

# Grand Strategies, Grand Alignments

The Present and Future of China's Role in the Middle East

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# Executive Summary

*Ethan E. Dinçer*

In March, China ushered in a new, bolstered role in Middle Eastern geopolitics: successfully negotiating a diplomatic resolution to the bitter disagreement between Iran and Saudi Arabia, a seemingly resolute closure to over a decade of enmity. Much of the strategies and alignments in the Middle East and North Africa (MENA) region over the past decade have hinged on Iran and Saudi Arabia's disagreements—from the conflicts in Yemen and Syria to behind-closed-doors negotiations vis-à-vis the Abraham Accords, many MENA states accepted this tension as status quo. Therefore, China's intervening diplomatic role is significant: not only did Beijing mediate between two central players in the region; more importantly, the United States was notably absent.

March has not been the first time China has intervened diplomatically in the Middle East region. In 2002, China appointed a Special Envoy to the Middle East, with one of their chief goals being to mediate between parties in Israel and Palestine, dissatisfied with the United States' diplomatic efforts thus far. Since then, now twenty years later, Beijing's role in the Middle East is tangible. From increased industrial presence with China's Belt and Road Initiative (BRI) and arms supplies to conflict resolution and energy trading, China is a force to be reckoned with.

Under this context, London Politica's Middle East and China Research Programmes have undertaken the following report, focusing on the present and future of China's role in the Middle East and North Africa. With sections on energy, technology, weapons, and security, the report aims to analyse key trends in China's multi-dimensional approach to the region.

The first section examines the political economy of China's relationship and motivations with the Middle East, including energy, commodity trade, and technology. The second section interrogates China's security apparatus in the region—from military bases to arms sales and diplomatic efforts in some of the region's most intractable conflicts, our analysts argue that Beijing's roles and responsibilities are increasing, a potential challenge to hegemony established by the United States and allies. The third, and final, section looks to the future: what will China's role be in the future of the Middle East, and what impacts will that have on United States hegemony, Middle East regional dynamics, and other key international players in the region?



# Political Economy

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## Commodity Overview

Over the course of the past decade, China has diligently fortified its economic bonds with the Middle East and North Africa (MENA) region, particularly with Saudi Arabia and the United Arab Emirates. According to trade data published by the [International Monetary Fund](#), Chinese exports to MENA experienced a swift recovery following the pandemic and surged significantly after 2020. Among the assortment of imported goods, the utmost significance lies in petroleum, chemicals, and minerals/metals, with petroleum constituting more than half of the imported commodities in 2020.

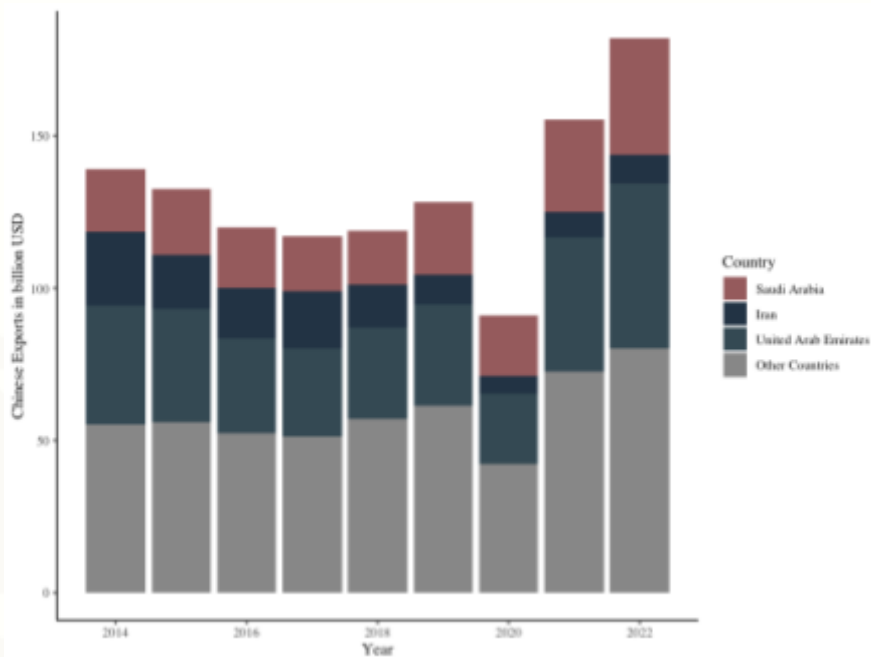


Figure 1: Chinese Exports to MENA Region between 2014 and 2022 by Country, IMF data

Data from the [World Trade Organization](#) reveals that the escalating reliance on Middle Eastern oil commenced in the early 2000s and witnessed an exponential doubling during the past two decades. Beyond the acquisition of raw materials for production, China also imports other intangible commodities, or "soft" commodities, from the MENA region, encompassing oils, textiles, cotton, and various others.

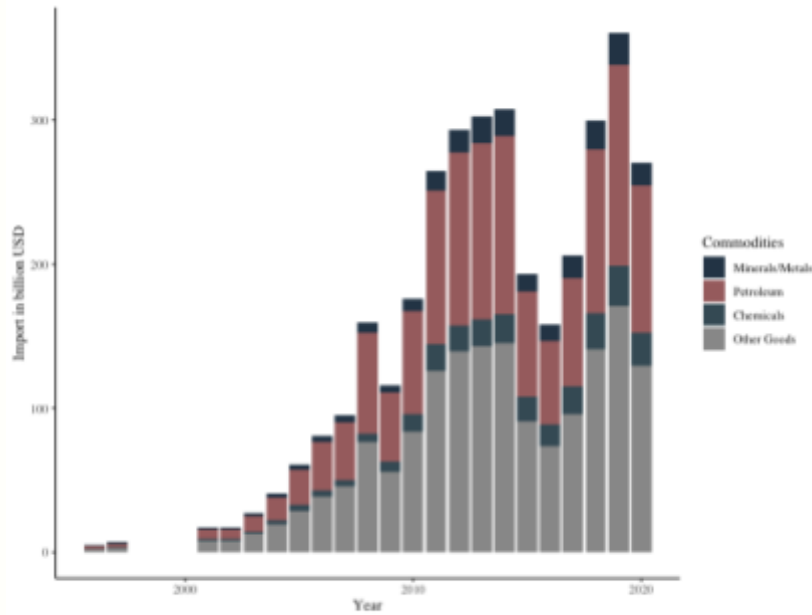


Figure 2: Chinese Imports from MENA Region by Goods between 1996 and 2020, WTO data

On the other hand, the MENA region exhibits greater dependence on Chinese exports of machinery, encompassing both electrical and non-electrical variants. Although the export volume cannot be equated to the import of petroleum, these goods display a wider array of diversity and maintain a steadfast growth trajectory. This growth can be attributed to China's increasing emphasis on establishing political and economic partnerships with the region.

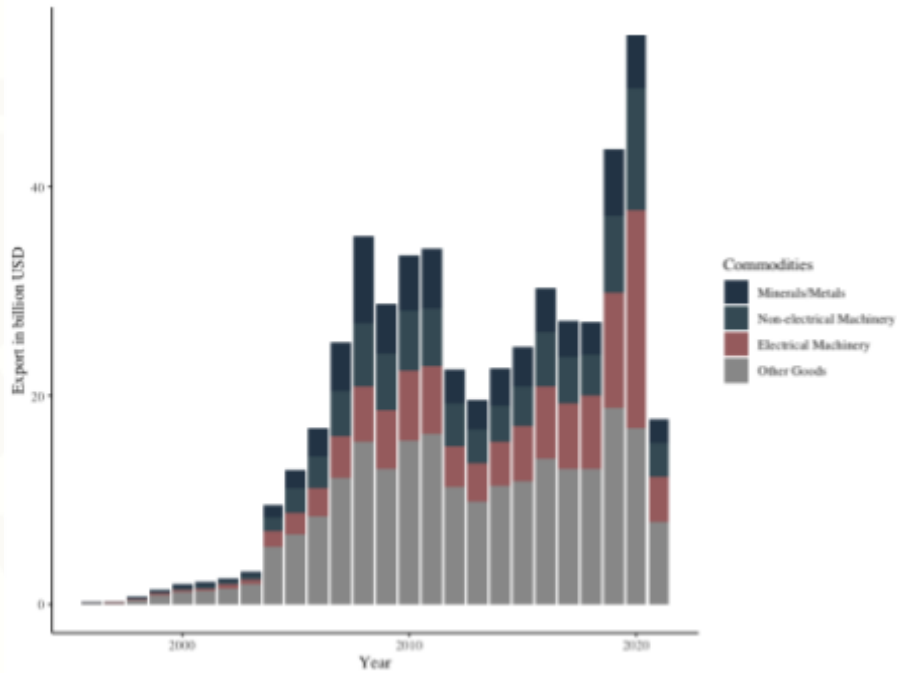


Figure 3: Chinese Exports to MENA Region by Goods between 1996 and 2020, WTO data



Following the introduction of the [Belt and Road Initiative \(BRI\)](#) and the [China's Arab Policy Paper](#) in 2016, Beijing aims at enhancing Chinese economic interests across the globe, partly [through exporting industrial overcapacity](#). Data from the [World Trade Organization](#) validate the observation and show that machinery exports experienced a significant surge, surpassing the export of minerals/metals and emerging as the leading sector.

The bilateral trade dynamics between China and the MENA region have illuminated a novel form of interdependence and a constant growth over time. The MENA region acts as a supplier of essential commodities, primarily petroleum and minerals, while China reciprocates by exporting value-added machinery to the region, as part of the BRI initiative. For instance, a notable [agreement](#) was reached between the China National Pharmaceutical Group Corporation and Morocco in 2021, wherein they jointly established a vaccine factory in Casablanca, with all machinery being sourced from China.

[Shanghai Shipping Exchange](#) also published a “[One Belt One Road Maritime Index](#),” reporting prices, containerised freight indices, and other indices. Until 2023, the trade value has [almost doubled](#) compared to baseline year 2015. The [containerised freight index](#), a good proxy for trade volume, partialling out the price effect, also grew 50% compared to baseline year 2015. Despite the significant trade surplus, both Chinese [export and import volume](#) from North Africa demonstrated a stronger growth than average.

## Infrastructure

China's Belt and Road Initiative (BRI) was launched by Chinese President Xi Jinping in 2013 and incorporated into the Chinese Communist Party (CCP)'s constitution in 2017. The Initiative is a comprehensive development strategy intended to enhance connectivity and economic integration between China, Africa, and Europe through the development of land and maritime networks such as roads, power plants, ports, railways, 5G networks and fibre-optic cables. The Middle East and North Africa (MENA) is an especially important region for China's BRI due to its strategic location, but also because of its vast energy reserves and potential for infrastructure development. As such, China held its first [China-Arab States Summit](#) and its first [China-GCC Summit](#) in 2022 to showcase its commitment to establishing strategic partnerships with states in the MENA region, but also to promote economic development beyond its traditional energy needs. The 18 states in the MENA region that participate in the BRI have also received [a progressively larger share](#) of Chinese investment, increasing from just 8% of total BRI investment in 2020 to 38% of total BRI engagement in 2021. Middle Eastern countries, in particular, [expanded](#) their cooperation with China significantly the following year, receiving approximately 23% of Chinese BRI investment, which represents a 6.5% increase from 2021.



The increasing expansion of the BRI into the MENA region is primarily driven by three core interests, which include energy security, market access, and geopolitical influence. As a result of its tremendous economic growth since implementing [market reforms in 1978](#), China has become highly dependent on energy imports and, as the [world's largest importer of crude oil](#), imports [approximately 50%](#) of its crude oil requirements from the Middle East, as well as 10-20% of its natural gas. Moreover, between [20% and 30%](#) of crude oil shipped overseas must transit through the Strait of Hormuz, which is located off the coast of Iran and the United Arab Emirates (UAE), where oil shipments are highly susceptible to disruptions caused by piracy, regional tensions, and conflict. The Bab al-Mandab strait, which separates Yemen and Djibouti—and therefore Asia from Africa, connecting the Red Sea to the Gulf of Aden and the Indian Ocean—and the Suez Canal, which connects the waters of Europe with the Arabian Sea, the Indian Ocean and thus the countries of the Asia Pacific, are also crucial for China's economic and energy security interests. While it is true that the shift towards renewable energy might influence China's engagement with such countries in the long-term, the region will remain crucial to fulfilling China's energy needs in the short- to medium-term, meaning Beijing has an interest in the security of shipping through such ports, as well as in finding alternative routes to avoid maritime chokepoints.

Given these interests, China has engaged with countries in the MENA region through memoranda of understanding (MoU) and investment partnerships of varying intensities, the vast majority of which focus on energy cooperation and the construction of seaports and infrastructure. Saudi Arabia is especially important for China due to its abundant oil reserves. China has invested in the [Red Sea Gateway Terminal](#), which is a joint venture between China's COSCO Shipping Ports and Saudi Arabia's Public Investment Fund, and provided Saudi Arabia with approximately \$5.5 billion of the \$9.3 billion in [BRI funding apportioned to the GCC in 2022](#), \$4.6 billion of which was used to fund a new [gas pipeline deal with Saudi Aramco](#). Similarly, the UAE and Egypt are also important for China's BRI initiative, largely because the latter is located near the Khalifa Port in Abu Dhabi, where the CSP Abu Dhabi Terminal is located, while the former is situated near the Suez Canal. The Suez Canal serves as a crucial gateway to Africa and Europe as it is a waterway connecting the Mediterranean Sea to the Red Sea and the Indian Ocean, while the Egyptian population itself—which measured more than [109 million people in 2021](#)—represents a significant source of consumer demand for Chinese goods.

Interestingly, China has also endeavoured to increase its engagement with Iran and Iraq to diversify its sources of energy and reduce its dependence on Saudi Arabia. Seeing Teheran has occasionally [threatened to close the Strait of Hormuz](#), which would disrupt maritime transport and oil prices, Beijing has attempted to increase its economic engagement and cooperation with Iran to minimise the risk of disruptions. As such, China's Foreign



Affairs Minister and State Councillor, Wang Yi, and Mohammad Javad Zarif, Iran's Foreign Minister, signed a [25-year economic and security cooperation](#) agreement in March 2021 that is intended to facilitate Chinese investment into Iran to foster economic diversification in return for a regular—and discounted—supply of Iranian oil. The agreement, which is estimated to be valued at \$400 billion—corresponding to 10% of China's total BRI budget—proposed the [joint development of the port of Chabahar](#) and a new oil [terminal near the Jask Port](#), located south of the Strait of Hormuz. At the same time, Iraq was the [top recipient of China's BRI financing](#) for infrastructure projects in 2021, receiving approximately \$10.5 billion in construction contracts. China and Iraq are collaborating to build a [\\$5 billion Al-Khairat oil power plant](#) in Iraq's Karbala Province, and China's [Sinopec](#) won a contract to develop [Iraq's Mansuriya gas field](#) near the Iranian border in April 2023. Both countries are also collaborating on transportation projects, such as the construction of airports, and on alternative energy developments, such as solar power.

While not all nations in the MENA region have embraced the BRI equally, and some—such as Syria, Libya, and Yemen—present significant challenges to any potential Chinese involvement due to the conflicts that persist in such states, other MENA countries are highly interested in establishing closer relationships with Beijing and attracting BRI investment in order to diversify their economies, increase trade and investment opportunities, and modernise infrastructure. According to the [World Bank](#), the MENA region needs to spend 8.2% of its GDP each year to meet its infrastructure goals by 2030, even though it has spent just 3% annually since 2010. The BRI, therefore, offers abundant opportunities for lower-middle-income states, like Türkiye, to close this investment gap by engaging in industrial cooperation, infrastructure development and technology transfers. Oil dependent states, like those that are a part of the GCC, are also interested in attracting Chinese investment to diversify their economies and mitigate risks associated with oil price fluctuations and geopolitical conflicts. Declining oil reserves are also a prominent problem, especially for Bahrain and Oman, with oil reserves expected to run out within the next [decade for the latter and the next 25 years](#) for the former.

Moreover, Saudi Arabia has vigorously promoted economic diversification and transformation under the framework of [Saudi Vision 2030](#) and has attracted Chinese investment in nuclear power plants and research reactors to develop alternative energy sources. Saudi Arabia hopes that through additional investments, like the recent joint venture to create an [industrial park in Jazan Economic City](#), it will be able to effectively diversify its economy by bolstering its infrastructure and improving the environment for business and tourism.

Importantly, states in the MENA region have increasingly found China's principle of non-interference and commitment to safeguarding common interests through independence





and sovereignty to be an appealing option as they attempt to diversify their economies and establish security relationships while assuming greater autonomy and flexibility in their foreign relations. China's self-proclaimed position as a neutral, non-aligned actor in the region has provided Beijing with a unique ability to promote peace and engage in mediation efforts, as illuminated by the fact that China successfully fostered an [agreement to diffuse regional tensions](#) between Iran and Saudi Arabia in March 2023. Iran, Saudi Arabia, and Türkiye have also [expressed interest in de-dollarization](#), which represents a way to mitigate the impact of US sanctions and diversify their foreign exchange reserves. Crucially, such interests align with China's desire to reduce its exposure to US financial dominance and enhance the international standing of its own currency, the renminbi (RMB). Although China's Foreign Ministry recently stated in its [report on Sino-Arab Cooperation in a New Era](#) that Beijing has no desire to challenge Washington's hegemony in the Middle East, the BRI in the MENA region nevertheless plays a role in the de-dollarization process by facilitating currency swaps, promoting RMB-denominated trade, and providing a platform for the increased use of the RMB in cross-border transactions. While states in the MENA region remain heavily dependent on the US dollar, China has nevertheless established currency swap agreements with countries like [Saudi Arabia, the UAE](#) and [Qatar](#), which enables them to settle trade in RMB. More recently in May 2023, Saudi Arabia [initiated discussions with the New Development Bank](#), the lending institution created by Brazil, Russia, India, China, and South Africa (BRICS), to strengthen its funding options and reduce its dependence on both the US dollar and western-led Bretton Woods institutions. Such developments reflect certain MENA states' desire to utilise China as a means through which they can diversify their economies, reduce dependencies on the US dollar, and promote the use of local currencies in regional trade.

## Energy

China's pursuit of long-term energy security and diversification of energy sources revolves around its enormous energy demand, making its relationship with the MENA region crucial. As the [largest supplier of oil and gas](#) to China, the region plays a vital role in Beijing's energy stability. In 2020, China [imported \\$176 billion](#) worth of oil from the region, making it the world's leading crude oil importer. This accounted for nearly half (47%) of the region's official imports, with Saudi Arabia being the primary source of oil for China. While China's gas imports are relatively modest compared to its oil demands, Qatar has been a prominent supplier of liquefied natural gas (LNG) to China. Other MENA countries, such as Oman and the United Arab Emirates, have also supplied LNG to the country, though on a smaller scale.



However, as global temperatures continue to rise and more countries commit to reductions in carbon emissions, the MENA region must also undergo a significant energy transition. In fact, the region is already experiencing severe consequences of climate change. According to the World Resources Institute (WRI), [twelve out of the seventeen most water-stressed countries](#) in the world are in the MENA region, leading to social tensions and water-related conflicts. Additionally, [rising sea levels](#) pose a threat to numerous coastal cities, while soaring summer temperatures combined with humidity put human survival at risk.

While China's complete phase-out of oil and gas from its energy and non-energy sectors may take several decades due to its size and solid commitment to growth, the country has already demonstrated its dedication to transitioning to cleaner energy sources. The push for change originates partially from China's own environmental concerns, eg. its dire [air pollution](#). In order to counter these problems, China has become the [world's largest market for electric vehicles](#) (EVs) and has invested heavily in [renewable electricity production](#).

Due to both China's and the MENA region's need for the green transition, the renewable energy sector is gradually becoming one important basis of their strategic partnership. Indeed, several MENA countries have already established extensive cooperation with China in the renewables sector. For instance, China's Silk Road Fund (SRF) [purchased a 49% stake in Saudi Arabian company ACWA Power](#). ACWA Power is a major financier, developer, and investor of power generation and desalination plants, aiming for renewable energy projects to constitute 70% of its portfolio by 2030. Due to its regional reach, the company has emerged as a crucial means through which China is strategically expanding its presence in the MENA region. The cooperation has resulted in [further investments](#) in other GCC states as well as in countries in North Africa, eg. Egypt and Morocco. The example of Saudi Arabia's ACWA Power is similar to the approach other MENA countries are taking in their partnership with China. For instance, last year the UAE-based AMEA Power and China's SPIC Huanghe Hydropower Development Company (HHDC) have signed an agreement to cooperate on the developments of sustainable projects, such as [green hydrogen projects](#) in the MENA region.

## **Technological Advancements and Outreach**

Along with growing capabilities in the high-end technology sphere domestically, China has been increasingly looking at exporting its advancements. Driven by economic interests and strategic motives, Chinese companies have made substantial investments in digital infrastructure, ranging from transportation to energy sectors. The MENA region has been a growing partner over the last decades with China's global investments [declining everywhere except for the MENA region](#).



Although the flow of capital has started to move in a bidirectional manner, with Middle Eastern countries investing into Chinese advanced technologies—including Saudi ARAMCO investing over \$150 million into Chinese startup Jaka Robotics—the trend is still largely showing [Chinese companies entering the region](#). Huawei plays a notably crucial role in MENA’s digital transformation. This involvement spans various projects across the region, for instance, trialling, developing and rolling out 5G, building infrastructure for cloud computing, and providing services for the region’s future facing city planning projects, like the [Marrakesh Safe City Project](#).

China's technology partnerships in the MENA region extend to acquiring digital innovations and know-how. China has sought collaborations with countries like Israel, known for its vibrant innovative ecosystem. Chinese investments and M&A deals in Israel's tech sector have exceeded \$9 billion, enabling China to [acquire Israeli companies and establish research and development centres](#). Beyond Israel, China has also established R&D centres and innovation laboratories in countries like Türkiye, the UAE, and Egypt, focusing on core technologies such as [cloud computing, big data, and artificial intelligence](#).

In line with China's broader Belt and Road Initiative (BRI), China's technological engagement, including its Digital Skill Road (DSR), serves as a crucial component for expanding supply chains and creating new markets for domestic companies. Particularly, the MENA region holds immense promise within the BRI scope, with its digital economy [projected to reach \\$400 billion by 2030](#). Nevertheless, it would be a mistake to solely attribute China's strategy in the region to market-driven forces. As highlighted in the "[China's Arab Policy Paper](#)" published in January 2016, China seeks a multifaceted deepening of its relationship with the region, encompassing technology as well as military aspects. [Scholars like Zheng Anqi from the China Academy of Information and Communications Technology](#) contribute to our understanding of the interplay between military power and technological power, contextualising China's strategic objectives in the MENA region.

China's technological cooperation with the MENA region extends beyond civilian applications, encompassing military advancements as well. A prominent example is the Beidou Navigation Satellite System (BNSS), which has found widespread use in land surveying, environmental monitoring, precision agriculture, disaster reduction, and maritime transportation, [thanks to China-MENA collaboration](#). However, the BNSS also serves as a valuable tool for military operations, highlighting the military technological cooperation between China and the region. This is exemplified by China's provision of armed drones to MENA nations. When the United States declined to sell its latest weaponised drones due to the Yemen conflict's implications, the UAE turned to China and acquired Wing Loong I drones in 2016 and Wing Loong II drones in 2018. Additionally, in 2017, Beijing and Riyadh



forged an agreement to manufacture CH-4 drones in Saudi Arabia, solidifying China's role as a significant military technology partner in the MENA region. These instances demonstrate China's willingness to fill gaps left by other global powers and cement its position as a key player in MENA's military technological landscape.

In summary, China's technological cooperation with the MENA region spans various sectors, encompassing civilian and military applications. Chinese companies, led by Huawei and others, have made substantial investments in MENA's digital infrastructure, supporting the region's transformation. This aligns with China's Belt and Road Initiative, expanding supply chains and creating new markets. China seeks partnerships to acquire and export digital innovations and know-how, focusing on core technologies like cloud computing and artificial intelligence.



## Security

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### **China's Dual-Use Security Apparatus: Belt and Road Initiative (BRI)**

In the past 15 years, the Chinese military footprint in the Middle East has increased significantly. The term "military footprint" refers to the presence of China in security-related issues, ranging from the selling of weapons and other military equipment to the actual presence of Chinese military personnel in the region. But for analysing Chinese military presence in the region, it is also essential to consider the presence of Chinese commercial firms and investment in civilian infrastructure projects.

Although the BRI has an apparent preeminent commercial nature, Beijing's motivations for the Initiative aren't limited to civilian purposes. Following a policy of "[first civilian, later military](#)," BRI's infrastructure is laying the ground for potential use by the People's Liberation Army (PLA). This dual use of BRI infrastructure is part of a larger strategy called [Military-Civil fusion](#), which is a "state-led, state-directed programme to leverage all levers of state and commercial power to strengthen the Communist Party of China's (CPC) armed wing of the People's Liberation Army (PLA)."

Concerning China's military footprint in the region, Beijing has invested heavily in its naval power projection capabilities. China made its first deployment of maritime power in the region in 2008. The People's Liberation Army Navy (PLAN) [sent](#) two destroyers to Somalia to join international anti-piracy efforts. Almost a decade later, the PLAN opened a military [base](#) in Djibouti with a capacity for 2000 troops. It indeed constitutes a milestone for China's defense policy, being the first Chinese military base overseas. The Djibouti base provides the Chinese navy access and operational capabilities in a strategically important area such as the Bab al-Mandeb strait, a major [choke point](#) for maritime traffic. Officially the purpose of the Djibouti base is to support anti-piracy operations. However, the recent construction of a pier large enough to accommodate an [aircraft carrier](#) suggests that Beijing has more ambitious plans for the base. The Djibouti base represents a significant step further in China's naval power projection capabilities. It's also worth mentioning that there is a US military base in Djibouti. There has been an incident between US military personnel and the Chinese base in Djibouti, where the US accused the Chinese personnel at Djibouti of using [lasers](#) to interfere with US aircraft.



Under the Military-Civilian fusion strategy, civilian ports operated by Chinese companies also act as bases for PLAN. Therefore, when analysing the Chinese navy's capabilities, it's important to look beyond Djibouti.

The Port of Khalifa in the United Arab Emirates is the most significant Chinese-operated port in the region. The state-owned COSCO shipping chose it as the [centre](#) of operation for the Middle East. Besides its economic importance for China-UAE relations, Khalifa Port might be the site for the second Chinese military installation in the region. In 2020, US intelligence detected the construction of a military facility in the port. Following American pressure, the UAE [halted](#) construction. However, US intelligence recently noticed the [resumption](#) of construction activity for the suspected military site. A Chinese military installation at Port Khalifa will give the PLAN access to the Strait of Hormuz, the world's most important oil chokepoint. Furthermore, besides the geostrategic significance of the Khalifa port base, it also constitutes another significant sign of defiance towards US military hegemony in the region. Similar to Djibouti, the UAE hosts an important American military site. The Al Dhafra air base, located in the emirate of Abu Dhabi, is home to the US Air Force's 380th Air Expeditionary Wing. This unit carried out combat missions against the Islamic State and [currently operates](#) the state-of-the-art F-22 stealth aircraft. A Chinese military base just 120 kilometres away from such an important US airbase presents a security risk, as the Chinese installation could be used for espionage on Al Dafhra.

The Egyptian port of Ain Sokhna is another strategic point where China has invested. China Ocean Shipping Company (COSCO) recently [bought](#) 25% of the stakes of a container terminal to be constructed in the Egyptian port. In contrast to the Djibouti base and Khalifa port, the Ain Sokhna project is civilian. But under the first "civilian then military" strategy, Ain Sokhna can be considered another strategic point of the Middle East maritime routes that might serve Chinese military purposes. In this case, as a container terminal, Ain Sokhna could be used as a logistic base for delivering military supplies for the Djibouti base. Another critical point for China's infrastructure project is the Duqm port in Oman. Chinese companies invested [billions](#) in the Duqm port and an [industrial city](#) around the port area. This major infrastructure project gives Beijing a foothold in a strategic location with access to the Arabian Sea.

The BRI network isn't limited to Arab countries. Chinese investments reached Washington's closest ally in the region. The state-owned Shanghai International Port Group (SIPG) operates a [terminal](#) in the Haifa port. The Haifa port is the base of Israel's nuclear submarines fleet, and US Sixth Fleet ships regularly dock there when visiting Israel for conducting joint naval drills. Washington's concern over Chinese presence in such a sensitive area caused friction between both countries and at one point, the US Navy mulled stopping [operating](#) in Haifa.



As a part of BRI, China has strategically secured vital points in the Middle East. The novelty of the Chinese approach is that, contrary to other powers, China's entrenchment in strategic areas has been carried out by investment in infrastructure. So far, exclusively military bases represent only a fraction of its overall strategy to secure strategic points in the Middle East. However, as the previously mentioned Chinese military doctrine of Military-Civilian fusion, this maritime infrastructure network will prove an invaluable military asset for Chinese naval power.

The impact of the PLAN's bases on global security could be of a great magnitude, particularly in regards to energy security. The Chinese navy could threaten the security of the Middle Eastern oil supply to Europe and the United States. The Djibouti base gave the Chinese Navy direct access to the Bab al-Mandeb Strait. The Bab al-Mandeb strait is a choke point for oil transit routes. In 2018, an [estimated](#) 6.8 million barrels of crude oil and other petroleum products flowed through the straits to Europe and the United States.

Chinese naval infrastructure in the Middle East is a case of concern for the United States and China's historical rival India. Establishing the Djibouti base gave the Chinese Navy power projection capabilities over the Indian Ocean. Before the Djibouti base, Chinese navy operations were limited close to its coast. Combined with the dual-use ports in UAE and Oman that can serve as logistical bases for Chinese warships, China's Djibouti base and BRI ports pose a threat to any potential rivals.

## **Chinese Weapons in the Middle East**

According to [the Stockholm International Peace Research Institute \(SIPRI\)](#), from 2018-2022 the United States supplied 54 per cent of all Middle East arms imports, followed by France, Russia and Italy. Regarding the share of weapons exports to the Middle East, China remains a minor player. But the significance of weapons deals goes beyond the quantitative aspect—China supplies weapons systems that Washington has been reluctant to export to the region, particularly armed drones and ballistic missiles.

The acquisition of Chinese weapons systems by Middle Eastern countries is not new. The first sales date back to the 1980s. In the present day, however, the main difference is China's positioning as a superpower willing to take an assertive role in MENA affairs. It remained an isolated phenomenon when China sold strategic weapons to Saudi Arabia in the 1980s; historically, Chinese weapons were predominantly sold to US foes in the region, namely Iran.



Strong defense ties have flourished between Beijing and major US allies in the region, moves that can be seen as part of Beijing's broader strategy of challenging US hegemony in the region. The Sino-Arab military cooperation is robust with Saudi Arabia, showcased by the technological transfers in two sensitive areas: ballistic missiles and drones.

The relationship between China and Saudi Arabia in the field of ballistic missiles dates back to the 1980s. In 1988, Riyadh [acquired](#) the DF-3, a medium-range ballistic missile. Saudi missile forces were expanded in 2007 with the DF-21, which has better accuracy than the DF-3. Interestingly, the CIA was aware of the DF-21 deal and approved it after verifying that the missiles couldn't carry nuclear warheads. So far, Chinese weapon sales have been the pillar for Saudi Arabia's ballistic missile capabilities. Recently, US intelligence sources have [confirmed](#) the existence of a ballistic missile construction site in Saudi Arabia—this technology transfer shows the depths of the China-Saudi alliance. Such military cooperation is not limited to Saudi Arabia: there have been reports of [talks](#) between Egyptian and Chinese companies in regards to a transfer of technology agreement on various military projects.

Sino-Saudi defense cooperation is booming in another strategic domain: armed drones. Similarly to missile cooperation, Beijing acted first as a drone supplier and later agreed to develop a drone manufacturing [facility](#) in Saudi Arabia. To showcase Washington's reluctance to sell this type of weapon to its Middle Eastern allies, the MQ-1 Predator offers a clear example. The Predator, already phased out of US service for a more capable version, is only used by one Middle Eastern state, the United Arab Emirates; a [downgraded](#) version for export, unable to carry weapons, and limited to surveillance operations.

Drones capable of carrying precision airstrikes are a valuable weapon for anti-insurgency operations. With the US withholding drone sales to the Middle East, China seized the opportunity to fill the gap. The Wing Loong drone, capable of carrying laser-guided bombs, missiles and GPS-guided bombs, has been extensively [used](#) by Egypt against militants in the Sinai. Additionally, the UAE has used Wing Loong drones against Houthi rebels in Yemen; with one of these drones, the Saudi-led coalition [killed](#) Houthi senior commander Saleh Ali al-Sammad.

After signing a normalisation accord with Israel, the UAE started negotiations for acquiring the F-35 and MQ-9 Reaper drones. Washington, however, was [concerned](#) that Chinese company Huawei, which runs a telecommunication network in the Emirates, could gather intelligence on the F-35. The US pressured the UAE to disengage from Huawei; in response, the UAE [suspended](#) the talks for the F-35 claiming that Washington's request was a constraint on its sovereignty. Even if the Huawei question was solved, the US would have imposed several other [conditions](#): Washington would have sought guarantees that the F-35 was used only for defensive operations inside the UAE and never for interventions in a third





country. Additionally, the acquisition of the F-35 would put the UAE under Washington's scrutiny if the Emirates planned to buy weapons from Russia, particularly anti-aircraft systems. The US will not let an F-35 user purchase any Russian anti-aircraft system that could gather sensitive information about the F-35's capabilities.

Drones able to conduct precision airstrikes have proven valuable government assets in anti-insurgency operations. When China sells armed drones, it doesn't attach conditions or limits on how the buyer state is permitted to use them. This makes China a more reliable source of advanced weapons than the United States—not only for buying weapons, either; Beijing is also willing to engage in technology transfer vis-à-vis ballistic missiles and drones.

Although the US remains the largest supplier of weapons to Middle Eastern states, this dynamic could change in the near future if American influence in the region diminishes. If such a scenario unfolds, a similar trend could emerge in weapons sales.

## **China's Involvement in MENA Conflicts**

China's involvement in Middle Eastern conflicts is governed by the principle of [non-intervention](#), comprising a cornerstone of the state's foreign policy. However, considering China's official position as a [peacemaker](#), this principle has been adapted and reinterpreted to allow China to become conditionally involved in the internal affairs of sovereign countries if specific [interests](#) are at stake. In other words, China is pragmatic, flexible, selective, and cautious in its participation in the Middle East's crises, intervening when it is opportune to do so. Unlike regular mediation diplomacy, China generally focuses on conflict management procedures that contain tensions and bring about [short-term](#) solutions, instead of long-term and sustainable ones. As a result, China's approach, which can be characterised as ['quasi-mediation diplomacy'](#) that is often (but not always) achieved via multilateral channels, is a form of indirect intervention that emphasises following rather than leading, revising the agenda rather than setting it, and conflict de-escalation rather than conflict resolution.

This type of diplomacy serves the strategic purpose of promoting China's image as a reliable, responsible, and non-confrontational great power. China refrains from being too [politically assertive](#) against MENA countries in order not to jeopardise its self-constructed reputation of being non-interventionist and anti-imperialist. As such, Beijing forged a ['path dependence'](#) based on the non-intervention principle that constrains regional entanglement. China's first [Arab Policy Paper](#) expresses the "Five Principles of Peaceful Coexistence," such as respect for sovereignty and mutual non-interference that purportedly China upholds. Unlike the United States, for example, China maintains [working relationships](#) with all conflicting parties, such as Iran, Saudi Arabia, and Israel. Intervening in Middle Eastern



affairs is [“fundamentally unacceptable yet occasionally unavoidable.”](#) but maintaining a degree of neutrality and [offending no one](#) prevents the loss of collaborative opportunities whilst promoting China’s political and economic influence and [soft power](#).

Along with China’s image and influence, a key factor driving Chinese diplomacy in the Middle East pertains to economic cooperation, investments, and trade in line with Beijing’s BRI ambitions. The MENA region progressively became the converging point of BRI. [Approximately](#) half of China’s oil imports originate from the Middle East. Moreover, China is now a [key source](#) of the region’s imports, having become the [largest foreign investor and trade partner](#) for many countries, including Saudi Arabia. Strategic partnerships are [centred in the Gulf](#) because Chinese interests are substantial there. The degree of China’s involvement in the region’s turmoils is then conditional to a country’s relevance to vital commercial interests, given that the Chinese economy and its expansion is [dependent](#) on access to Middle East energy sources. Arguably, maintaining domestic economic growth is a top priority for Beijing to protect the [legitimacy](#) of its leadership. China’s [‘economic diplomacy’](#), or the use of trade and investment to advance interests, has several functions. It can protect Chinese citizens working in infrastructure, energy, and other projects in the region’s hotspots.

## Yemen

Yemen is a country where Beijing has enterprises and personnel for trade projects, coupled with the fact that China is one of the main destinations for [Yemen’s crude petroleum exports](#). In 2015, shortly after the Yemen conflict broke out, was only the second time that Beijing used warships to evacuate Chinese citizens from a conflict zone. China also provided humanitarian aid in Yemen, with the [first batch](#) arriving in July 2014. Yemen’s [geographic location](#) is especially relevant for China’s BRI, including Yemen’s proximity to the Horn of Africa, where Beijing has a substantial economic footprint, and its location on the Gulf of Aden, which makes it a strategic location for the Suez Canal. The Gulf of Aden is a key maritime route connecting the Indian Ocean to the Mediterranean Sea via the Red Sea. It is a [crucial waterway](#) for international trade, as it provides a shorter shipping route between Asia and Europe, with ships transporting goods from China and other Asian countries to Europe often passing through. The [Suez Canal](#) provides a direct passage between the Mediterranean Sea and the Red Sea, significantly reducing the distance and transit time for ships travelling between Europe and Asia. Yet, there is a significant risk associated with this. As of 2018, 6.2 million barrels of oil and refined petroleum products pass through the [Bab al-Mandeb Strait](#) daily en route to Europe, Asia and the United States, making it the world’s fourth busiest chokepoint. Subsequently, China invested in regional [infrastructure projects](#), such as ports, railways, and industrial zones, as part of BRI. These [investments](#) aim to establish vital trade



and transportation links connecting Africa, Asia, and Europe, enhancing China's access to global markets. This factor of protecting and promoting trade routes further enhances Yemen's significance for China. Also, because of the importance of stability in the Gulf of Aden for China's economic interests, China seeks to maintain the physical security of the region by engaging in [anti-piracy](#) operations, deploying naval vessels to protect its commercial ships and ensuring the safety of its maritime trade.

## **Iran**

Another prominent example of Chinese economic interests is the Iranian nuclear crisis. China played a quasi-mediation role in the UN-mandated '5+1' talks by [balancing](#) between involved actors. This not only shielded Iran's oil and gas production from sanctions but also enabled Chinese companies to keep developing [oil fields](#) in Iran, ensuring the continuation of energy relations between the two countries. Prior to that, China had utilised [economic incentives](#) to persuade Tehran to continue nuclear talks by increasing Chinese investment towards Iranian infrastructure projects and restoring crude oil imports to pre-sanction levels in late 2013, bolstering both Iran and China's economies. At present, China buys more Iranian oil than it did [before sanctions](#). The [Iran nuclear deal](#), namely the Joint Comprehensive Plan of Action (JCPOA), was signed in July 2015 (China was a signatory) (endorsed by [UNSC Resolution 2231](#)) to restrict Iran's nuclear activities in exchange for sanctions relief. Many of the deal's provisions have not been [implemented](#), still, Iranian oil exports to China recently hit a [record high](#). Beijing's BRI has not proven to be inextricably linked to the implementation of the deal apparently subject to US-Iran tensions, which China has not seemed to wish to exploit.

## **Israel-Palestine**

China's diplomatic contributions in the region can additionally be exemplified in the Israeli-Palestinian peace process. The [first Special Envoy](#) Beijing dispatched to the Middle East in September 2002 was the one to mediate between Palestinians and Israelis. China has also sought to manage the conflict by putting forward proposals at various times since 2013. In the first [Arab Policy Paper](#), China [declared](#) its support for "the establishment of an independent state of Palestine with full sovereignty, based on the pre-1967 borders, with East Jerusalem as its capital." Reportedly, both Israel and Palestine declared their willingness to engage with China. In response to recent escalations, China offered to [facilitate](#) talks with the two sides once more. This is a conflict that attracts world attention and provides China with an opportunity to showcase its diplomatic engagement. Yet, China has [limited commercial interests](#) in this dispute, so its involvement will likely remain [limited](#) without taking on a



more active role that could jeopardise China's balanced relations with Palestinian authorities and US-backed Israel.

## Sudan

Sudan presents a different case. Chinese companies [entered](#) the petroleum industry there as far back as 1995. When the war in Darfur broke out in 2003, [blocking the flow of oil](#) for several years, China sent [peacekeeping forces](#) under the “UN Mission in Sudan” in 2006 and a Special Envoy in 2007. After the [interstate conflict](#) between Sudan and newly-independent South Sudan ensued in 2011 over the disputed border region Abyei, China [again](#) dispatched peacekeepers to support the “UN Mission in South Sudan.” China contributed to mediation and peacekeeping efforts in different periods of conflict escalation and [coup d'états](#) in Sudan's history, particularly in the management of the Darfur issue, whilst not siding with either rebel forces, the Sudanese government, or the Rapid Support Forces (RSF) paramilitary. Notably, many Chinese companies operate in Sudan, and more than [1,500 Chinese citizens](#) are also in the country. In 2022, China was Sudan's [second-largest trading partner](#) in the mining and agriculture sectors. Therefore, energy and trade interests built over the last 3 decades drive China's influence in Sudan and South Sudan, even amid the recent and ongoing fighting in Khartoum.

## Syria

With respect to the Syrian civil war, China [rescued](#) 2,000 citizens in non-combatant evacuation operations in 2011 and 2013 and provided multiple batches of humanitarian assistance, a recent example being the earthquake relief aid [worth](#) 30 million yuan (US \$4.38 million) in February 2023. Beijing and the Syrian leadership began [discussing](#) large-scale investment projects in 2017 so as to rebuild post-war Syrian infrastructure and link the country to China's BRI as well. Even before the war, China had invested billions of dollars in Syria's oil and gas industry. Regarding diplomatic involvement, the [first](#) Chinese Special Envoy was appointed to support UN envoy Staffan de Mistura in 2016. The Chinese leadership had previously [hosted](#) delegations of the Syrian government and opposition groups at different times to promote China's proposed [“Five Principles”](#) advocating for a political settlement of the Syrian crisis. However, even though China, along with Russia, repeatedly vetoed UNSC resolutions against the Assad regime, Beijing did not actively participate in the Astana peace process brokered by other great powers, specifically Russia, Iran, and Türkiye, or in the UN-backed Geneva Peace negotiations in 2017 and the Syrian National Dialogue Congress hosted by Russia in Sochi in 2018. In light of the aforementioned failed attempts at brokering peace and the [average](#) commercial interests associated with Syria, China's role in this intractable conflict remains focused on economic aid and detached [peace calls](#).



## Afghanistan

China's relations with Afghanistan are also noteworthy. Interestingly enough, aside from the expected economic interests, China also has vested security concerns in Afghanistan because of the potential impact of the Afghan conflict on China's domestic security. Specifically, China, which shares a [border](#) with Afghanistan in the Wakhan Corridor located in the Xinjiang region, is concerned about the potential [spillover](#) of extremism considering ongoing efforts to combat separatism in Xinjiang. Hence, China sees a stable Afghanistan as crucial to [regional peace](#). China and Afghanistan have [cooperated in counterterrorism efforts](#), and China provided support to Afghanistan in capacity building, intelligence sharing, and border control. China also seeks to enhance regional security cooperation through platforms like the Shanghai Cooperation Organization (SCO) where Afghanistan is an [observer nation](#). What is more, China is invested in Afghanistan's economic development and [mineral resources](#), particularly copper, iron ore, and minerals. Chinese companies [secured contracts](#) for infrastructure projects, including roads, railways, and mining operations. China additionally provided [aid](#) to support Afghanistan's development in areas like infrastructure and agriculture. As for diplomacy, Beijing has [hosted several rounds](#) of intra-Afghan negotiations since 2015, bringing together representatives from different factions. China maintained high-level exchanges too, as seen in [visits](#) by senior Chinese officials to Kabul even after the Taliban returned to power in 2021, to secure the continuation of investment and trade relations between the two countries.

## Conclusion

According to Beijing, the lack of socioeconomic development is the root cause of regional insecurity, pushing the concept of [developmental peace](#), contrary to the Western concept of democratic peace. Under the auspices of such a framework, China can promote its commercial interests and influence in the Middle East through trade, contracts, peacekeeping, and humanitarian aid that supposedly tackle political violence.

China has utilised diplomatic resources to partake in regional instability and, in return, build significant influence in the region's governance. The scope of such influence, not to mention the relation to core BRI interests, have determined Beijing's conflict management efforts, especially in countries where China has a significant presence in the form of assets, investment, companies, or citizens. Limited external intervention in conflicts on the part of economically-driven China has proven necessary to defend the long-term goal of promoting Beijing's pre-eminence in the Middle East whilst upholding promises against interventionism. China's fairly neutral stance towards regional players may offer Beijing a



competitive advantage over Washington by making the former a more tempting economic and diplomatic partner.

However, China's military footprint is still incipient and small compared to the US security presence in the region. In terms of military presence, the US still counts with the upper hand. China has one military base capable of power projection in the area, while the US has deployed several air, naval and ground forces across the region. However, the BRI projects in the area, particularly the port infrastructure, suggest that China intends to consolidate and strengthen its presence.

The growing role of Beijing as a weapons supplier in strategic defense technologies like drones and ballistic missiles may have an even greater significance than the Djibouti base—as a move to counterbalance US security presence in the region. By forging deep ties in the field of military technology with major US allies in the region, China is positioning itself as a more reliable weapons supplier than the United States. In the long term, this could mean the decrease of importance of the United States as the main supplier of weapons in the region, with China eventually taking that role.



# Looking Ahead: China's Forthcoming Position in the Middle East

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## Political Economy

Since the turn of the 21<sup>st</sup> century, China's economic and political footprint in the Middle East and North Africa has increased significantly. Since 2018, China has been the [largest trading partner](#) with every country that is a member of the Gulf Cooperation Council (GCC), and total trade exchange between GCC countries and China [reached \\$228.9 billion](#) in 2021. Seeing as China is the world's largest oil importer and is located in close geographic proximity to the oil rich countries in the GCC, these states are especially important for their energy security needs. Driven by its tremendous economic growth, China's crude oil imports increased from [145 million tons](#) in 2006 to over [508 million tons](#) in 2022, in which year the GCC shipped approximately 210 million tons to China—more than double the figure it exported in 2014. While Saudi Arabia is the region's largest exporter to China and shipped approximately 88 million tons of oil to them in 2022, the United Arab Emirates (UAE) is also crucial as it was the GCC's second-largest crude oil exporter to China in that year, although this might be due to the UAE's [re-export of crude oil](#) that originated in Russia. Seeing secure supplies of energy are crucial for China continued growth and modernization, the state will likely remain dependent on the MENA region in the medium- to long-term, and is, therefore, expected to strengthen its economic partnerships with major MENA energy suppliers, as it has already done with Saudi Arabia, the UAE, Egypt, Iran and Algeria.

While China's long-term oil demand undoubtedly offers major economic opportunities for the GCC, their faltering long-term economic growth prospects might pose a risk for such states. Although China is projected to become the world's largest refinery market, the war in Ukraine has elevated China's energy security fears, [prompting it to increase its domestic oil and gas output](#). At the same time, approximately 25% of [all new cars sold](#) in China in 2022 were electric vehicles or plug-in hybrids, which reflects an increasing trend towards the adoption of sustainable energy sources that is limiting Chinese consumers' use of crude oil products, particularly gasoline and diesel. Moreover, Beijing has initiated construction projects on six times as many coal plants as the rest of the world combined, which reflects Chinese policymakers' desire to reduce consumption of foreign oil and gas imports.



## Security

Building on the examination of China's security agenda in the region, it is clear that China has yet to decide on its commitment to the Middle East. For China, it is necessary to avoid a long-term strategy in strengthening its military and security presence in the Middle East based on several factors. Historically, entanglements in the Middle East have been a dangerous game for great powers. Anglo-French failure in the Levant and the following struggle of the US in the aftermath of Iraq and Afghanistan saw billions of spending sink into the region. Undoubtedly, the latter has a heavier and more recent commitment to the region under its threat of terrorism in the modern era; yet, China has not been attacked domestically by any [extremist groups](#) originating from the MENA region, nor has it historically been present in the area. For China's security agenda, the reunification of Taiwan, the expansion to the South China Sea, neighbouring rivalry with India, and the bipolar tension with the US dominate its [top priority](#). Thus, China remains reluctant to determine any long-term strategy. Indeed, the Middle East continues to be China's critical energy supplier and a land of unexplored commercial opportunities. Therefore, security alliances, strengthened by multilateral agreements, are Beijing's strategy for protecting its regional, increasing interest.

Still, it is undeniable that China has become more involved in the Middle Eastern security agenda. The region has become an [important market](#) for Chinese products as Western enterprises withdraw from the Chinese market due to geopolitical hostility. Developing Middle Eastern states, especially Saudi Arabia and the Gulf States, growing consumer needs satisfy China's manufacturing industries. While its oil reserves continue to act as the foundation of China's colossal economy. Thus, under the growing bilateral framework, Beijing has to provide a certain security involvement to protect its interest. Yet, under the mentioned concern, as Beijing resists any direct participation in the conflict, the state's People's Liberation Army is very unlikely to participate, or station in the region, with [maritime patrol](#) being its most likely involvement. Potentially, a similar tactic as the US for using mercenaries would better suit Beijing's agenda. [The use of mercenaries](#) in protecting BRI infrastructures and Chinese workers is common in Africa, though the Middle East may require similar needs due to its importance and instability.

Beijing will certainly become a growing partner in regional security affairs, as threats turn international rather than domestic. For China to adapt to the region's security norms, it is likely to opt for building security alliances with partners as a long-term strategy, with a low risk of direct involvement. Earlier participation, later's commitment to revive the [Iran Nuclear Deal](#), and its active role as a mediator between the West and Tehran, demonstrated Beijing's dedication to nuclear proliferation. Its later invitation to Tehran in joining the security-focused [Shanghai Cooperation Organisation](#), despite criticisms, reflects China's affirmation to participate in Middle Eastern affairs. Thus, China is likely to become more





involved in the security of the Middle East. The current strategy remains unclear for China as the state is reluctant to develop a long-term strategy due to various security priorities, though clearly understands its need to strengthen security in the region; however, Beijing will continue to participate in regional affairs as a committed partner while refusing in direct military intervention.

## **China's Future Relations with MENA States**

In an era marked by evolving bilateral and multilateral relations and changing international power dynamics, China's presence has taken centre stage in the Middle East. As a growing powerhouse in the past decade, Beijing has strengthened its regional alliance with several MENA countries, particularly Iran and Saudi Arabia, at the intersection of economic, security and diplomatic cooperation.

China has worked on improving the security and stability in the region through its diplomatic initiatives, such as a [China-Arab States Summit](#) and the [China-GCC Summit](#), which promotes cooperation and regional peace and development. Furthermore, China has recently encouraged several MENA states, such as Egypt, Saudi Arabia, Türkiye, Qatar, Kuwait, Bahrain, and the UAE, to become [dialogue partners](#) in the Shanghai Cooperation Organization (SCO). Additionally, China advocated for oil trades to take place in [yuan](#), and used soft diplomacy to urge Egypt, Saudi, UAE, Algeria, Iran and Bahrain to apply for BRICS [membership](#), thereby facilitating the acceleration of the process of trading in local currencies in an attempt for the [de-dollarisation](#) of the international economy.

These blocs focus on bolstering the cooperation amongst the member states while pushing Middle East countries closer to China. Thus, it demonstrates China's endeavours to foster strategic regional collaborations beyond traditional energy interests. Meanwhile, the US is shifting its focus from the Gulf to the Indo-Pacific and the Russia-Ukraine war. So, as United States diplomacy cools, China's robust efforts over the years seem more appealing to Middle Eastern countries. This shift opened a window for China to cultivate deeper ties in the region, particularly with key figures such as Iran's President Ebrahim Raisi and Saudi Arabia's Crown Prince Mohammed bin Salman.

At the same time, the Gulf countries seek to diversify their economy, decrease their reliance on hydrocarbon revenues and reduce their dependence on the West. In this atmosphere, China's foreign policy principles and increasing influence through the BRI and the [Digital Silk Road](#) incentivise the Gulf countries to its 'Look East' approach and foster a strategic alliance with China.



A future vision of MENA states and China includes economic diversification, maintaining peace and stability in the region, and decreasing their dependence on the West by building strategic alliances with countries without subscribing to a necessarily democratic ideological framework. These aspirations align with China's goal of challenging US dominance in regional and international politics. Therefore, the mutual interest between China and the MENA countries opens development and mutual growth avenues.

However, China's reluctance to play regional politics shall remain a roadblock to its regional dominance. Without a security apparatus that can be a feasible alternative to the US security and defense arrangements in the region, MENA countries would be forced to depend on the West, primarily the US. Yet, it remains to be seen if China is aiming for true hegemon status in the region, paralleling what has been established by the United States.

## **What a Greater China Role means for the United States, European Union, and Russia**

China's role in the Middle East has been steadily growing in the last few years. [From mediating a diplomatic agreement to restoring relations between Saudi Arabia and Iran](#), building critical infrastructure in Gulf countries to selling UAV systems to states such as the UAE, China's political, military, and diplomatic clout in the region has significant implications for other powers such as the US, EU and Russia who each have vested interests in the Middle East. Amid the transition into a multipolar world, Chinese foreign policy has become more ambitious and assertive as it seeks to redraw the rules of the international order and engage with regional states on a transactional basis. Whereas the US and the EU have tended to highlight values of democracy, the rule of law and human rights, China's engagement in the region does not subscribe to a particular ideological framework as a precondition to establishing diplomatic relations.

China has explicated its MENA policy objectives through the publication of several major documents, including [“Visions and Actions on Jointly Building Silk Road Economic Belt and 21<sup>st</sup> Century Maritime Silk Road,”](#) [“Promoting the Silk Road Spirit and Deepening China-Arab Cooperation,”](#) and, most recently, the [“Arab Policy Paper.”](#) The contemporary vision of China-Arab relations explicated in China's “Arab Policy Paper” goes beyond trade and infrastructure projects by articulating a soft-power strategy for increased political, social, and cultural cooperation between China and countries in the MENA region, with the ultimate goal of leveraging China's economic power to achieve superior economic and political relations with countries willing to collaborate.



Crucially, this vision stands in stark contrast to the role that the United States has assumed in the region during the last three decades. As a traditional global hegemon, the United States has sought to protect its interests in the MENA region by projecting its power, both through direct and proxy military intervention—as in Iraq and Syria—but also by maintaining a strong military presence in the region through the establishment of military outposts in Qatar, Saudi Arabia, Iraq, and Bahrain. Through such hard power mechanisms, the United States has attempted to secure unrestricted access to oil reserves in the Gulf, support compliant authoritarian Arab regimes, protect the State of Israel, and, after the September 11th terrorist attack in 2001, engage in the “war on terror”—a global military campaign intended to counter terrorism. Moreover, the Trump Administration’s recent attempt to [economically isolate Iran](#) can be viewed as an extension of the United States’ policy of protecting American allies in the MENA region.

Despite rampant anti-Americanism due to such failed engagement marked by political instability, the US has continued to remain a primary source of arms and security protection for Arab states. Yet, China has also continued to gradually increase its arms sales in the region to Arab states in the form of joint ventures for research and development in weapons systems, becoming a strategic competitor with the US. [In March 2022, Saudi and Chinese companies established a joint venture to establish a research and development to produce different types of UAV systems in areas such as communications and flight-control.](#) This is one instance where China, in an attempt to be more competitive in the areas of weapons production is seeking to expand its global reach as the US withdraws military resources in the region and fills a power vacuum.

The EU’s involvement in the Middle East has been relatively limited and lacks a coherent unified approach to the region due to divergence in policy approaches between different EU countries such as Germany and France. Although the [EU’s 2016 Global Strategy](#) describes the Middle East as being “in turmoil,” the issue of not having a comprehensive external policy coupled with the fact that bilateral relations form the basis of most diplomatic activities limits the EU’s influence in the region. As most developmental aid and diplomatic initiatives from the EU are distributed on the principle of conditionality, China’s ‘no-strings attached’ policy has given it a stronger foothold in the global south and the MENA region as China is more willing to stay silent on issues of human rights. Given that EU foreign policy has been heavily impacted by events in the Middle East such as the Syrian Civil War, China’s increased engagement in the Middle East could undermine the EU’s diplomatic activities and hinder its ability to shape the regional agenda according to European interests as China similarly to the EU also relies on energy resources.

China’s greater involvement in the Middle East is most likely to be beneficial for Russia going forward, particularly in regional theatres such as Syria. Since Russia first entered the war in September 2015, both Russia and China have moved in tandem with each



other and [vetoed](#) UN Security Council resolutions trying to sanction the Assad regime as well as block resolutions to provide vital humanitarian aid into the country to help displaced populations from the conflict. As seen from the ongoing restoration of Syria's diplomatic relations with Arab countries along with Syria rejoining the Arab league, the next step from the perspective of both China and Russia will be the focus on national reconstruction efforts. Given that the Middle East is a vital node region for China's Belt and Road Initiative and as evidenced from Chinese Foreign Minister Wang Yi's meetings with the Syrian Deputy Prime Minister in June 2019 to emphasise speeding up a political settlement and economic reconstruction, both Russian and Chinese strategy converge on trying to limit the US and EU's influence in the region and present an alternative to states in the Middle East a model of diplomatic engagement. Such convergences on policy issues and China's increased engagement will greatly impact strategic alignments in the long-term and pose a challenge to the Liberal International Order (LIO), as the EU and US become embroiled in their own domestic issues.

## Conclusion

Beijing has traditionally attempted to [avoid assuming](#) a direct stand on, or becoming substantially involved in, regional security issues in MENA states. Instead of challenging the United States post-Cold War military predominance in the Middle East, China's position as a secondary great power allowed it to free ride on the American security umbrella and avoid incurring the same security costs or encountering the same security dilemmas. Moreover, China has attempted to portray itself as a regime seeking to reduce the economic pressure exerted on everyday Iranians by pursuing the potential economic benefits associated with the [Comprehensive Strategic Partnership Agreement](#), signed in 2021, among other initiatives.

Crucially, however, recent evidence suggests that this might be changing. China's mediation of the [Saudi-Iran normalisation agreement](#), for example, signals a potential break from its long-standing policy of keeping to a minimal, economically oriented regional footprint. Specifically, China's success in bringing two of the Middle East's most bitter rivals to the negotiating table reflects the state's desire to move from pursuing economic exchange to negotiated conflict resolution and establish its credibility as a capable partner in a region that has consistently lamented the United States' strategic neglect and security disengagement, specifically in Iraq, Libya, Syria. For Iran, the deal presents an opportunity to demonstrate the sincerity of its intentions and prove it respects national sovereignty and regional stability to Saudi Arabia and China, which is particularly significant considering Iran is economically dependent on China.



One of China's most formidable challenges in the MENA region moving forward will be to uphold its foreign policy commitment of non-interference. While China will undoubtedly attempt to maintain its neutral approach in the MENA region, it is likely that it will need to further engage in effective mediation diplomacy to mitigate regional risks and secure its economic interests. However, whether China can protect its economic interests without establishing additional military bases—like it did in [Djibouti in 2017](#)—so that it does not portray itself as an expansionist power also remains a crucial question. China will likely increase its use of soft power to ensure its policies are perceived as different from the interventionist analogues implemented by the United States and some European powers.



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