8b/56-3-13-no-1-20a5>,

Noel, Pierre, "Securing Middle Eastern Oil", IISS, <http://www.iiss.org/en/manama%20voices/blogsections/2014-b2cd/md-book-11securing-middle-east-oil-79d1>

²⁵ EIA, "Algeria", <http://www.eia.gov/countries/cab.cfm?fips=AG>, See also: entries for China, East China Sea, Eastern Mediterranean, Egypt, Iran, Iraq, Kuwait, Libya, Middle East and North Africa, Oman, Qatar, Saudi Arabia, South China Sea, Sudan and South Sudan, Syria, United Arab Emirates, World oil transit chokepoints, Yemen. EIA, "China is now the world's largest net oil importer", 24 march 2014, <http://www.eia.gov/todayinenergy/detail.cfm?id=15531>,

imported oil are Saudi Arabia (19%), Angola (14%), Russia (9%), Iran (9%), Oman (9%), and Iraq (8%). About 52% of its oil imports are from inside Hormuz²⁶.

Natural gas is only about 5-6% of China's energy needs, but it is turning more and more to natural gas for environmental, cost and other reasons. There is access to natural gas via pipelines via Myanmar and Central Asia. A pipeline from Russia will be completed in a few years.

China is now the third largest importer of LNG in the world. It is building many LNG facilities to increase these LNG imports in the future. About 35% of its LNG comes from Qatar via the Straits of Hormuz and the Malacca. Yemen used to be a fairly important source, but that is just not going to happen again until Yemen settles down, if at all. About ½ of China's gas imports are LNG.²⁷ They have a diversity of sources from Asia, Australia, Africa and Russia, but are still heavily reliant on Qatar and are likely to remain that way for some time. Hence, their interest in Qatar.

Importantly, China has the largest estimated technically recoverable shale gas reserves known in the world, but it is having lots of trouble trying to exploit this resource.²⁸ Once they get their production of domestic shale gas up to speed then the importance of the Middle East for their natural gas will wane. If it does not get to exploit its shale gas fields then its reliance on imported gas will increase and a lot of that will come from the Middle East.

If all of the oil and gas China needs was in China or in its region then it might just have minimal interest in a region in such turmoil other than as a market for exports, a place to find investment opportunities, and as a source for financial capital, and energy. However, that separation from the Middle East seems unlikely.

²⁶ EIA, "China", <http://www.eia.gov/countries/cab.cfm?fips=CH>

²⁷ EIA, "China", <http://www.eia.gov/countries/cab.cfm?fips=CH>, International Gas Union, "World LNG Report 2014", http://www.igu.org/sites/default/files/node-page-field_file/IGU%20-%20World%20LNG%20Report%20-%202014%20Edition.pdf,

²⁸ EIA, "World Shale oil and shale gas resource assessment, China", http://www.eia.gov/analysis/studies/worldshalegas/pdf/chaptersxx_xxvi.pdf, EIA, "Technically recoverable shale oil and shale gas resources", <http://www.eia.gov/analysis/studies/worldshalegas/>

Supply Networks and Transit Chokepoints

Frankly, China would much rather not have to deal with the Straits of Hormuz, the Gulf of Aden, the Red Sea, and the Malacca and other such choke points. However, the reality is that supply chains and transport chains of trade can get in the way. The Middle East is important for China's energy, trade, investment, commerce, and transport.

However, Europe is their largest trading partner and for that trade China needs to use all of various choke points and container routes, such as the Malacca, Aden, The Red Sea, The Suez Canal and more open and working up to par. The alternative is to go all around Africa, which could add a huge amount of time and a lot of cost. This could also put even greater strain on tanker and container markets.²⁹

China is trying to at least partially get around these sorts of chokepoints via new pipeline networks and canals in the works. It also is trying to develop new trading systems via a maritime and land "New Silk Road". This "New Silk Road" could add stability to the Middle East via increased economic development. It could add instability if that development is uneven, especially after the problems of the Arab Spring. The Chinese are hoping this "New Silk Road" will tie the Middle East and other areas to it via trade, investment and more. Trade and investments of China with the Middle East have been increasing, but

²⁹ EU, European Commission, "Trade, Policy, Countries and Regions, China", <http://ec.europa.eu/trade/policy/countries-and-regions/countries/china/>, MIT, The Observatory of Economic Complexity, "China", <http://atlas.media.mit.edu/profile/country/chn/>, Suez Canal Authority, "Suez Canal traffic statistics", <http://www.suezcanal.gov.eg/TRstat.aspx?reportId=1>, World Shipping Council, "Trade Routes", <http://www.worldshipping.org/about-the-industry/global-trade/trade-routes>,

clearly China wants this to go much further.³⁰ However, as China becomes a bigger part of the Middle East and its influence grows its ability to play its many double games may decline.

³⁰ BBC, “China to double Iranian investment”, 16 November 2014, <http://www.bbc.com/news/business-30075807>,
Blakes Lawyers, “GCC investment outlook 2014”, http://www.blakesfiles.com/Guides/2014-Blakes_GCC.pdf,
Chen, Xianming, “China and the Middle East: more than oil”, *European Financial Review*, February 14, 2014, <http://www.europeanfinancialreview.com/?p=355>,
Deutsche Bank, “The GCC going East: economic ties with developing Asia on the rise”, Deutsche Bank, February 18, 2014, http://www.dbresearch.com/PROD/DBR_INTERNET_EN-PROD/PROD000000000329687/The+GCC+going+East%3A+Economic+ties+with+developing+Asia+on+the+rise.pdf ,
Deutsche Welle, “Soft power – China’s expanding role in the Middle East”, 4 February 2015, <http://www.dw.de/soft-power-chinas-expanding-role-in-the-middle-east/a-18233271> ,
Haider, Faraz, “Bountiful South”, ACT Middle East Treasurer, Summer 2014, <http://www.treasurers.org/node/10264> ,
Liu, Ted, “China’s economic engagement in the Middle East and North Africa”, FRIDE, http://fride.org/download/PB_173_China_economic_engagement_in_MENA.pdf,
Rayhall, Charlene, “Arab FDI pivots to China”, MEI, <http://www.mideasti.org/content/map/arab-fdi-%E2%80%9Cpivots%E2%80%9D-china> ,
Scissors, Derek, “China’s outward investment healthy, puzzling”, American Enterprise Institute, 7 January 2015, <http://www.aei.org/wp-content/uploads/2015/01/Chinas-outward-investment.pdf> ,
Scott, Emma, “China goes global in Egypt: the special economic zones in Egypt”, Center for Chinese Studies, Stellenbosch University, 2013, http://www.ccs.org.za/wp-content/uploads/2013/08/CCS_DP_China_Goes_Global_Emma_Scott_2013_Final1.pdf
Scott, Emma, “China’s silk road strategy: a foothold in the Suez, but looking to Israel”, China Brief, Volume 14, Number 19, Jamestown Foundation, October 10, 2014, [http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews\[tt_news\]=42943&cHash=cd567bb412105564276319db84ddec33#.VQ3PN-HqVbw](http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews[tt_news]=42943&cHash=cd567bb412105564276319db84ddec33#.VQ3PN-HqVbw) ,
Shambaugh, David, “China at the Crossroads: ten major reform challenges”, Brookings, October 2014, <http://www.brookings.edu/~media/research/files/papers/2014/10/01-china-crossroads-reform-challenges-shambaugh-b.pdf> ,
The Economist, “GCC trade and investment flows”, 2014, <http://www.economistinsights.com/sites/default/files/GCC%20Trade%20and%20investment%20flows.pdf> ,
The Heritage Foundation, “China global investment tracker”, <http://www.heritage.org/research/projects/china-global-investment-tracker-interactive-map> ,
Wildua, Gabriel, “New silk road raises hopes for increases China-Arab trade”, 29 June 2014, *Financial Times*, <http://www.ft.com/intl/cms/s/0/11190312-f874-11e3-815f-00144feabdc0.html?siteedition=intl>

China's Reach and Its Elements of Power

China's strategic reach in the region can be found in the following aspects of national power: economic, diplomatic, cultural and informational, military and cyber. The least understood seems to be cyber. The most important seems to be the economic.

China is the number one export partner for Iran, Saudi Arabia, and Oman. It is the number two export partner for the UAE and Iraq. It is the number one import source for Iran, Saudi Arabia, Egypt, and Kuwait. It is the number two source of imports into Israel, Iraq, Algeria, and Turkey.³¹ Yiwu, China is a major center of trade between China and the Arab world.³² Dubai has one "Dragon City" and its looks like another one coming, and about 200,000 Chinese. Flights between many Arab cities and China are increasing rather quickly. Investments by China into the region and Middle East investments into China have growing rapidly and are increasing in complexity and importance for both.³³

³¹ See: MIT, The Observatory of Economic Complexity, "Algeria", <http://atlas.media.mit.edu/profile/country/dza/>, for: Algeria, Bahrain, Egypt, Jordan, Iran, Iraq, Israel, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, Turkey, UAE, Yemen.

³² Shaery, Roshanack, "Arabs in Yiwu, Confucius in Beirut", MERIP, "http://www.merip.org/mer/mer270/arabs-yiwu-confucius-east-beirut

³³ Azmeh, Shamel, and Nadvi, Khalid, "Greater Chinese global production networks in the Middle East: the rise of the Jordanian garment industry", *Development and Change*, 44(6), pp. 1317-1340, International Institute of Social Studies, 2013, <http://eprints.lse.ac.uk/56409/>, BBC, "China to double Iranian investment", 16 November 2014, <http://www.bbc.com/news/business-30075807>, Blakes Lawyers, "GCC investment outlook 2014", http://www.blakesfiles.com/Guides/2014-Blakes_GCC.pdf, Harold, Scott, and Neda, Alireza "China and Iran: economic, political and military relations" Rand, http://www.rand.org/pubs/occasional_papers/OP351.html, Hiro, Dilip, "China courts the Middle East", Yale Global Online, 30 January 2012, <http://yaleglobal.yale.edu/content/china-courts-middle-east>, Hokayem, Emile, "The Gulf States in an era of American retrenchment", *Middle Eastern Security*, *The Pivot and the rise of ISIS*, IIIS, 135-164, 2014, International Energy Agency, "Update on overseas investments by China's national oil companies", IEA, 2014, <http://www.iea.org/publications/freepublications/publication/PartnerCountrySeriesUpdateonOverseasInvestmentsbyChinasNationalOilCompanies.pdf>, The Economist, "GCC trade and investment flows", 2014, <http://www.economistinsights.com/sites/default/files/GCC%20Trade%20and%20investment%20flows.pdf>, The Heritage Foundation, "China global investment tracker", <http://www.heritage.org/research/projects/china-global-investment-tracker-interactive-map>

Diplomatic clout seems to be on the rise. Cultural and informational reach seems limited so far, but is growing. In some places it is more powerful than in others, but does not come near to the informational and cultural reach of the United States and Europe in the region. However, the injection of Confucius institutes, sending Arab students to China, and a huge influx of Chinese goods into the region are yet a few examples of the cultural clout of China in the Middle East.

China is not particularly proactive militarily in the region—yet. It does little military training in the region. It has had significant weapons sales to Iran, Saudi Arabia, Egypt, Libya, Israel, Iraq and more. It is, however, not one of the bigger suppliers to the region, as what might be said for the United States, the UK, Russia, and France.³⁴ China has

³⁴ Cordesman, Anthony, “The Gulf military balance”, CSIS, 2015, <http://csis.org/publication/gulf-military-balance-volume-i> , <http://csis.org/publication/gulf-military-balance-volume-ii> and <http://csis.org/publication/gulf-military-balance-volume-iii>, Grimmet, Richard and Kerr, Paul, “Conventional arms transfers to developing countries”, CRS, 2011, <http://fas.org/sgp/crs/weapons/R42678.pdf> , Stockholm International Peace Research Institute, “China’s exports of small arms and light weapons”, <http://books.sipri.org/files/PP/SIPRIIP38.pdf> , Stockholm International Peace Research Institute, “Trends in international arms 2013”, <http://books.sipri.org/files/FS/SIPRIFS1403.pdf> , See also: 2014 report Stockholm International Peace Research Institute, “TIV of arms imports from China, 2003-2013”, SIPRI, 2014, <http://armstrade.sipri.org/armstrade/page/values.php> , See Also: “TIV of arms imports from (France, Russia, The United Kingdom, The United States) Stockholm International Peace Research Institute, “TIV of arms imports to the top 50 arms exporters, 2003-2013”, SIPRI, 2014, <http://armstrade.sipri.org/armstrade/page/toplist.php> , U.S., Department of Defense, “Annual Report to Congress: Military and Security Developments involving the People’s Republic of China”, http://www.defense.gov/pubs/2013_China_Report_FINAL.pdf

helped Iran with its nuclear systems developments.³⁵ It has helped both Saudi Arabia and Iran with missile developments via missile sales.³⁶ It played both sides in the Iran-Iraq War. It is playing both sides in the Shia-Sunni tensions of recent times.

Military seems to be the smallest component of national power for China in the region given China's lack of a blue water navy, insufficient air lift and other limitations. Its lack of lift reach was exhibited by its inability to evacuate its people from Libya. They needed to lease vessels and aircraft at short notice.³⁷ Interestingly, they had a frigate nearby to help. They have also had few ships go through the Red Sea and the Mediterranean. This may seem like a less than impressive show of reach, but these events could be the starts of something much bigger.³⁸

³⁵ FAS, "China-Iran Nuclear Cooperation". <http://fas.org/news/iran/1992/920917-243261.htm> ,

Daines, Kenneth, "Sino-Iranian relations: history and nuclear proliferation implications", <http://webcache.googleusercontent.com/search?q=cache:hD1VLsEUbUIJ:https://ojs.lib.byu.edu/spc/index.php/sigma/article/download/33161/31146+&cd=9&hl=en&ct=clnk&gl=us> ,

NTI, "Iran: Nuclear", <http://www.nti.org/country-profiles/iran/nuclear/> ,
ISISNuclearIran, "Iran's nuclear history from the 1950s to 2005", http://www.isisnucleariran.org/assets/pdf/Iran_Nuclear_History.pdf.

Kan, Shirley, "China and the proliferation of weapons and mass destruction and missiles: policy issues", 5 January 2015, <http://fas.org/sgp/crs/nuke/RL31555.pdf> ,
Garver, John, "Is China playing a dual game in Iran?", *The Washington Quarterly*, Winer 2011, pp. 75-88

³⁶ NTI, "Saudi Arabia, Missile", <http://www.nti.org/country-profiles/saudi-arabia/delivery-systems/> ,

Meick, Ethan, "China's reported ballistic missile sale to Saudi Arabia: background and potential implications", *US-China Economic and Security Review Commission Staff Report*, June 16, 2014, http://origin.www.uscc.gov/sites/default/files/Research/Staff%20Report_China%27s%20Reported%20Ballistic%20Missile%20Sale%20to%20Saudi%20Arabia_0.pdf ,

Kan, Shirley, "China and the proliferation of weapons and mass destruction and missiles: policy issues", 5 January 2015, <http://fas.org/sgp/crs/nuke/RL31555.pdf>

³⁷ Mile, Tom, "Libya evacuation: China evacuates 12,000 nationals via frigate", *Al Monitor*, 25 February 2011, <http://www.csmonitor.com/World/Latest-News-Wires/2011/0225/Libya-evacuation-China-evacuates-12-000-nationals-via-naval-frigate>

³⁸ Cole, J. Michael, "China's Navy in the Mediterranean?", *The Diplomat*, 30 July 2012, <http://thediplomat.com/2012/07/whys-chinas-navy-in-the-mediterranen/>

China looks a long way from developing a real military-strategic reach in the Middle East even as it is in a huge drive to modernize its military and its military budget is growing quite quickly. It is now number two in the world on military expenditures and its military budget is growing at the 12-25% range.³⁹ However, they lack aircraft carriers, excepting one in motion and one in development. They lack sufficient stealth capability and long distance bombers, and, once again, lift to effectively take on some of the challenges that the region may face in the future. Most of their military hardware, software, and thinking seems focused on its nearer neighbors. Its sense of strategic and tactical threats seems more focused on India, Taiwan, China and Southeast Asia.⁴⁰

For the Middle East the Chinese are mostly free-riding off the U.S. military, and also off of our strategic mistakes. However, they are part of peace keeping forces in Africa, Lebanon and sent troops into South Sudan.⁴¹ They are marginally militarily involved in other activities. Militarily, especially in Africa and the Middle East they are almost always under the auspices of the U.N.⁴² They are part of the task forces trying to reduce piracy off Somalia and Yemen, but that was initiated

³⁹ International Institute for Strategic Studies, *Military Balance 2015*, Routledge, London, 2015, Chapter 2, “Comparative defense statistics”, IISS, 2015, Stockholm International Peace Research Institute, “Recent Trends in military expenditures”, <http://www.sipri.org/research/armaments/milex/recent-trends> or <http://books.sipri.org/files/FS/SIPRIFS1404.pdf>, Global Firepower, “China”, http://www.globalfirepower.com/country-military-strength-detail.asp?country_id=China

⁴⁰ U.S., Department of Defense, “Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China”, http://www.defense.gov/pubs/2013_China_Report_FINAL.pdf

⁴¹ Al Jazeera, “China’s motives in South Sudan”, 15 January 2015, <http://www.aljazeera.com/programmes/insidestory/2015/01/china-motive-south-sudan-201511319545502114.html>, Bariyo, Nicholas, “China deploys troops in South Sudan to defend oil fields”, *Wall Street Journal*, 9 September 2014, <http://www.aljazeera.com/programmes/insidestory/2015/01/china-motive-south-sudan-201511319545502114.html>

⁴² Wang, Ben, “The dragon brings peace?”, Stimson Center, 12 July 2013, <http://www.stimson.org/spotlight/the-dragon-brings-peace-why-china-became-a-major-contributor-to-united-nations-peacekeeping/>

mostly from the hijacking and attacking of their ships in that area.⁴³ Nevertheless, it would be hardly surprising to see much more military activity and investment by the Chinese in the region given how important it is to them.

How it uses these elements of power in the future could determine its additions to stability or instability in the region. So far it seems that they are trying to feel the stones in the running river of the Middle East, much like they did when trying to figure out economic policy and economic changes starting at the time of Deng Zhao Ping. But that could change – and change quickly. And therein may lie some of the potential instability.

Turning Points in Policy

There are some major turning points in recent Chinese policies in the region. These include the astounding economic growth and subsequent need for resources such as energy since 2000 in particular.⁴⁴ The events of 9/11 helped drive a wedge between the United States and Saudi Arabia and China has not only been finding space in that wedge, but also seems to be widening it. The 2003 invasion of Iraq drove a wedge between the Arab world and the United States. It also helped open up oil fields in Iraq to China. The 2008 financial crisis and the loss of economic face by the United States during and after that allowed the continuously growing China to present itself as an alternative system to American capitalism

⁴³ Erickson, Andrew, “No substitute for experience”, US Naval War College, 2013, https://www.usnwc.edu/Research---Gaming/China-Maritime-Studies-Institute/Publications/documents/CMS10_Web_2.aspx

⁴⁴ Google Public Data, China, GDP, http://www.google.com/publicdata/explore?ds=d5bnccppjof8f9_#!ctype=l&strail=false&bcs=d&nselm=h&met_y=ny_gdp_pcap_cd&scale_y=lin&ind_y=false&rdim=region&ifdim=region&tdim=true&hl=en_US&dl=en_US&ind=false, EIA, “China”, <http://www.eia.gov/countries/cab.cfm?fips=CH>, Andrews-Speed, Philip, et al, “China’s Energy Cross Roads”, NBR, 2014, <http://www.nbr.org/research/activity.aspx?id=490>, Antipov, Konstantin, “Aspects of the evolution of China’s Middle East policy”, Far Eastern Affairs, 2014, http://www.eastviewpress.com/Files/FEA_FROM%20THE%20CURRENT%20ISSUE_No.%202014.pdf

and the American growth and development model.⁴⁵ The Arab revolutions and insurrections, oddly enough developed openings for China in some places, such as Egypt, and closed doors to them in others, such as Libya. When the United States cut military aid to Egypt in 2013 this created opportunities not only for Russia, but also China.

China is deeply involved with Iran and Saudi Arabia. It also odd and sometimes two-faced bridge of sorts between these two enemies. The United States attempts to negotiate with Iran on its nuclear program have backfired in the Sunni Arab world. The United States is eroding the trust it has enjoyed with some Arab leaders from these attempts at rapprochement with Iran. China applies a much more nuanced and strategic approach to Iran, while at the same time keeping good relation with Saudi Arabia, the UAE, Egypt and others which have quite negative views of Iran. China is playing all sides in a complex game. The United States needs to figure out a new strategic path to counter this and not fall into a trap of complacency.

The Asia pivot or “rebalancing to Asia” of the United States seems to have helped push China in its western movement towards the Middle East. Could China's movements into the region be a strategic diversion for the United States as the pivot develops or are China's moves to the west strictly for national interest and independent of what is happening with the Asia pivot? Likely both are happening and will happen. The United States needs to take care in understanding this or greater instability could result from misunderstandings from all sides.

The Future?

What might be the future shocks coming globally, in the Middle East, in China, in the United States, etc. to change stability in the region, and what might be China's reactions to those events or trends? That is impossible to tell right now.

However, one thing one can be sure of is that China will become more involved with the Middle East given its energy, investment, trade, diplomatic, military, and other ties with the region. It will surely be in China's advantage to help stabilize the region. My expectation is that it

⁴⁵ Moyo, Dambisa, “Is China the new idol for emerging economies?”, Ted Talk, http://www.ted.com/talks/dambisa_moyo_is_china_the_new_idol_for_emerging_economies

will do just that, but then there are other factors and other players that may get involved. And these are nearly completely unpredictable. The biggest sources of instability in the region in the future will likely be internal. The biggest sources of instability brought from the outside may just be a competition for influence in the region between the United States, China, Russia and others and the misunderstandings, tactical and strategic and other errors that may happen.

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How Syria, Israel, the Palestinians, and Egypt View China's Growing Role in the Middle East

Sam Chester

China's growing role in the Middle East tends to be discussed through the prism of Beijing's interest and activities while ignoring the agency and concerns of regional actors.¹ The focus on China is reasonable given that the Chinese state and corporate representatives largely dictate the breadth of Sino-Middle East relations.² If Beijing wants to accelerate its economic or political engagement in the region tomorrow, it can do so. If Damascus, Jerusalem or Cairo want to deepen ties with China, their ability to do so is limited to proposing new investment schemes or security frameworks to the mandarins in Beijing. The Chinese retain the buyer's right of refusal.

Of course, China is not the only foreign buyer in the complex bazaar of competing interests and turbulent local politics that is the modern Middle East. In the twenty-first century, however, they are the region's most significant new customer. Like every foreign customer, they arrive seeking a range of local specialties – in China's case, these include consumer markets, transport corridors, diplomatic goodwill, tech products and, especially, energy resources. And like most markets, in this

¹ See for example Michael Singh, "Chinese Policy in the Middle East in the Wake of the Arab Uprisings," Washington Institute For Near East Policy, Dec. 2014; Also see a collection of essays published by the University of Nottingham's China Policy Institute Blog in Feb. 2015, <http://blogs.nottingham.ac.uk/chinapolicyinstitute/2015/02/23/special-issue-china-and-the-israeli-palestinian-conflict/>.

² The importance of Chinese companies, public and privately owned, in advancing China's engagement in the Middle East is grossly under appreciated and under-researched. My unpublished master's thesis explores this topic through the prism of Beijing's economic statecraft in the Middle East.

one the salesmen are far more motivated to close a deal than our decidedly cautious Chinese buyer.

I have been asked to discuss the perspective of these regional salesmen, to explain how and why local actors view China's growing role in their backyard. I will limit my comments to Syria, Israel, the Palestinian territories and Egypt, leaving my fellow panelists to discuss the important countries in the Persian Gulf and Turkey. I will conclude with recommendations for policymakers and researchers, two groups whose growing interest in this subject is an important and encouraging development.³

Syria, Israel, the Palestinians and Egypt face very different contemporary political challenges. Syria is a failed state, divided into warring militias, each dependent to varying degrees on outside support. Israel is a developed state, whose surging economy is offset by an inability to improve security and political relations with its Arab neighbors. The Palestinians are divided between an isolated Hamas rump state and a faltering Palestinian Authority: together they form an embryonic state whose leadership, territory, financing and path to future independence teeter on the brink of near total collapse. Egypt is a state in transition, gradually readopting the mores of the Mubarak regime while struggling to overcome the same economic challenges that undermined previous regimes.

Before evaluating how audiences in each state view China, four common themes can be identified. First, China's growing engagement in the region is viewed by everyone except Syria's Islamic State as not only a positive development but a valuable commercial opportunity to embrace strategically. Second, China's economic resources, above all its investment capabilities and domestic market, motivate regional actors to strengthen ties with China. Third, China's political resources—both its potential for a more involved role and its circumscribed contemporary policy—are less compelling for most regional states and sub-state actors. Fourth, China's most significant political impact in the region is the way in which it is perceived as a rival or alternative to the United States. While this view is often self-fulfilling, it is also very much informed by

³ My remarks are based on fieldwork in Israel and Egypt in 2015 as well as ten years of professional and academic involvement in China-Middle East relations.

what regional actors see as declining U.S. engagement in the region alongside the absence of a clearly communicated American strategy for engaging China's growing regional presence.

Syria

Before Syria devolved into violence in 2011, China was emerging as a strategic ally for the Assad regime. Bilateral ties escalated in 2004 following Bashar Assad's visit to Beijing.⁴ With China investing in Syria's oil sector and rising bilateral trade, Syrian authorities spoke glowingly of a "Pivot East" and cited China as Syria's model for successful economic development.⁵ Once the civil war began, the Assad regime continued to view Beijing as a friend, sparing no length to thank China for defending Assad in the UN Security Council.⁶ While Chinese diplomatic statements have toned down their overt support for the beleaguered dictator, Beijing's strategic support for Iranian influence in the region means that the Assad regime has reason to remain confident

⁴ AFP, "Assad Cuts Short Visit to China," Daily Star, June 25 2004, <http://dailystar.com.lb/Business/Middle-East/2004/Jun-25/63402-assad-cuts-short-visit-to-china.ashx>

Andrew Tabler, "Is China Syria's Next Main Trading Partner," Daily Star, June 26 2004, <http://www.dailystar.com.lb/Business/Middle-East/2004/Jun-26/63638-is-china-syrias-next-main-trading-partner.ashx>.

⁵ Ben Simpfendorfer, "Syria and the 'China Growth Model,'" Forbes, May 21 2009, http://www.forbes.com/fdc/welcome_mjx.shtml;

Chris Zambelis, "China Tests Its Mettle in Syria," Asia Times, Nov. 6 2008, <http://www.atimes.com/atimes/China/JK06Ad02.html>;

Shahid Qureshi, "Syria and 'Chinese Silk' Road," London Post, Oct. 29 2009, <http://www.thelondonpost.net/tm02dec09.html>;

Phil Sands, "China's Influence in Syria Goes Beyond Trade Boom," The National, Aug. 26 2008, <http://www.thenational.ae/news/worldwide/asia-pacific/chinas-influence-in-syria-goes-beyond-trade-boom>;

Christiana Lin, "Syria in China's New Silk Road Strategy," Jamestown China Brief, April 16 2010, http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews%5Btt_news%5D=36264&cHash=ac6dfc2626#.VRCIpmUcpU.

⁶ "Syria Envoy Bouthania Shaaban Praises China Ahead of Talks in Beijing," Nahar-Net, Aug. 15 2012, <http://www.naharnet.com/stories/en/50197>.

that China is in its corner.⁷ As long as a civil war rages, Assad recognizes that China's utility as an economic partner is limited. But to a regime whose stability remains uncertain, Beijing's tacit diplomatic support is valuable.

One of the major lessons China derived from the Arab Spring was the necessity of developing ties beyond the palace grounds.⁸ During the early months of the Syrian civil war, China cautiously reached out to opposition groups while advocating a solution that would grant all parties a voice in a post-conflict government.⁹ Whatever goodwill this may have earned China has dissipated due to Beijing's disinterest in providing increasingly desperate opposition groups cash or weapons.¹⁰ If Syria is eventually taken over by these Sunni opposition groups, it is likely the new regime will conveniently forget China's reluctance to support them militarily. Instead, they will likely follow the pattern of every other Sunni regime and look east for critical economic resources.

Syria's most infamous opposition group, the Islamic State, became one of the first Islamic terror groups to publicly target China. In a July 2014 video, the extremist Sunni group's leader Abu Bakr al-Baghdadi announced plans to exact revenge on China for persecuting

⁷ Lauren Dickey & Helia Ighani, "Iran Looks East, China Pivots West," *Diplomat*, Aug. 25, 2014, <http://thediplomat.com/2014/08/iran-looks-east-china-pivots-west/>; John Garver, *China and Iran: Ancient Partners in a Post-Imperial World* (Seattle: U of Washington, 2006).

⁸ Jonathan Pollak, "Unease From Afar," *Brookings*, Nov. 18 2011, <http://www.brookings.edu/research/articles/2011/11/18-arab-awakening-china-pollack>.

⁹ Kathrin Hille, "China Opens Door to Syrian Opposition," *Financial Times*, Feb. 9 2012, <http://www.ft.com/intl/cms/s/0/20cc6a8c-5318-11e1-950d-00144feabdc0.html#axzz3VFbeQ3AI>.

¹⁰ Beijing formally opposes supplying weapons to all combatants in Syria and has limited cash transfers to modest "humanitarian aid" to the Assad regime. Chinese weapons are still playing a large role in the Syrian conflict through Sudanese arms traffickers, a development Chinese opinion makers have welcomed as a valuable opportunity to advertise Chinese weaponry and boost future arms sales, see Tim Fernholz, "China's Arms Industry is Hoping for Some Good PR from the Syrian Rebels," *Quartz*, Aug. 14 2013, <http://qz.com/114918/while-china-backs-the-syrian-government-its-arms-industry-is-hoping-for-some-good-pr-from-the-rebels/>.

Muslims in Xinjiang.¹¹ With reports that anywhere from a few dozen to several hundred Uyghur have joined the Islamic State, Beijing would seem to have met its first regional actor with whom it will not be able to establish any form of positive relations.¹² However, were the Islamic State to solidify its position in Syria, it would not be too surprising if China sought to develop an understanding similar to the ties it began cultivating with the Taliban in 2000.¹³ It remains difficult to assess how the Islamic State would respond to discreet overtures from Beijing since in its current iteration the group has demonstrated no interest in developing ties with any foreign government. As unlikely as a Chinese/Islamic State linkage may seem at present, if one materialized it would largely be a continuation of a policy Beijing has utilized throughout the region: achieving friendly ties with everyone by keeping its political engagement to a minimum.

Israel

In 2000, Chinese President Jiang Zemin visited Israel and declared that the two countries were at the dawn of a golden age of bilateral relations.¹⁴ Jiang's confidence turned out to be premature, when two months after his visit, his Israeli hosts succumbed to American pressure and canceled a billion dollar sale to Beijing of the military grade Phalcon radar system. At the time, Israeli officials had hoped that the sale of advanced Israeli weapons to China could provide the necessary leverage to balance China's growing dependence on Arab oil.¹⁵ "Israeli know-how can be more valuable than Arab oil," is how then-Prime Minister Benjamin

¹¹ Alexa Olesen, "China Sees Islamic State Inching Closer to Home," *Foreign Policy*, Aug. 11 2014, <http://foreignpolicy.com/2014/08/11/china-sees-islamic-state-inching-closer-to-home/>.

¹² Peter Lee, "Curtain Coming Down on Erdogan's Excellent Uyghur Adventure?" *Counterpunch*, Feb. 24 2015, <http://www.counterpunch.org/2015/02/24/curtain-coming-down-on-erdogans-excellent-uyghur-adventure/>.

¹³ Andrew Small, "Why is China Talking to the Taliban," *Foreign Policy*, June 2013, <http://foreignpolicy.com/2013/06/21/why-is-china-talking-to-the-taliban/>.

¹⁴ "Chinese President's Israel Visit Reflects a Deepening Relationship," *JTA*, April 10 2000, <http://www.jta.org/2000/04/10/archive/chinese-presidents-israel-visit-reflects-a-deepening-relationship>.

¹⁵ Interview with Israeli Embassy officials in Beijing, Dec. 2011.

Netanyahu expressed this sentiment to his hosts on a 1997 visit to China.¹⁶

Fast-forward to 2014 and Sino-Israeli relations are undergoing a renaissance.¹⁷ Although China and Israel ceased weapons sales in 2005, both sides are still driven by similar motives that guided their trade in arms. Israel remains addicted to the export potential of the vast Chinese market. China is still interested in acquiring Israeli technology. A key difference from the past is that China's interest in Israel is no longer about modernizing the Chinese military. With Beijing trying to build an economy that relies on innovation rather than imitation, Israeli technologies are desired across a range of industries.¹⁸

2014 was the watershed year for this new relationship. Chinese investors made billion dollar investments in major Israeli foodservice and insurance companies.¹⁹ Tech investments rose to \$300 million, \$50 million more than the previous year.²⁰ China's big three internet companies—Baidu, Alibaba and Tencent— as well as Huawei and Lenovo all announced plans to open R&D centers in Israel.²¹ Meanwhile, the first Israeli startup designed from day one for the Chinese market

¹⁶ "China Assures Israel it will Not Aid Iran Nuke Program," AP, Aug. 24 1997, <http://www.apnewsarchive.com/1997/Report-China-assures-Israel-it-will-not-aid-Iran-nuke-program/id-ba150add5f8205476047250fd1440568>.

¹⁷ Resurgent Sino-Israeli relations date from 2010, as the global financial crisis propelled Israeli firms towards Asian markets and bolstered China's 'Going Out' Policy. The expansion of commercial ties brought a successful end to a sustained Israeli effort to restore trust following the Phalcon and Harpy weapons scandals of 2000 and 2005. For more on contemporary Sino-Israeli ties, see Sam Chester, "As Chinese-Israeli Relations Enjoy a Second Honeymoon, America Frets," *Tablet*, June 28 2013, <http://tabletmag.com/jewish-news-and-politics/136348/china-israel-united-states>.

¹⁸ Steve Lohr, "When Innovation too is Made in China," *New York Times*, Jan. 1 2011, http://www.nytimes.com/2011/01/02/business/02unboxed.html?_r=1.

¹⁹ Notably, none of these major deals (for Israeli firms such as Tnuva, Clal and Phoenix) have been finalized as of April 2015.

²⁰ Orr Hirschauge, "Israeli Tech Startups Attract Chinese Investors," *Wall Street Journal*, Dec. 16 2014, <http://www.wsj.com/articles/israeli-tech-startups-attract-chinese-investors-1418725681>.

²¹ Eugene Kandel, "The Economic Ties Between Israel and China," Institute for National Security Studies, Tel Aviv, Jan. 27 2015, Conference Presentation.

received a major Chinese investment (Alibaba in Visualead).²² Israel's leading venture capitalists are calling 2014 the year of Chinese investment, and funds are now looking east to raise further capital.²³ The Israeli pitch in China is not limited to Israel's reputation as the "Start-Up Nation," named for Israel's success as a hotbed for entrepreneurial startups. Israeli officials report that Chinese public and private investors cite Israel's holistic economic and political strength as a key attraction in their decision to do business.²⁴

Although most of the commercial activity is taking place in the private sector, the Israeli government has played a prominent role in prioritizing business ties with China. Following a visit to China by Netanyahu in May 2013 that he described as "focused on drumming up business," a binational government taskforce was established.²⁵ Led by Eugene Kandel, a senior Netanyahu economic advisor, the taskforce has accelerated FTA negotiations, added more direct flights and has several major infrastructure projects "in the pipeline" that are intended, like the weapon deals of old, to reposition Chinese interests into closer alignment with Israel.²⁶

Israel's embrace of China is largely a commercial endeavor. That said, there are a variety of serious political consequences that Israeli officials are more—and often less—aware of. The main political concern, as mentioned above, is how growing Sino-Israel ties may unsettle audiences in Washington. Israeli leaders have not forgotten how the previous era of Sino-Israel ties collapsed under severe pressure from the United States. While there is little interest in doing anything that would force Israel to again have to choose between the two superpowers, there are early signs

²² Gillian Wong, "Alibaba Invests in QR Company Visualead," *Wall Street Journal*, Jan. 20 2015,

<http://www.wsj.com/articles/alibaba-invests-in-qr-code-company-visualead-1421741411>.

²³ Chemi Peres, "The Economic Ties Between Israel and China," Institute for National Security Studies, Tel Aviv, Jan. 27 2015, Conference Presentation.

²⁴ Ibid, Matan Vilnai, Israeli Ambassador in Beijing.

²⁵ Sami Peretz, "Netanyahu in Shanghai, Looks to Boost Business Cooperation with China," *May 7 2013*,

<http://www.haaretz.com/business/netanyahu-in-shanghai-looks-to-boost-business-cooperation-with-china.premium-1.519707>.

²⁶ Kandel, INSS Conference Jan. 2015.

that in contrast to past impasses, Israel may not automatically side with the United States over China. One example emerged in the fall of 2013, when Netanyahu caved in to Chinese pressure and refused to let an Israeli official testify in U.S. federal court on behalf of American citizens who are suing the Bank of China for laundering terrorist blood money.²⁷ Netanyahu turned a deaf ear to his allies on Capitol Hill, deciding instead to prioritize Beijing over Washington.

China's "no political strings attached" approach to doing business is especially attractive to many members of Israel's ruling right-wing.²⁸ They are all too happy to embrace a narrative that suggests China can replace Europe as Israel's major trade partner, reducing the sting of any potential European boycotts due to Israel's occupation of Palestinian territory.²⁹

In embracing ties with China, these Israeli officials are enthralled by China's strength as a commercial partner and elaborate courtesies as a diplomatic interlocutor. But they tend to ignore the strategic implications. Few Israeli officials consider whether Israel and China share strategic interests in the Middle East.³⁰ And if they indeed do not (given China's

²⁷ Sam Chester, "Netanyahu Favors Chinese Interests in Terror Case, Causing Dismay All Around," *Tablet*, Aug. 20 2013, <http://tabletmag.com/jewish-news-and-politics/141261/netanyahu-chooses-china>.

²⁸ A study of the role Israel's right wing has played in nurturing ties with China remains to be written. In the interim, this right wing perspective on China is encapsulated in statements by far-right leader Naftali Bennett, who visited China several times while serving as Commerce Minister from 2013-2015. See, Elad Benari, "Bennett: The Chinese Don't Care About the 'Occupation'" [Youtube], *Israel National News*, July 12 2012, http://www.israelnationalnews.com/News/News.aspx/169817#.VRHX4_mUcpW.

²⁹ Herb Keinon, "Netanyahu: Israel must open Asian Markets Due to Anti-Semitism in Europe," Jan. 18 2015, <http://www.jpost.com/Israel-News/Politics-And-Diplomacy/Netanyahu-Israel-must-open-Asian-markets-due-to-Islamization-anti-Semitism-in-Europe-388164>.

³⁰ Comparing China and the United States underlines the strategic myopia of Israeli policymakers. In the short term, Israeli officials revel over the diplomatic honors they receive in China while relations between Israel and the United States are fraught with tension over Iran and personal distrust between Netanyahu and the Obama Administration. But Israelis ignore the divergent long term interests of the two great powers: Washington shares Israel's strategic interests— peace with the Palestinians on Israel's terms, a restrained Iran, etc.— whereas Beijing is disinterested in the resolution of the Palestinian conflict and prefers a strong Iran.

preference for a strong Iran), little consideration is given to whether Israel can accept a foreign power deeply invested in its resources whose interests may lie elsewhere. As Efraim Halevy, a former director of Israel's Mossad and perhaps the preeminent skeptic of Sino-Israeli relations, cautions about tentative plans to have a Chinese state-owned firm build and manage a new port in Israel's Red Sea town of Eilat, "Do we really want to be building China's final 'String of Pearls,' thereby completing their trans-Asian naval strategy?"³¹

Palestinians

During the Cold War, Palestinian leaders could hardly have been more satisfied with China. Beijing recognized the Palestinian people as a nation in 1964 and was the first state outside the Arab world to give diplomatic recognition to the Palestine Liberation Organization (PLO).³² In 1984, China gave the PLO's Beijing delegation embassy status and recognized PLO leader Yasser Arafat as a state president. Arafat was a frequent visitor to Beijing until his death in 2004, leading one Chinese analyst to characterize the late Palestinian leader as China's "only true friend" in the Middle East.³³

In the last two decades, however, China's attitude to the Palestinians has noticeably cooled. In response to pressure from the Arab League, China appointed a Special Middle East Envoy in 2002.³⁴ Thirteen years later, the envoy is still making the occasional visit to

³¹ Efraim Halevy, INSS Jan. Conference. Also, see: Amir Ben-David, "Halevy Warns Against China Involvement in Railway to Eilat," Ynet, Oct. 4 2013, <http://www.ynetnews.com/articles/0,7340,L-4436634,00.html>.

³² No stand-alone study of China-Palestinian relations has been written since the 1970s, reflecting the declining importance of this bilateral relationship since Beijing began its modernization campaign in 1978. See Yitzhak Shichor, "The Palestinians and China's Foreign Policy," in *Dimensions of China's Foreign Relations*, ed. Chun-tu Hsueh (NY: Praeger, 1977), 156-190, http://www.academia.edu/280898/The_Palestinians_In_Chinas_Foreign_Policy.

³³ Pan Zhenqiang, "China and the Middle East," in *China's Growing Role in the Middle East: Implications for the Region and Beyond*, (DC: Nixon Center, 2010), 73-95, <http://www.cftni.org/full-monograph-chinas-growing-rolein-me.pdf>.

³⁴ Zhu Zhiqun, *China's New Diplomacy: Rationale, Strategies and Significance* (Farnham: Ashgate, 2010), 69.

Ramallah, repeating banal statements and keeping a respectful distance from any active peacemaking. In the biannual China Arab States Cooperation Forum (CASCF), the Arab delegates frequently beseech their Chinese peers to get more involved on the Palestinian issue.³⁵ The Chinese representatives tend to agree and then limit their actual response to releasing hackneyed press statements that are carefully balanced to avoid antagonizing Israel or the Palestinians. The Chinese have also become very good at highlighting their role in international aid packages for the Palestinians, even though their share in most donation is negligible.³⁶

While reducing their vocal support for the Palestinians, Beijing has been quick to engage rival Palestinian groups. Indeed, the fragmented nature of Palestinian politics made the Palestinians the first Arab nation to witness China's post-Arab Spring policy of developing relations with rival actors within a given state. China's willingness to embrace Hamas rule in Gaza has largely gone unnoticed in Washington but is duly appreciated by Hamas and its Iranian and Qatari patrons.³⁷

Some observers interpret Beijing's declining support for the Palestinians as a consequence of China's changing ideology or the uptick in Sino-Israel relations.³⁸ However, nothing has really changed. The Palestinians, today as well as historically, occupy a symbolic position for China's Arab economic partners as well as for China itself as a former revolutionary state. But materially, the Palestinians have very little to interest Beijing. Palestinian territory has no oil and is a miniscule consumer market. Unless Beijing decides of its own volition to ramp up its activity in the international effort to create a functioning Palestinian state, its perspective on the Palestinians will not change. For the Palestinians, this

³⁵ Interviews with Egyptian officials in Cairo in Jan. 2009.

³⁶ At the 2007 Palestinian Donors Conference, China pledged just \$11 million from the \$7.4 billion raised in total. See, Harsh Pant, *China's Rising Global Profile* (Portland: Sussex Press, 2012), 78.

³⁷ "China Urges Hamas to Recognize Israel, invites al-Zahar to Summit," Haaretz, May 17 2006, <http://www.haaretz.com/news/china-urges-hamas-to-recognize-israel-invites-al-zahar-to-summit-1.187878>.

³⁸ Sara Irving, "What Does China's Ascendance Mean for Palestine?" *Electronic Intifada*, Oct. 26 2009, <http://electronicintifada.net/content/what-does-chinas-ascendance-mean-palestine/8506>.

means they will continue to have little reason to concern themselves with China. Since China has expressed support for every conceivable iteration of Palestinian leader— from secular Marxists to corrupt autocrats to religious extremists— it is likely that the next generation of Palestinian leaders will maintain a similar blend of casual appreciation yet material disregard for the authorities in Beijing.

The visit of Palestinian President Mahmoud Abbas to Beijing in May 2013 illustrates this trend. During the brief visit, the new Chinese President Xi Jinping shared a four-point proposal for the settlement of the Palestinian question. This proposal, combined with the Israeli premier's impending visit to Beijing later in the week, set off a firestorm of media speculation that China was inaugurating a new era of active peacemaking.³⁹ The reality was that Abbas was in Beijing to provide diplomatic cover for Netanyahu's visit, continuing a tradition the Chinese have employed since the 1990s of having Palestinians balance out their engagement with Israelis.⁴⁰ Even the Chinese president's proposal was underwhelming, given that it recycled the same language from previous Chinese peace proposals, save for one noticeable exception: it removed the clause stating that China seeks an *active* role in the peace process.⁴¹

Egypt

In December 2014, Egyptian President Abdel Fattah el-Sisi visited Beijing and signed a "strategic partnership" that his Chinese hosts hailed as "an important milestone" in the histories of the two countries.⁴² His deposed predecessor, Mohammed Morsi, visited Beijing in August 2012,

³⁹ See for example, SCMP Editorial, "China's New Role as Peacemaker," May 15 2013, <http://www.scmp.com/comment/insight-opinion/article/1237838/chinas-new-role-peacemaker>.

⁴⁰ Sam Chester, "Why Netanyahu and Abbas Went to China," Tablet, May 13 2005, <http://tabletmag.com/scroll/132220/why-netanyahu-and-abbas-went-to-china>.

⁴¹ Yoram Evron, "China's Diplomatic Initiative on the Palestinian Issue: Hollow Words or Concrete Solutions," China Policy Institute Blog, University of Nottingham, Feb. 24 2015, <https://blogs.nottingham.ac.uk/chinapolicyinstitute/2015/02/24/chinas-diplomatic-initiatives-on-the-palestinian-issue-a-quest-for-a-role-or-hollow-slogans/>.

⁴² "China, Egypt Elevate Bilateral Ties to Comprehensive Strategic Partnership," Xinhua, Dec. 23 2014, http://news.xinhuanet.com/english/china/2014-12/23/c_133874597.htm.

surprising observers in selecting China as his first visit outside of the Middle East.⁴³ The previous deposed president, Hosni Mubarak, visited China nine times over the course of his 29 years in office, far more than any other Middle East leader.⁴⁴ Mubarak's most significant visit may have taken place in 1999, when the Egyptian and Chinese presidents signed a "strategic partnership," affirming Egypt's leadership role in China's strategic expansion into Africa and the Middle East.⁴⁵

This brief review of Egyptian presidents' Beijing travel itinerary highlights that Sino-Egyptian relations are not a bold new initiative of a reformist, anti-Islamist, career soldier. Nor are they a sudden policy reversal by the Muslim Brotherhood, designed to redirect Egypt away from its traditional American ally. Egypt has pursued a strategic relationship with China since the early 1990s under Mubarak. While the ideological motive for each Egyptian president was distinct, the commercial and strategic incentives remains the same: attracting Chinese investment and tourism, reducing an imbalanced trade deficit, and establishing Cairo as China's regional headquarter in Africa and the

⁴³ Brian Spegele & Matt Bradley, "Egypt's Morsi Firms China Ties," *Wall Street Journal*, Aug. 29 2012, <http://www.wsj.com/articles/SB10000872396390444230504577617271550304082>.

⁴⁴ "China, Egypt Pledge Stronger Ties on Anti-Graft Chief's Cairo Visit," *Xinhua*, June 14 2009, http://www.chinadaily.com.cn/hellochina/egyptambassador09/2009-06/14/content_8608685.htm.

⁴⁵ David Shambaugh & Dawn Murphy, "U.S.-China Interactions in the Middle East, Africa, Europe, and Latin America," in *Tangled Titans*, ed. D. Shambaugh (Lanham: Rowman & Littlefield, 2013), 324. The "strategic partnership" Beijing signed with Mubarak in 1999 was absent from the headlines that greeted the "strategic partnership" Beijing signed with Sisi in Dec. 2014. Egyptian and Chinese officials were likely seeking to provide Sisi's visit with added luster, easily accomplished by using the term "strategic partner" which Beijing has used fluidly for the last two decades. See, Feng Zhongping & Huang Jing, "China's Strategic Partnership Diplomacy: Engaging with a Changing World," *European Strategic Partnerships Observatory*, June 2014, http://fride.org/download/WP8_China_strategic_partnership_diplomacy.pdf.

Middle East

Investment

Investment and tourism are the two key economic areas in which Egypt has focused in its economic relations with China. Egyptian officials have preached the same message to Chinese investors for the last twenty years, calling attention to Egypt's relatively cheap labor force and the proximity and attractive trade agreements Egypt has with consumer markets in Europe, Africa and the Middle East. Under Mubarak, China and Egypt initiated what remains the flagship hub for Chinese investment in Egypt: a Special Economic Zone (SEZ) in Suez, modeled and managed by a Chinese company responsible for SEZs in China.⁴⁶ Although ground was broken on this project as early as 1994, an agreement was not signed until 2010 and Chinese investment in the Suez-SEZ remains modest as of 2015. Chinese investment, according to Chinese and Egyptian officials, is largely driven by strategic positioning rather than profit.⁴⁷ Sisi has sought to dramatically expand China's investment footprint by pitching ambitious infrastructure projects to China that align with China's "New Silk Road" initiative. The key project is an \$8 billion proposal to expand the Suez Canal.⁴⁸ Egypt targeted Chinese investors with this and other projects at a global investment conference in March 2015 in Sharm el-Sheikh.

⁴⁶ Deborah Brautigam & Tang Xiaoyang, "African Shenzhen: China's Special Economic Zones in Africa," *Journal of Modern African Studies* 49:1, 2011, 27-54, http://www.american.edu/sis/faculty/upload/Brautigam_Tang_JMAS-2011.pdf.

Emma Scott, "China Goes Global in Egypt: A Special Economic Zone in Suez," Discussion Paper, Stellenbosch University, Aug. 2013, http://www.ccs.org.za/wp-content/uploads/2013/08/CCS_DP_China_Goes_Global_Emma_Scott_2013_Final1.pdf.

⁴⁷ Interviews with Egyptian and Chinese officials in Cairo in Jan. 2009 and Feb. 2015.

⁴⁸ Maria Golia, "The New Suez Canal Project and Egypt's Economic Future," Middle East Institute, Dec. 19 2014, <http://www.mei.edu/content/article/new-suez-canal-project-and-egypt%E2%80%99s-economic-future>.

Tourism

While investment in Egypt was slowed by the 2011 Revolution, tourism was devastated. Over 100,000 Chinese visited Egypt in 2010.⁴⁹ Following the revolution, China placed travel restrictions on Egypt and Chinese visitors slowed to just a few thousand in 2011.⁵⁰ One of Morsi's key achievements while in China in 2012 was to persuade Beijing to remove this restriction.⁵¹ Following Sisi's visit in December 2014, which included numerous meetings with Chinese tourism agencies, Egyptian officials are expecting the number of Chinese tourists to exceed 200,000 in 2015.⁵²

Trade Deficit

Trade between Egypt and China increased tenfold from 2003 to 2013, jumping from \$1.1 million to 10.2 billion.⁵³ Egyptian officials report that bilateral trade in 2014 reached \$11.5 billion, as China passed the United States to become China's top trade partner.⁵⁴ But with Egyptian exports only representing a small share of the overall trade (\$1.8 billion in 2013), the trade balance is tilted dramatically against Egypt. The influx of cheap Chinese goods has devastated many traditional Egyptian industries,

⁴⁹ Rany Mostafa, "Delegation of Chinese Tourist Operators Visit Cairo," *Cairo Post*, Jan. 7 2015, http://www.thecairopost.com/news/132444/inside_egypt/delegation-of-chinese-tour-operators-visits-cairo.

⁵⁰ Interviews with Egyptian and Chinese officials in Cairo, Feb. 2015.

⁵¹ "Chinese Tourists Free to Visit Egypt: China President Hu Jintao," *Ahram Online*, Aug. 28 2012, <http://english.ahram.org.eg/NewsContent/3/12/51506/Business/Economy/Chinese-tourists-free-to-visit-Egypt-China-Preside.aspx>.

⁵² "Tourism Minister: 200,000 Chinese Tourists to Visit Egypt by end of 2015," *State Information Service (Egypt)*, Jan. 23 2015, <http://www.sis.gov.eg/En/Templates/Articles/tmpArticleNews.aspx?ArtID=88096#.VRJUhmUcpU>.

⁵³ "International Trade Statistics 2014," *World Trade Organization*, https://www.wto.org/english/res_e/statis_e/its2014_e/its2014_e.pdf. Also, see A. Abu Hatab, N. Shoumann, Huo X., "Exploring Egypt-China Bilateral Trade: Dynamics and Prospects," *Journal of Economic Studies* 39:3, 2012, 314-326.

⁵⁴ Mohamed Mostafa, "Minister: Egypt-China Trade Exchange to Reach \$11.5 bn by 2015," *Egypt Independent*, Dec. 17 2014, <http://www.egyptindependent.com/news/minister-egypt-china-trade-exchange-reach-115-bn-2015>.

especially the textile and clothing sector.⁵⁵ Persuading Chinese investors to establish manufacturing in Egypt is a key goal for Egyptian officials, and a gradually improving trade deficit suggests steady headway is taking place over the Mubarak, Morsi and Sisi regimes.⁵⁶

Regional Headquarter

Attracting Chinese investment to Egypt is also a means of promoting Egypt—and Cairo in particular—as China’s preferred beachhead for commercial and political engagement with Africa and the Middle East. Under Mubarak, Egypt made a point of taking a leadership role in the multilateral forums that China organized with Africa (FOCAC, fourth meeting in Sharm el-Sheik) and with the Arab states (CASCF, first meeting in Cairo in 2004). The personnel charged with engaging China in each Egyptian regime have fluctuated. Nevertheless, every such officer has repeated a remarkably uniform message about the way in which Egypt sees a new world order evolving, especially in the Middle East and Africa, and that because China is seen as a rising power in that new world order, Egypt is obligated to develop ties with the new foreign power.⁵⁷

Recommendations

I will close by offering some recommendations that are particularly relevant for the American policy community, as well as future analysts of China’s engagement in the Middle East.

1. Multilateralism Should be Privileged Over Bilateral Frameworks

Chinese foreign policy in the Middle East has traditionally been limited to bilateral relations (save for interaction with the Arab League, such as CASCF, or free trade discussions with the GCC). New programs like Beijing’s New Silk Road initiative implicitly challenge this limitation

⁵⁵ Ben Simpfordorfer & Mohammed al-Sudairi, “China’s Economic Impact on Egypt,” In N. Lenze & C. Schriwer’s *Converging Regions: Global Perspectives on Asia and the Middle East* (Farnham: Ashgate, 2014), 9-24.

⁵⁶ Interviews with Egyptian officials, Cairo Feb. 2015.

⁵⁷ *Ibid.*

with their stated goal of “breaking the connectivity bottleneck in Asia.”⁵⁸ Multilateral input into Silk Road projects need not balloon into a Shanghai Cooperation Organization style platform for this input to play a modest yet potentially efficient role in promoting improved regional coexistence.⁵⁹

The dangers of utilizing only bilateral frameworks can already be seen in Egypt and Israel, where the two countries are presently competing to have China build new transport corridors between the Red and Mediterranean Seas.⁶⁰ Chinese officials have engaged each country separately, fostering further suspicion between the two neighbors. Beijing indicated a newfound readiness to engage both countries in December, when the Chinese and Egyptian presidents met and reportedly discussed the role that Israel could play in resolving some concerns. In recognizing the need for multilateralism, the two leaders may have been applying lessons learned from Egypt’s recent crisis with Ethiopia and China over the damming of the Nile River.⁶¹ In any case, this experience underscores the importance of privileging multilateralism in regional actors’ engagement with China.

2. Free-Rider Concern

US officials, including President Obama in an interview with Thomas Friedman in August 2014, have accused China of being a “free-rider” in the Middle East, taking advantage of U.S. security while exclusively

⁵⁸ “APEC Members Agree on Connectivity Blueprint,” Xinhua, Nov. 11 2014, http://news.xinhuanet.com/english/china/2014-11/11/c_133782132.htm.

⁵⁹ Sam Chester, “Is China Part of the Solution or Part of the Problem in the Arab-Israeli Peace Process,” China Policy Institute Blog, University of Nottingham, March 2 2015, <http://blogs.nottingham.ac.uk/chinapolicyinstitute/2015/03/02/is-china-part-of-the-solution-or-part-of-the-problem-in-the-arab-israeli-peace-process/>.

⁶⁰ Emma Scott, “China’s Silk Road Strategy: A Foothold in the Suez but Looking to Israel,” Jamestown China Brief 14:9, Oct. 10 2014, http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews%5btt_news%5d=42943&tx_ttnews%5bbackPid%5d=25&cHash=cd567bb412105564276319db84ddec33#.VRJbtvmUcpX.

⁶¹ Jacey Fortin, “Dam Rising in Ethiopia Stirs Hope and Tension,” New York Times, Oct. 11 2014, http://www.nytimes.com/2014/10/12/world/dam-rising-in-ethiopia-stirs-hope-and-tension.html?_r=1.

pursuing their own commercial interests.⁶² Do regional states share this American concern?

This charge is usually levied against China's behavior in Iraq or in the Persian Gulf at large. The reality is that it is equally relevant in Israel and Egypt, where the U.S. government leverages significant security and political capital while Beijing prioritizes economics. That said, regional actors are less concerned about China's free-riding. Since they share China's focus on commerce, and at times may even find the American political presence suffocating, few regional voices voice any concern with China's free-riding. As for China, to paraphrase a description by Yiyi Chen, a Chinese Middle East expert, "all drivers must first ride free in order to learn."⁶³

3. Failure of American Strategy and Communication

China's growing role in the region is not necessarily a challenge to U.S. interests. The two superpowers share similar objectives and by combining their distinct capabilities, could potentially achieve these objectives while advancing regional development. For this to happen, it is essential that Washington communicate a strategy that takes into account a realization widely accepted in the Middle East, namely that China's role in the region will grow exponentially over the next 10-20 years. U.S. allies in Jerusalem, Cairo and Riyadh need to clearly understand how America intends on engaging a Middle East that will increasingly be shaped, at least in economic terms, by China and other Asian states.

4. Knowledge Promotion

In the Middle East, the level of understanding about China and US-China ties is remarkably truncated. Israel and Turkey are two of the only countries with more than a handful of specialists in Chinese politics. Save for an occasional ambassador and an emerging generation of Chinese-

⁶² Thomas Friedman, "Obama on the World," [youtube] New York Times, Aug. 8 2014, http://www.nytimes.com/2014/08/09/opinion/president-obama-thomas-l-friedman-iraq-and-world-affairs.html?_r=0.

⁶³ Yiyi Chen, "A Positive Role for China in the Israeli-Palestinian Conflict," China Policy Institute Blog, University of Nottingham, Feb. 26 2015, <https://blogs.nottingham.ac.uk/chinapolicyinstitute/2015/02/26/will-china-interfere-with-the-israeli-palestinian-conflict/>.

speaking diplomats, local governments are bereft of any comprehensive understanding of China. The Arab Spring may unintentionally help counter this trend thanks to the thousands of young Arabs that have relocated temporarily to Chinese commercial centers like Yiwu and Guangzhou, developing business and language skills that could help advance economic ties between their home countries and China over the next twenty plus years.

With an overabundance of informed China experts, America is well placed to help address the limited understanding of China in the Middle East. Academic exchange programs and policy conferences could leverage American soft-power in the region while improving U.S. and regional actors understanding of how best to engage China in the Middle East.

This academic exchange would also be an excellent opportunity to improve the study of Sino-Middle East relations, a field which suffers from a surfeit of derivative summaries and an absence of original and detailed research. A generation of young scholars, like Dawn Murphy, Mohammed al-Sudairi and Makio Yamada, are pioneering much needed in-depth studies that prioritize fieldwork and local perspectives. More scholars, in China, the Middle East, the United States and globally, need to be encouraged to follow their lead and explore issues beyond the media headlines.

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