

China and the Middle East: Venturing into the Maelstrom

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Abstract: *China's increasingly significant economic and security interests in the Middle East have several impacts. It affects not only its energy security but also its regional posture, relations with regional powers as well as the US, and efforts to pacify its north-western region of Xinjiang. Those interests are considerably enhanced by China's "One Belt, One Road Initiative" that seeks to patch together a Eurasian land mass through inter-linked infrastructure, investment and expanded trade relations. Protecting its mushrooming interests is forcing China to realign its policies and relationships in the region.*

Key Words: *China; Middle East; North Africa; US; Pakistan; "One Belt, One Road"*

As it takes stock of the Middle East and North Africa (MENA) volatility and tumultuous, often violent political transitions, China feels the pressure to acknowledge that it no longer can remain aloof to the Middle East and North Africa's multiple conflicts. China's long-standing insistence on noninterference in the domestic affairs of others, refusal to envision a foreign military presence and its perseverance that its primary focus is the development of mutually beneficial economic and commercial relations, increasingly falls short of what it needs to do to safeguard its vital interests. Increasingly, China will have to become a regional player in competitive cooperation with the US, the dominant external actor in the region for the foreseeable future.

The pressure to revisit long-standing foreign and defense policy principles is also driven by the fact that China's key interests in the Middle East and North Africa have expanded significantly beyond the narrow focus of energy despite its dependence on the region for half of its oil imports.^② Besides the need to protect its investments and nationals, China has a strategic stake in the stability of countries across the Eurasian landmass as a result of its "One Belt, One Road Initiative" and the threat of blowback in Xinjiang of unrest in the Middle East, North Africa and Central Asia.

China has signaled its gradual recognition of these new realities with the publication in January 2016 of an *Arab Policy Paper*, the country's first articulation of a policy towards the Middle East and North Africa. But, rather than spelling out specific policies,

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^② US Energy Information Agency, "China," May 14, 2015, http://www.eia.gov/beta/international/analysis_includes/countries_long/China/china.pdf.

the paper reiterated the generalities of China's core focus in its relations with the Arab world: economics, energy, counterterrorism, security, technical cooperation and its "One Belt, One Road Initiative". Ultimately however, China will have to develop a strategic vision that outlines foreign and defense policies it needs to put in place to protect its expanding strategic, geopolitical, economic, and commercial interests in the Middle East and North Africa; its role and place in the region as a rising superpower in the region; and its relationship and cooperation with the US in managing, if not resolving conflict.

I. The US and China: Seeking Complimentary Approaches

Formulation of China's emerging Middle East and North Africa strategy is shaped as much by contemporary US predicaments in the region as it is by the fact that post-Cold War differences between major powers are about power, influence, geopolitics, and economic interests rather than a global ideological divide. China's formulation of a policy towards the region is complicated by the fact that it occurs at a time that the US and China are adjusting to one another in a world in which China is on the rise.

"US-China relations will certainly be a, if not the, central pillar of any new post-Cold War international order," noted Bilahari Kausikan, a prominent Singaporean diplomat and intellectual. The immediate problem, Kausikan argued, was that "US-China relations are infused with deep strategic distrust" that underlies their current "groping towards a new modus vivendi with each other." Kausikan's assertion that "neither the US nor China is looking for trouble or spoiling for a fight" is key to the formulation of a Chinese policy towards the Middle East and North Africa. "The essential priorities of both are internal not external. Of course, neither is going to roll over and let the other tickle its tummy. That is not how great powers behave. Both will not relent in the pursuit of their own interests, which sometimes will be incompatible. There will be frictions and tensions," Kausikan predicted.^①

That is certainly true for the Middle East and North Africa given that China bases its positions on a set of foreign and defense policy principles that at least nominally contrast starkly with those of the US and are intended to ensure that China does not repeat what it views as US mistakes. While there appears to be broad consensus in China on this approach, China's policy community is divided on a host of questions related to the complicated process of marrying their country's foreign policy principles with a comprehensive policy towards the Middle East and North Africa that takes the region's complexities and difficulties into account.

These questions involve issues like the posture China should adopt towards the region, its major powers and numerous conflicts, and the protection of Chinese interests. They range from the sustainability of the region's autocracy to the rise of Islam as a political force, the emergence of violent strands of the faith, and the continued viability of the existing borders of the Middle East and North Africa's nation states. Underlying the debate is the question whether China can afford to continuously respond to events as they occur rather than develop a coherent policy.

At the crux of the debate is ironically the same dilemma that stymies US policy in the Middle East and North Africa: the clash between lofty principles and a harsh reality that produces perceptions of a policy that is riddled with contradictions and fails to live up to the values it enunciates. Increasingly, China is finding it difficult to paper over some of

^① Bilahari Kausikan, "US-China Relations: Groping towards a New Modus Vivendi," Institute of Policy Studies, S. R. Nathan Lecture, February 25, 2016.

those dilemmas by harping on the principles of non-alignment and non-intervention and offering economic incentives.

The Chinese debate goes to the core of China's vision of its role in world affairs. It is forcing China to revisit its view of itself as what US China scholar David Shambaugh described as "a partial power that is "hesitant, risk adverse and narrowly self-interested" and that "often makes it known what it is against, but rarely what it is for."^① Chinese officials and analysts who argue against moving away from adherence to their country's established foreign policy and defense guidelines worry that a watering down of China's principle will take it into more risky, uncharted territory or down a road that has gotten the US at times tangled into knots.

Wu Jianmin, a member of the Chinese Foreign Ministry's foreign policy advisory group, a senior research fellow with the State Council of China, and former ambassador to the United Nations and various European countries, asserted as late as 2015 that abandoning long-standing principles would put China on a slippery slope. "If China aligned with others there would be a new cold war. It would create enemies. China today does not need enemies, but we need partners."^②

Remaining aloof may however be easier said than done as China's economic stake in the region increases and conflicts in the Middle East and North Africa escalate and potentially spill out of the region and closer to home. The significant expansion beyond energy of key Chinese interests in the region makes standing aside ever more difficult. Besides the need to protect its investments and nationals, China has a strategic stake in the stability of countries across the Eurasian landmass as a result of its "One Belt, One Road Initiative" and the threat of blowback in Xinjiang of unrest in the MENA and Central Asia.

For many in the Chinese policy community, this elevates the need for cooperation with the US to the level of an imperative. The question however is: on whose terms? The answer is a subtle sidekick to the larger battle between the US and China over who will write the rules for the international system and the global economy in the 21st century global economy that is being fought out in the South China Sea and the creation of Chinese-led institutions like the Asian Infrastructure Investment Bank (AIIB) and the Shanghai Cooperation Organization (SCO) that groups Central and South Asian states.

The MENA's states have provided initial answers to the question in terms of their expectations. While realizing that they are likely to remain dependent on the US regional defense umbrella, Gulf States have begun to look towards Asia, and China specifically, as a power that can at least partially compensate for growing doubts about US reliability. Middle Eastern leaders hope that increasingly close ties to China will pressure the US to re-engage in the Middle East and North Africa and become more supportive of their often-divisive policies.

The need for Middle Eastern and North African leaders to balance their relations with the US and China is further fueled by the fact that China's record of living up to those expectations has been poor. Its backing of the regime of Syrian President Bashar al-Assad with its vetoes in the United Nations Security Council and support for Russia's aggressive policy in Syria puts it at odds with most states in the region. Similarly, China, pointing to its principle of non-intervention has cold-shouldered the repeated calls by Gulf States for it

^① Davis Shambaugh, *China Goes Global: The Partial Power*, Oxford: Oxford University Press, 2013.

^② Wu Jianmin, "One Belt and One Road, Asia's Stability and Prosperity," RSIS Distinguished Public Lecture, March 12, 2015.

to take a more active role in Middle Eastern affairs, including the Israeli-Palestinian conflict, Iraq, Yemen and Libya.^①

Nonetheless, the contours of what an updated policy would have to look like and the assumptions on which it would have to be based have begun to emerge from the Chinese debate as US prestige fluctuates and its credibility lessens. The US standing in the world has been weakened as a result of the Afghanistan and Iraq wars, US waxing and waning in Syria and in its relations with Saudi Arabia, and its narrow regional focus on confronting “Islamic State” (IS), the jihadist group that controls a swath of Syria and Iraq.

China is, however, not yet at the point at which it is willing and/or able to clearly articulate its strategic interests or intentions in the MENA beyond its drive to secure resources, investments and people and expand its influence through economic ties and its “One Belt, One Road Initiative”. As a result, China’s strategic dialogues remain focused on free trade agreements with the six-nation, Saudi-led GCC and Israel rather than the forging of broader strategic partnerships that go beyond economics with any one country or group of countries in the Middle East and North Africa.^②

Chinese reluctance is further informed by a belief that US support for political change in the Middle East and North Africa was misguided. Officials see subsequent US reluctance to become embroiled in the region’s conflicts, foremost among which Syria, and its inability to nudge Israelis and Palestinians towards a resolution of their dispute, as indications of waning US influence.

An Huihou of China Institute of International Studies (CIIS), who served as Chinese ambassador in five Arab countries, pointed to the Russian negotiated resolution of the Syrian chemical weapons issue in the summer of 2014 after US President Barack Obama shied away from acting militarily on what he had earlier described as a red line. “US backing off on the Syrian chemical weapons issue signaled the end of US hegemony.”^③

Doubts about US reliability that are shared by China and the Gulf states were further fueled by cuts in recent years in the US defense budget and repeated statements by Obama that the US would reduce its involvement in Middle Eastern affairs. During his 2012 re-election campaign, Obama noted that fracking technologies that enhance domestic US oil production make the US “less dependent on what’s going on in the Middle East.”^④

At the same time, China recognized the increasing importance it attributes to the Middle East in a 2008 publication edited by Shanghai Institutes for International Studies (SIIS) president Chen Dongxiao. The publication noted that “West Asia (the Middle East) has become an extension of China’s neighborhood. China’s major strategic target is to maintain sub-regional peace, participate in the process to solve hotspot issues there, ensure energy security, enhance economic and trade links, and develop its relations with relevant states and organizations in a balanced and all-round way.”^⑤

In doing so, both China and the Gulf are careful not to provoke the US to a point at which it would consider playing games with the flow of oil from the region, something both believe has entered the realm of the possible as a result of America’s sharply reduced

^① Martin Harrison, “Relations between the Gulf Oil Monarchies and the People’s Republic of China, 1971-2005,” Lancaster University, Unpublished PhD thesis, 2006.

^② Naser M. Al-Tamimi, *China-Saudi Arabia Relations, 1990-2012: Marriage of Convenience or Strategic Alliance?* London: Routledge, 2014.

^③ James M. Dorsey, “China and the Middle East: Embarking on a Strategic Approach,” RSIS Commentary, September 16, 2014, <https://www.rsis.edu.sg/wp-content/uploads/2014/09/CO14183.pdf>.

^④ Kathy Gill, “Barack Obama Acceptance Speech-DNC-28 August 2008,” August 28, 2008, http://uspolitics.about.com/od/speeches/a/obama_accept.htm.

^⑤ Chen Dongxiao et al, “Building up a Cooperative & Co-progressive New Asia: China’s Asia Strategy towards 2020,” Shanghai: Shanghai Institutes for International Studies, 2012.

dependence on Gulf production. Both China and the Gulf rely on the fact that US allies remain dependent on Gulf oil, US dependence on Gulf investment has picked up since 9/11 when it tapered off for a while, and the US has need for Arab allies in its fight with IS. China, moreover, realizes that if predictions that the US could become one of the world's foremost oil exporters by 2030 prove correct, it eventually could find itself increasingly dependent on oil from the US.^①

As a result, Chinese reliance on the US security umbrella in the Gulf has been a cornerstone of its approach towards MENA. "China benefits a lot from the current world order ... China will never rock the boat," said Wu.^② China's recognition of its need to work with the US facilitated the establishment in 2012 of an annual senior level Middle East Dialogue to facilitate understanding and avoid misunderstandings and/or mishaps.^③

Ironically, the US presence in the Middle East and North Africa benefits China not only in security terms. US educational institutions act at times as a facilitator when it comes to expanding Chinese soft power in the Middle East and North Africa. In a region that has few of the linguistic links that the US can command such as the influence of English or western music and cinema, New York University in Abu Dhabi teaches Chinese and encourages its students to attend summer programs at its campuses in Shanghai and Beijing as well as courses on classical Chinese philosophy, Arab crossroads in China, education and nationalism in Modern China, and environmental history of China.^④

At the same time, China is seeking to forge cultural links on its own steam with the opening in the Gulf of the first Confucius Institutes, China's equivalent of Britain's British Council or France's Alliance Francaise, at the University of Dubai and Zayed University in Abu Dhabi.^⑤ China has further strengthened its soft power through retail. Dubai's Dragon Mart, a 1.6 kilometer-long, mall in which some 4,000 Chinese vendors sell everything from basic goods to Qur'ans, attracts consumers from across the Gulf. China has also emerged as a major exporter of halal meat.^⑥ The strategy has however not been an unmitigated success. Gulf scholar Sean Foley noted in 2015 with a series of pictures that the 150,000 square-meter China-Middle East Investment and Trade Promotion Center has been all but abandoned.^⑦

All of this suggests that China and the US could, for example, find common ground on the principle of adherence to international legality, a principle Obama emphasized when he was first elected and whose interpretation is driven as much by power politics and interests as it is by ideology. Moreover, international relations scholar Jian Junbo suggested that if China can cooperate with the US and other Western countries in countering terrorism, "they should also be able to help each other to protect their interests

^① Institute for Energy Research, "US Overtakes Saudi Arabia and Russia as Largest Oil Producer," July 10, 2014, <http://instituteforenergyresearch.org/analysis/u-s-overtakes-saudi-arabia-russia-worlds-biggest-oil-producer/>; International Energy Agency, "World Energy Outlook 2012," <http://www.iea.org/publications/freepublications/publication/English.pdf>.

^② Wu Jianmin, "One Belt and One Road, Asia's Stability and Prosperity."

^③ US Department of State, "US-China Strategic and Economic Dialogue Outcomes of the Strategic Track," July 14, 2014, <http://www.state.gov/r/pa/prs/ps/2014/07/229239.htm>.

^④ Sara Hamdan, "UAE Becomes a Magnet for Chinese Students," *The New York Times*, September 15, 2013.

^⑤ Rania Moussly, "Chinese Language, Culture Classes on Offer in Dubai," *Gulf News*, August 22, 2010.

^⑥ IRIB World Service, "China: Ningxia Aims to Become Capital of Halal Food Processing," September 18, 2013, <http://english.irib.ir/news/world/asia/item/164325-china-ningxia-aims-to-become-capital-of-halal-food-processing>.

^⑦ Sean Foley, "Seek Knowledge Even If It Takes You to China (Via Washington): America, China, and Saudi Arabia in the Twenty-First Century," Presentation at China in the Middle East Conference, Beijing, March 18, 2015.

overseas.”^① Cooperation has so far been complicated by major policy differences symbolized by the frequent blocking of resolutions regarding Syria by China and Russia that have largely rendered the United Nations Security Council impotent. Like Russia, China’s approach to the resolutions was rooted in a sense that the US had abused a 2011 UN Security Council resolution authorizing humanitarian intervention in Libya to pursue the toppling of Qaddafi.

China’s policy approach to the Middle East is reinforced by its conclusion from the US predicament in the region that no one power can help the region restore stability and embark on a road of equitable and sustainable development. “Replacing the US is a trap China should not fall into,” Wang Jian, director of the Shanghai Academy of Social Sciences’ (SASS) West Asia and North Africa Research Centre, said.

II. Avoiding the Pitfalls of Diverging Interests

The Chinese debate on the management of relations with the US appears to have informed China’s first articulation of a Middle East policy with the publication in January 2016 of an “Arab Policy Paper”^② on the eve of President Xi’s visit to the Middle East and North African, the first by a Chinese head of state in seven years. The paper shied away from spelling out concrete policies. Instead, it reiterated long-standing principles of Chinese foreign policy like non-interference in the internal affairs of other states, dialogue, and win-win modes of cooperation as they applied to the Arab world and emphasized China’s key interests in the region: economics, energy, counter-terrorism, security, technical cooperation and its “One Belt and One Road Initiative”.

In the process, the paper failed to answer influential Chinese blogger Ma Xiaolin’s question: “What’s China’s strategy in the Middle East?” Ma argued two years earlier that China does not have a strategy. “Strategy, for one, depends on theory. In this regard, China still follows the general principle set out by Deng Xiaoping – we don’t really care too much about outside developments, for now we just make our economy stronger. In Zhongnanhai (the headquarters of the Chinese Communist Party), leaders don’t care much about Middle East, but about China’s domestic interest. Moreover, even in the times of (former president) Hu Jintao and Xi Jinping, China does not aim to develop strategy, but rather short-term policies. That is why China will not play an important role in the Middle East... China is hesitant to get deeply involved in the Middle East, as it is very complex and a troublesome place. China is not prepared for the risks that could be encountered there. Often, Chinese political leaders and scholars say that the Middle East is a graveyard for empires, as many big empires through history collapsed after getting involved and failing in the Middle East,” Ma noted.^③

Hesitancy to become embroiled in the MENA’s pitfalls appears to still be the basic instinct of Chinese leaders even though facts on the ground inevitably push them towards greater engagement. And the stakes for China are rising as its interests in the region mushroom. Energy and resource security are key to China’s continued economic growth and rising standards of living on which the legitimacy of the Communist Party of China (CCP) rides. Add to that, the geo- strategic importance of Middle Eastern and North African states as hubs for access to African and European markets and their centrality to

^① Jian Junbo, “Beijing’s New Overseas Imperative,” *Asia Times*, February 17, 2012.

^② Xinhua News Agency, “Full Text of China’s Arab Policy Paper,” January 13, 2016, http://news.xinhuanet.com/english/china/2016-01/13/c_135006619.htm.

^③ Ma Xiaolin, “Islamic Caliphate in Iraq: What Can China Do?” October 22, 2014, <http://www.thinkinchina.asia/38-event-report/>.

China's "One Belt and One Road" initiative is obvious. Finally, as was evident in China's complex compliance with international sanctions against Iran and Xi's visit to the Middle East, balancing Chinese relations with rival Middle Eastern states as well as the US as they relate to the region is increasingly resembling the act of a dancer on a tightrope.

Xi ensured that he became the first foreign leader to visit Iran after the lifting of the sanctions in January 2016. Xi's visit and an agreement to raise trade 10-fold from \$60 billion in 2015 to \$600 billion over a 10-year period held out the prospect that Iran would be able to win back its lost share of the Chinese oil market.^①

China has sought to enhance its energy security within the limitations of its inter-dependency with the US and its continued reliance on the US defense umbrella in the Gulf by investing significantly in resource-related sectors in Middle Eastern and North African states, including Saudi Arabia, Egypt, Yemen, Iraq, Qatar, Algeria, Iran, Kuwait, Libya, Mauritania, Morocco, Oman, Somalia, Syria, Tunisia and the United Arab Emirates or 15 of the 22 member states of the Arab League. At the same time, China has taken its first tacit step to shield its currency, the Renminbi, against the fallout of US dollar-linked crises by agreeing on a \$6 billion bilateral currency swap with Qatar and a similar \$24 billion deal with Russia.^②

Similarly, the region's increased economic and security importance to China is reflected in the fact that an estimated 60% of Chinese exports travel through the Suez Canal. As a result, China has invested heavily in the channel's ports. Investments include a \$186 million joint venture to operate a container terminal in Port Said, a \$219 million expansion of the port's quay and the construction of a \$1 billion quay and \$416 million container terminal in Al-Adabiyya.^③

China has also moved to ensure robustness by investing in a rail line that links the Israeli Red Sea port of Eilat with the Mediterranean Sea that would enable Chinese exports to circumvent the canal^④ as well as Israeli ports. Shanghai International Port Group won in 2015 a tender for the management of Haifa port^⑤ while China Harbour Engineering Co is building Israel's first private port in Ashdod at a cost of \$876 million.^⑥

The need for robustness symbolized by the Israeli backup to the Suez Canal was driven home when Suez Canal ports experienced backlogs and closures in the wake of the 2011 popular revolt that toppled Egyptian President Hosni Mubarak and again in 2013 when a vessel in the canal belonging to China Ocean Shipping Group Company was hit by rocket-propelled grenades. The al-Furqan Brigades, an Egyptian jihadist group, said in its claim of responsibility that it carried out the attack because the Suez Canal "has become a safe passageway for the Crusader aircraft carriers to strike the Muslims, and it is the artery of the commerce of the nations of disbelief and tyranny."^⑦ Israeli economic reporter Dubi Ben-Gedalyahu argued that the risks involved in the Suez Canal explained why "the

^① James M. Dorsey, "China & the Middle East: Tilting Towards Iran?" *RSIS Commentary*, January 28, 2016, <http://www.rsis.edu.sg/wp-content/uploads/2016/01/CO16020.pdf>.

^② Kenneth Rapozza, "Internationalization of China Currency Continues with Qatar Deal," *Forbes*, November 4, 2014.

^③ Emma Scott, "China's Silk Road: A Foothold in the Suez Canal, but Looking to Israel," *China Brief* 14, No.19, 2014, http://www.ccs.org.za/wp-content/uploads/2014/11/CCS_Commentary_Suez_and_China_E_S_2014.pdf.

^④ *Ibid.*

^⑤ Avi Bar-Eli, "Chinese Company to Run New Haifa Port," *Haaretz*, March 24, 2015.

^⑥ Rami Amichai, Ari Rabinovitch, "Chinese Firm Starts Work on New Ashdod Port, as Haifa Workers Strike," *Haaretz*, October 28, 2014.

^⑦ David Barnett, "Al Furqan Brigades Claim 2 Attacks on Ships in Suez Canal, Threaten More," September 7, 2013, http://www.longwarjournal.org/archives/2013/09/al_furqan_brigades_claim_two_a.php.

Chinese are entering Israel today via the roads, tunnels, ports, and train tracks that are under construction” and China’s intention to “build and manage transport projects totaling tens of billions of (Israeli) shekels.”^①

China’s plans to invest in an array of Pakistani projects, including a 1,700-mile trade route to the Gulf illustrate the politics of its “One Belt and One Road Initiative”. Xi Jinping believes that he can achieve Chinese dominance through investment and inter-connected infrastructure. In doing so, China is convinced that it can succeed where the US has failed. It expects its massive investment will serve as an incentive for Pakistan to step up its crackdown on Pakistani militants and to end the support of the country’s intelligence service, Inter-Services Intelligence (ISI), for radical Islamist groups. China hopes moreover that Chinese-built transport infrastructure could spur economic development in its north-western autonomous region of Xinjiang.

Sun Degang, the deputy director of Shanghai International Studies University’s Middle East Studies Institute, argued that China could afford to adopt its economically-focused approach because of its insistence on nonalignment and noninterference and differences in definitions of national interest between the West and China.^② In contrast to the West, which sees terrorism, proliferation of weapons of mass destruction, and other great powers seeking political and military dominance in the Middle East as national security threats, China prioritizes protection of its economic, trade, and energy interests.^③

Underlying the Chinese approach is the notion that rising living standards will enhance domestic stability and the security of the regime. These different definitions constitute the backbone of China’s “One Belt and One Road” initiative, described by Wu as “the most expansive Chinese initiative ever.”^④ Wu argued that the initiative was needed given that “the epi-center of war and conflict is the Middle East and North Africa” and that “Iraq, Afghanistan and Libya prove that war does not solve problems.”^⑤

Xi first gave a foretaste of Chinese priorities in the MENA when he outlined in June 2014 his country’s policy framework towards the region with the announcement of the “One Belt and One Road Initiative”.^⑥ “The Silk Road is an important guide for China’s Middle East diplomacy,” said Wang Jian. “Arab countries are at the western intersection of One Road, One Belt,” added SIIS’s Ye Qing.

In effect, “One Road, One Belt” is the latest version of concepts to spread China’s influence westwards that date back to 138 B.C. when the Han dynasty first dispatched emissaries to establish economic and political relations with the Middle East which inaugurated the Silk Road that for more than a millennium has linked China by land to Persia and by sea to the Arabs. “One Belt and One Road” is driven by a logic similar to and traverses much of the territory covered by the ancient Silk Road. International relations expert Wang Jisi argued in 2012 that China should respond to the US’ pivot towards Asia and the Pacific by filling diplomatic and economic voids in central Asia, south Asia and the Middle East created by the US withdrawals from Iraq and Afghanistan.

^① Dubi Ben-Gedalyahu, “China to be Israel’s Biggest Infrastructure Partner,” *Globes*, April 29, 2015.

^② Sun Degang, “China’s Soft Military Presence in the Middle East,” March 11, 2015, <http://www.mei.edu/content/map/china%E2%80%99s-soft-military-presence-middle-east>.

^③ *Ibid.*

^④ Wu Jianmin, “One Belt and One Road, Asia’s Stability and Prosperity.”

^⑤ *Ibid.*

^⑥ Ministry of Foreign Affairs, “Xi Jinping Attends Opening Ceremony of Sixth Ministerial Conference of China-Arab States Cooperation Forum and Delivers Important Speech Stressing to Promote Silk Road Spirit and Deepen China-Arab Cooperation,” June 5, 2014, http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1163554.shtml.

China's vast investments across Eurasia are rooted in a belief that geopolitics and economics ultimately mitigate in its favor. The era of a primary economic focus of oil-rich Gulf States on the US and Europe ended in 2013 with a shift in trading patterns that pushed the US to second place in the Gulf and saw India moving Japan out of third place. "It's a shift from the old industrialized powers to the newly industrialized powers," said Tim Niblock, a renowned expert on Gulf-Asian relations.^①

China has further been able to enhance its regional soft power with Arab rulers who marvel at China's ability to achieve extraordinary economic growth while maintaining its autocratic political structures. The appeal of the Chinese model is magnified by surveys that show reduced faith in democracy among Arab youth.^②

Established in 2001, the SCO serves China's aim of strengthening its soft and hard power. Two Middle Eastern states that are key to the "One Belt and One Road Initiative" are associated with the SCO; Iran as an observer and Turkey as a dialogue partner. China has said that it would back Iranian membership in the SCO. Filling the Eurasian void would put China in a position in which the US would need Chinese support in stabilizing the Middle East, Wang Jisi argued.^③

If the US approach is rooted in the Washington Consensus, a set of value-oriented free market economic ideas, supported by international organizations such as the IMF and the World Bank, China's approach amounts in the words of political scientist Mojtaba Mahdavi to a non-ideological Beijing Consensus, a mercantilist policy that is "another form of neo-liberalism with Chinese characteristics"^④ focused not only on securing resources and global transportation routes but also on access to consumer export markets and access to innovative technologies.

Leaving aside the sheer audacity and scope of Xi's Silk Road project that focuses on integrating the enormous swath of territories between China and the Middle East by concentrating on infrastructure, transportation, energy, telecommunications, technology and security, applying China's lofty principles is easier said than done and raises a host of unanswered questions. Its insistence on multi-polarity as opposed to US dominance in the Middle East implicitly means that the status of the US in the region would have to deteriorate further significantly before Washington, despite Obama's inclination to consult with others, would be willing to entertain the Chinese approach.

Some Chinese scholars have moreover begun to question One Belt and One Road's economic feasibility. China scholar Irene Chan noted that Chinese scholars were advising prudence in pursuing the development of infrastructure connectivity. Chan said the scholars were calling for in-depth studies on regional infrastructure development needs and political and economic risk analysis given that numerous Chinese infrastructure investments overseas were loss-making as a result of a lack of due diligence.^⑤

^① Tim Niblock, "The Gulf, the West and Asia: Shifts in the Gulf's Global Relations," Lecture at 4th International Forum on Asia and the Middle East: International Conference on Great Powers and the Middle East Political & Social Transformation, Shanghai, September 10, 2014.

^② ASDA'A Burson-Marsteller, "7th Annual ASDA'A Burson-Marsteller Arab Youth Survey," 2015, <http://arabyouthsurvey.com>.

^③ Yun Sun, "March West: China's Response to the US Rebalancing," January 31, 2013, <http://www.brookings.edu/blogs/up-front/posts/2013/01/31-china-us-sun>.

^④ Mojtaba Mahdavi, "Is China Becoming a New Hegemony in the Middle East?" International Conference on China in the Middle East, Indiana University and Peking University, Beijing, March 17-18, 2015.

^⑤ Irene Chan, "China's Maritime Silk Road: Emerging Domestic Debates," *RSIS Commentaries*, No. 053/2015, March 13, 2015, <http://www.rsis.edu.sg/wp-content/uploads/2015/03/co15053.pdf>.

III. The Middle East: Testing the Boundaries of Noninterference

The extent of China's policy debate as it relates to the Middle East and North Africa is further evident in the way Chinese officials, policy analysts and former ambassadors to the Middle East conceptualize China's approach in discussions with their scholarly Western and Arab colleagues. The debate is colored by what appear to be generational differences. Often older current and former Chinese officials appear to attribute greater importance to the formal aspects of political processes rather than political realities on the ground. One expression of that view is their emphasis on the outcomes of elections irrespective of whether they were free and fair and represent a voluntary expression of popular will. A case in point are Chinese official statements supporting the re-election in June 2014 of Syrian President Bashar al-Assad despite the fact that the vote lacked legitimacy or credibility in a country in which the government no longer is in control of all of its territory and has demonstrated a willingness to retain power irrespective of cost.

This approach conceals Chinese support for autocratic regimes in the MENA behind a veil of declared noninterference in a country's domestic affairs and recognition of a government legitimately constituted in nominal terms. It is, despite Chinese denials, a policy akin to the US emphasis on stability in the region rather than adherence to liberal American values. It is a policy for which the US, Europe and the international community have paid dearly given that it produced the violent and often brutal undercurrents of change that are sweeping the Middle East and North Africa as well as the emergence of jihadism, forces that increasingly also threaten Chinese interests.

Current and former Chinese officials often frame the debate by emphasizing external rather than domestic drivers of crisis in the Middle East. To be sure, Chinese policymakers and politicians do not have to take into account powerful ethnic and national lobbies like the Israel, Gulf, Turkish, Armenian and Greek groupings that play an important role in the formulation of policy in the US.

Yet, in the spirit of all foreign policy being a function of domestic policy, China is not void of domestic drivers that play an increasingly important role in its foreign policy making. Those drivers stem from evolving definitions of national interest and the increased number of players in China's foreign policy debates as China's global economic footprint expands.^① These players include major state-owned enterprises such as national oil companies whose interests in the Middle East and North Africa have mushroomed. The oil companies argue that China's lack of engagement and insistence on non-intervention deprive the People's Republic of leverage needed to negotiate pricing and supply in energy contracts in a market that is virtually inelastic.^②

The domestic drivers of Chinese foreign policy further involve popular insistence that the government ensure the safety and security of the growing number of Chinese nationals and jobs in the region. The Chinese companies active in Saudi Arabia employ a total of 16,000 Chinese workers.^③ Dubai boasts the Middle East's largest Chinese expatriate community with 200,000 nationals and an estimated 3,000 companies.^④ China has framed

^① Linda Jakobsen, Dean Knox, "New Foreign Policy Actors in China," *SIPRI Policy Paper 26*, September 2010, <http://books.sipri.org/files/PP/SIPRIPP26.pdf>.

^② Chaoling Feng, "Embracing Interdependence: The Dynamics of China and the Middle East," 2015, <http://www.brookings.edu/~media/research/files/papers/2015/04/28-middle-east-china-feng/en->

^③ Asia Economic Institute, "China Aims to Bolster Ties with Saudi Arabia and the Gulf," http://www.asiaecon.org/special_articles/read_sp/12221.

^④ Dania Thafer, "After the Financial Crisis: China-Dubai Economic Relations, Middle East-Asia Project

its need to protect its expatriate nationals as humanitarian aid and used it to project itself as a global power^① and justify its mushrooming military budget.^②

A further driver of Chinese policy towards the Middle East and North Africa is mounting concern that jihadist groups like IS could fuel unrest among Uighurs, a Turkic-speaking people that has long felt culturally more akin to the region's Turkic trading partners than to the majority Han Chinese and Hui Muslims.^③

These domestic drivers and the growing realization that China will at the very least have to be opportunistic about adherence to its policy principles have helped to narrow the gap between hardliners and moderates. Hardliners favor a more assertive policy already visible since 2009 in China's soft military approach to the Middle East and North Africa as opposed to proponents of a more conservative policy that harks back to former Chinese leader Deng Xiaoping's maxim of keeping a low profile that would allow China to avoid challenging US regional hegemony and benefit from conflicts sapping US strength.^④ The gap is narrowed by the fact that China has de facto already let go of Deng Xiaoping's maxim.

Sun Degang acknowledged this by arguing that "the further expansion of China's soft military presence overseas is necessary to protect its growing foreign commercial investments and other interests, not to mention the safety of Chinese expatriate workers."^⑤ He was referring to China's evacuation in 2011 of 35,000 workers from Libya with the help of Chinese naval vessels and Air Force aircraft diverted from anti-piracy operations off the Horn of Africa^⑥ as Col. Muammar Qaddafi's efforts to repress mass-anti-government protests turned violent. Sun Degang was also making reference to subsequent kidnappings of Chinese nationals in Sudan and Egypt's Sinai desert. The Libyan evacuation prompted President Hu in 2012 to identify the protection of nationals overseas as one of three new diplomatic priorities in his work report to the 18th Party Congress.^⑦ "You need to protect your overseas interests. We will do that in a cooperative way... It is not a zero-sum game," added Wu Jianmin, the foreign ministry advisor.^⑧

Beyond Libya, China was forced to remove in 2011 Chinese students from war-torn Syria, in 2014 some 20,000 people from northern Iraq after IS conquered significant chunks of the region, 61 and a large number in 2015 from Yemen where a Chinese warship docked while special forces protected the boarding Chinese and other foreign nationals.

The evacuations from Libya, Syria and Iraq helped China realize that populating its investments in the region with Chinese workers rather than helping to create jobs by employing local labor was fueling resentment. "If one makes money in a country, one has to give some of it back. We learnt that in Libya.... German companies only had a German

(MAP)," September 15, 2013, <http://www.mei.edu/content/after-financial-crisis-dubai-china-economic-relations>.

^① Chengqiu Wu, "Sovereignty, Human Rights, and Responsibility: Changes in China's Response to International Humanitarian Crises," *Journal of Chinese Political Science*, Vol.15, No.1, 2009, pp.71-97.

^② Ministry of National Defense, "Chinese Ambassador to India: New Security Concepts should be Nurtured," April 24, 2009, http://eng.mod.gov.cn/Opinion/2015-04/24/content_4581804.htm.

^③ Enrico Fardella, "China's Debate on the Middle East and North Africa: A Critical Review," *Mediterranean Quarterly*, Vol.26, No.1, pp.5-25.

^④ "Deng Xiaoping's '24-Character Strategy'," <http://www.globalsecurity.org/military/world/china/24-character.htm>.

^⑤ Sun Degang, "China's Soft Military Presence in the Middle East."

^⑥ Shaio H. Zerba, "China's Libya Evacuation Operation: A New Diplomatic Imperative: Overseas Citizen Protection," *Journal of Contemporary China*, Vol.23, No.90, 2014, pp.1093-1112.

^⑦ "Full Text of Hu Jintao's Report at 18th Party Congress," November 17, 2012, http://news.xinhuanet.com/english/special/18cpcnc/2012-11/17/c_131981259.htm.

^⑧ Wu Jianmin, "One Belt and One Road, Asia's Stability and Prosperity".

head. There were more jobs for locals. We paid attention and are doing better,” said Pan Guang, a prominent scholar at the Shanghai Center for International Studies and Institute of European & Asian Studies of the Shanghai Academy of Social Sciences.^①

The MENA’s violent convolutions have persuaded some Chinese analysts that the region has become a testing ground for an inevitable adjustment of Chinese policy principles, including the notion of non-intervention. Their views are rooted in realities on the ground as well as Mao Zedong’s belief that the Middle East and North Africa was a key arena for the struggle against the hegemony of superpowers.^② Mao’s assessment like Chinese approaches to the region today was driven by China’s definition of its national security interests rather than a desire to resolve the Middle East and North Africa’s seemingly intractable problems.

As a result, these scholars warn that China cannot afford to further avoid factoring into its policies profound processes that are shaking the fundamentals of the Middle East and North Africa’s nation state structure, post-colonial borders, and security architecture. Scholars like Israel expert Chen Yiyi noted that protection of Chinese economic interests had already forced Beijing to become more flexible in its adherence to the notions of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other’s internal affairs, equality and mutual benefit, and peaceful coexistence that were adopted in 1954 in a joint statement on peaceful cooperation by the leaders of China, India, and Burma.^③

Chen cited as an example Chinese shuttle diplomacy between Sudan and South Sudan on the back of Chinese investments in Sudanese oil fields and South Sudanese infrastructure.^④ Similarly, Chen argued that it was not a question of if but when China would seek to mediate in the Israeli Palestinian conflict.^⑤ China has recently also sought to arbitrate in Afghanistan and Syria.

China’s greater flexibility was evident in both its attempts to mediate and in instances in which China felt forced to breach its non-interventionism by establishing ties to opposition forces in countries wracked by internal violence and conflict like Libya, Syria, Yemen, and Afghanistan in a bid to hedge its bets in situations of potential political change. Libya served as a first indicator of the possible cost attached to remaining aloof despite maintaining contacts with anti-Qaddafi rebels. Qaddafi’s immediate successors threatened in 2011 to disadvantage China in the reconstruction of the country because it maintained its ties with the ancient regime to the bitter end.^⑥

Potential friction as well as China’s experience in Libya coupled with the kidnappings in Sudan^⑦ and Egypt prompted a number of articles, including in the Communist Party’s *Global Times*, that called for a loosening of the principle of non-intervention and greater

^① Pan Guang’s Keynote Speech at International Conference on China in the Middle East, Indiana University and Peking University, Beijing, March 17-18, 2015.

^② Yitzhak Shichor, *The Middle East in China’s Foreign Policy, 1949-1977*, Cambridge: Cambridge University Press, 1977, pp.160-161.

^③ Ministry of Foreign Affairs of the PRC, “China’s Initiation of the Five Principles of Peaceful Co-Existence,” http://www.fmprc.gov.cn/mfa_eng/ziliao_665539/3602_665543/3604_665547/t18053.shtml.

^④ Yiyi Chen, “Will China Interfere in the Israeli-Palestinian Conflict?” May 6, 2015, <http://www.mei.edu/content/map/will-china-interfere-israeli-palestinian-conflict>.

^⑤ Ibid.

^⑥ James. M. Dorsey, “China Needs to Change Mideast Foreign Policy,” February 7, 2012, <http://www.bloomberg.com/news/articles/2012-02-07/china-needs-to-change-mideast-foreign-policy-commentary-by-james-dorsey>.

^⑦ Jian Junbo, “Beijing’s New Overseas Imperative.”

Chinese assertiveness.^① “The Chinese government is not only familiar with but also fond of developing relations, including economic relations, with ruling parties, but somehow neglects to foster ties with the opposition forces or rebel groups in countries with civil conflict. Accordingly, once an opposition force or rebelling group in an African country decides to put pressure on the ruling authority by kidnapping foreigners, unarmed Chinese people can fall easy prey. On the other hand, where China also fails to develop strong relations with civil society in an African country, this often leads to some misunderstanding. Potential conflict is easily made use of by rebels as an excuse to kidnap Chinese as hostage. As a result, Chinese workers in Africa are also victim to civil conflicts in Africa or less sophisticated relations between China and African countries. ...The increase in the number of cases of threats either to Chinese workers or projects being forced into suspension imply that the Chinese government has yet to enhance efforts to protect its overseas interests,” noted Fudan University political scientist Jian Junbo.^②

Changing patterns in China’s foreign policy driven by events in the Middle East and North Africa were also evident in recent years in the constructive role China played in UN deliberations that led to the adoption of the principle of the right to protect provided the use of force had been endorsed by the Security Council^③ and in the evolution of Chinese defense policy. A Chinese defense white paper identified in 2013 the protection of overseas energy resources and Chinese nationals abroad as a major security concern to be shouldered by the Chinese military.^④ The shift in Chinese policy was facilitated by the fact that China had never clearly defined what would constitute intervention in the domestic affairs of another country^⑤, a vagueness that allowed China in the 1950s and 1960s to support revolutionary movements in Africa, South America and Southeast Asia.^⑥

Building on the evolution of China’s positions, Middle East scholar Liu Zhongmin warned that “the deep political changes in the Middle East, the restructuring of the regional system and the strategy adjustment of the US, Europe and other Great Powers...suggests that it is urgent for China to work out a mid-term and long-term diplomatic strategy toward the Middle East and corresponding mechanism and measures.” This, Liu argued, would have to involve adhering to the principle of non- intervention “with an innovative mind” that would “enrich the connotation of the principle from time to time.”

Liu suggested China could increase its influence in the region through increased aid, investment and efforts to mediate in disputes. China should “dare to propose to the related states more practical and specific resolutions in line with international morality” and expand its contact with opposition groups in the region, Liu argued. In line with the near consensus among Chinese scholars and officials that puts the Middle East in the context of China’s relations with the US and determines the international posture China should adopt, Liu maintained that China for a considerable time to come would have to compensate for structural limitations of its power and political disadvantages. These limitations include the

^① Aron Shai, “Detachment No Longer Serves Chinese Interests in Middle East,” *Global Times*, August 2, 2012.

^② Jian Junbo, “Beijing’s New Overseas Imperative.”

^③ Gareth Evans, *Responding to Atrocities: The New Geopolitics of Intervention*, SIPRI Yearbook, Oxford: Oxford University Press, 2012, p.30.

^④ Chinese State Council, “The Diversified Employment of China’s Armed Forces,” *Defence White Paper*, Beijing, April 2013, <http://eng.mod.gov.cn/Database/WhitePapers/>.

^⑤ Mathieu Duchatel, Oliver Braunel and Zhou Hang, “Protecting China’s Overseas Interest: The Slow Shift Away from Non-interference,” *SIPRI Policy Paper 41*, June 2014, <http://books.sipri.org/files/PP/SIPRIPP41.pdf>.

^⑥ Mikhail Barabanov, Vasily Kashin and Konstantin Makienko, *Shooting Star, China’s Military Machine in the 21st Century*, Minneapolis: East View Press, 2012, section 3.1.

lack of the kind of soft and hard power available to the US and persistent tension with the Uighurs.^①

Zhu Weilie, another Middle East scholar, proposed adding religious diplomacy to China's diplomatic toolkit. Religious diplomacy, Zhu reasoned, could be based on former Prime Minister Wen Jiabao's call in 2009 for respect for the diversity of civilizations and on the fact that former Prime Minister Zhou Enlai included an imam in his delegation to the 1955 Asian-African Conference in Bandung, a gesture that deeply impressed then Egyptian leader Gamal Abdel Nasser.^② China's limitations notwithstanding, some analysts suggest that China has no choice but to position itself as a global power sooner rather than later. In a variation on the theme, Peking University international relations scholar Wang Yizhou speaking to the *Beijing Review* sought to address the issues posed by non-interventionism by developing the concept of "creative involvement" that would allow it to participate in efforts to resolve conflicts with "cautious, creative and constructive mediation;" create institutions; and provide global public goods, "imprinting the future world with (China's) contributions." Wang argued that "creative involvement is a concept that focuses on diplomatic, commercial and military fields and stresses improving flexibility and skills of foreign affairs-related departments. It can be considered as a new direction for China's diplomacy. It will be a new option for China's diplomacy based on its new position and strength as well as its culture and traditions. It will bring a Chinese style to the world stage during the process of the peaceful development of the country."^③

Christina Y. Lin, a former US government official and China expert, noted that China's commercial and financial muscle gave it a leg up on the US. China was not only armed it with a larger war chest but also able to neutralize market forces by skipping over tenders and ignoring the rules of level-playing field competition. "In addition to bilateral agreements, China...provides competitive package deals that may include military aid in addition to concessional loans," Lin said.^④

Conclusion

Volatile, often brutal and bloody political transition in the MENA that is characterized by sectarianism and national aspirations of ethnic and ethno-religious groups challenges long-standing principles of Chinese foreign and defense policy, including notions of non-interference, win-win economically driven policies and a rejection of the development of a foreign military presence. The challenge in the framework of China's rising global posture as a superpower is forcing the superpower in deed rather than word to gradually compromise if not abandon its lofty principles in a bid to secure its increasingly massive investments in the Middle East and North Africa and ensure the safety of rapidly growing Chinese expatriate communities.

^① Liu Zhongmin, "Political Unrest in the Middle East and China's Response," in Sun Degang, Yahia H. Zoubir, eds., *Building a New Silk Road: China and the Middle East in the 21st Century*, Shanghai: World Affairs Press, 2014, pp.106-125.

^② Zhu Weilie, "On the Strategic Relationship between China and the Middle East Islamic Countries," in Sun Degang, Yahia H. Zoubir, eds., *Building a New Silk Road: China and the Middle East in the 21st Century*, Shanghai: World Affairs Press, 2014, pp.147-177.

^③ Ding Ying, "New Direction for China's Diplomacy," *Beijing Review*, March 8, 2012.

^④ Christina Y. Lin, "China's Strategic Shift toward the Religion of the Four Seas: The Middle Kingdom Arrives in the Middle East," *MERIA Journal*, Spring 2013.