



China and the United States in the Middle East: Between Dependency and Rivalry

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ABSTRACT

While China is becoming more active in the Middle East economically, diplomatically, and militarily, its policies in the region are often difficult for Western policymakers to predict or understand. Beijing views the Middle East through three lenses—its direct interests in the region, Xi Jinping’s signature Belt and Road Initiative, and US-China relations—and its policies are the result of the complex interplay of the three. China’s strategy emphasizes maximizing economic benefits and minimizing commitments in the region, while incrementally seeking to make strategic gains, bolster China’s regional and global profile, and challenge American predominance. The future of China’s policy depends not just on these factors, however, but on the approach the United States chooses to take to Beijing overall as well as on the unanswered question of what Middle East strategy Washington will pursue to complement its broader strategy of great-power competition. The current US posture of heavy presence but strategic diffidence in the region offers China the best of both worlds—a continued American security umbrella over a region increasingly interested in diversifying its great-power relationships.

1—INTRODUCTION

From the mid-2000s onward, the United States has gradually come to see China as its foremost peer and rival. This view has been shared by policymakers of both major political parties. It was Hillary Clinton, then a US Senator from New York, who wrote in 2011 of the need for a “pivot” to Asia, and of America’s “Pacific Century.” (Clinton, 2011) The pivot was later rebranded a “rebalancing” to avoid the impression that the US was turning away from other regions of the globe as it sought to increase its focus on Asia, but otherwise continued apace during President Barack Obama’s second term as president.

Despite his otherwise strenuous efforts to distance himself from the initiatives of his predecessor, President Donald Trump embraced and extended this focus on Asia, which saw its apotheosis in the National Defense Strategy (NDS) issued in 2018. The introduction to that document, penned by Secretary of Defense James Mattis, asserted bluntly that “Inter-state strategic competition, not terrorism, is now the primary concern in U.S. national security.” (US Department of Defense, 2018) The strategy represented a conscious effort to turn the ship of state away from two decades of continuous focus on counter-terrorism and the Middle East. It was also intended as a clear-eyed recognition of the reality that the threat posed by revisionist, nuclear-armed powers far outweighed that of the non-state actors whose attacks had drawn the United States into most of its 21st-

century conflicts.

However, the embrace of “strategic competition” clashed with another reality: the United States, whatever its aspiration, remained mired in those same conflicts. US troops were engaged in hostilities in Afghanistan, Iraq, Syria, and Africa, supported by scarce air, naval, and so-called “ISR” (intelligence, reconnaissance, and surveillance) assets. The NDS and a companion document issued by the White House, the National Security Strategy, described the approach the Trump Administration hoped to take. But of course the United States was not starting with a blank page, and these documents offered little indication of how the world’s sole superpower intended to transition from a strategy emphasizing conflicts on the periphery to one prioritizing great-power competition.

Nor did these strategy documents indicate what this profound strategic shift meant for US policies in the periphery. Both note the importance, for example, of preventing Iran from acquiring nuclear weapons and of defeating terrorist organizations, these are appendages to the broader strategy of great-power competition rather than integrated into it. There is little indication of how this strategy might play out in the Middle East—whether it means, for example, that the US will maintain longstanding objectives but devote fewer resources to accomplishing them, or whether Middle East issues will now be viewed through the lens of great-power competition, or whether the region will be forsaken altogether. Nor does the NSS or NDS provide meaningful guidance regarding how the US sees Chinese (or for that matter, Russian) involvement in the Middle East—potential American losses in a zero-sum game for influence, a welcome diversion of a rival’s resources, or something in between?

This omission stems from US strategy pronouncements defining US objectives—and, just as important, the American understanding of Chinese objectives—only in the broadest terms. For example, the NSS states that “China...aspire(s) to project power worldwide, but they interact most with their neighbors,” and that Beijing aims “to persuade other states to heed its political and security agenda.” (The White House, 2017) US aims are described with less specificity still. This leaves unanswered whether American policymakers view their objectives with respect to great-power competitors as essentially regional in nature—say, preventing China from establishing hegemony in East Asia—or whether they see strategic competition as a global struggle ala the Cold War.

Understanding American and Chinese national aims with greater precision is vital to determining how great-power competition will unfold in the Middle East and other regions outside the immediate environs of the two powers—how and to what extent each will engage in the region’s affairs, and whether the relationship between the two will be one of cooperation, dependency, or rivalry. The focus of this essay will be the latter—how Chinese policy in the Middle East is shaped by its interests in the region and beyond.

2—Three Lenses for Chinese Policy in the Middle East

Understanding American policy in the Middle East requires not simply a familiarity with US interests there—the understanding of which changes little from one presidential administration to the next—but also of broader domestic and geopolitical dynamics that shape the overall formulation of national security policy. The same is true for China and other powers. For understanding Chinese policy in the Middle East, three lenses are especially important—first, China’s interests in the Middle East; second, China’s efforts to project power westward through the Middle East toward Europe and Africa under the rubric of the “Belt and Road” Initiatives (BRI); and third, China’s complex relationship with the United States, which remains the dominant external power in the Middle East.

The role that China plays in the Middle East today, and how that role will develop in the future, is the result of the interaction of these dynamics, together with other factors such as domestic politics and China’s history.

This interaction can lead to outcomes that are often counterintuitive for American policymakers. For example, two of China's most valued relationships in the region are with countries bitterly opposed to one another, Israel and Iran. The former offers China both a destination for infrastructure investment and, to the increasing chagrin of US officials, a potential source for high-tech partnerships. The latter, however, is a natural partner in Chinese efforts to counter American predominance in global governance, and one whose relative international diplomatic and economic isolation makes it particularly, if reluctantly, dependent on Beijing.

Likewise, despite China's partnership with Iran, its willingness to help Tehran resist US sanctions has generally been limited. This owes in large part to the relatively greater priority Beijing places on preserving good trade relations with the United States; for this reason, predictions that US sanctions will fail due to Chinese defiance have frequently proven erroneous, because they misapprehend Beijing's priorities. The same tensions played out in public view when the United States invited China to participate in the Manama Conference in June 2019. The conference, promoted by the Trump administration as a meeting to promote investment and economic development in the Palestinian territories, was boycotted by the Palestinians, upset with the United States' recognition of Jerusalem as Israel's capital. China, together with Russia, initially announced it too would decline to attend, consistent with Beijing's efforts to take a balanced approach to the Israelis and Palestinians. Yet China quickly reversed course, ultimately sending an observer to the conference—loath, perhaps, to pick a fight with Washington over a peripheral issue, as well as to miss out on the investment opportunities that might arise.

3—CHINESE INTERESTS IN THE MIDDLE EAST

From an American perspective, what is most striking about Chinese interests in the Middle East is the degree to which they overlap with those of the United States, in marked contrast to the sharp divergence in, say, American and Russian interests. For Beijing, a number of interests in particular appear to predominate—chief among them energy, other trade and investment, freedom of navigation, and counter-terrorism.

3.1—Energy

The roles occupied by the United States and China in the global energy landscape have changed dramatically in recent years. The change in the American role was vividly illustrated by President Trump's involvement in April 2020 in a deal struck between OPEC and Russia to cut back on oil production in an effort to *raise* prices. (Faucon, et al., 2020). This represented a sea change from the position the United States—unwittingly on the brink of a shale revolution—found itself in just over a decade earlier, when then-US Treasury Secretary Hank Paulson pleaded with oil producers to increase production and open up their oil sectors to greater investment. (Associated Press, 2008)

China's role in global energy markets has undergone a perhaps less stark yet still enormously significant transformation. China has grown to become one of the world's top consumers of oil, second only to the United States. (Energy Information Administration, 2020) And though China became an oil importer only in the mid-1990s—providing a major impetus to the expansion of its ties with states in the Middle East—those imports have since skyrocketed, driven by increasing demand and declining domestic production. China became the world's largest importer of oil in 2017, surpassing the United States, which in late 2019 became a net exporter of oil. (Energy Information Administration, 2020) According to the BP Energy Outlook, these trends are likely to continue even if the COVID19 pandemic and rising US-China trade tensions, among other factors, depress demand for and trade in oil; China's oil demand will surpass that of the United States, which will become an increasingly major supplier, and China will continue to lead global growth in oil imports until eventually being overtaken by India in that regard. (BP, 2019) China is also the world's second-largest importer of liquefied natural gas (LNG), and led the world in LNG import growth in 2018. Qatar is China's second-largest source

of LNG imports; Iran is a potential supplier as well, though US sanctions currently obstruct Iran's LNG exports. (International Gas Union, 2019)

It is widely assumed that China's growing role as an energy consumer and importer necessarily means increased interdependency between China and the Middle East's oil states. The reality is more complex. While China is a major customer for producers such as Saudi Arabia and Iraq, they also count among their major export destinations Beijing's regional rivals in Asia, such as Japan, South Korea, India, and Taiwan. China itself has become somewhat less dependent on Middle Eastern suppliers. This is partly due to China's growing energy relationship with Russia, which surpassed Saudi Arabia as China's top oil supplier in 2016, and in 2017 OPEC's overall share of Chinese oil imports dipped to 56%, down from a high of 67% in 2012, according to the US Energy Information Administration. (Energy Information Administration, 2018) Yet it is also, ironically, partly the result of the United States' growing energy independence, which has freed up supplies in West Africa (Angola was China's third-largest supplier of oil in 2018) and South America (Brazil, Venezuela, and Colombia are all significant Chinese suppliers). Within the Middle East, China has diversified its energy relationships, importing significant quantities of oil from Saudi Arabia, Iraq, Oman, Iran, Kuwait, the UAE, and Libya in 2018.

China's energy relations with the Middle East go well beyond the oil trade, however. Energy is so central to Beijing's regional relationships that in the "1+2+3" cooperation pattern" outlined in the Arab Policy Paper released by the Chinese government in 2016, energy cooperation both comprises the first pillar, and elements of the third, which focuses on nuclear and "new" energy in addition to satellites. (State Council of the People's Republic of China, 2016) James Dorsey of the S. Rajaratnam School of International Studies at Singapore's Nanyang Technological University has argued that Chinese firms have "replaced US oil majors as major investors in Middle Eastern and North African national oil companies," citing Saudi Aramco mulling the sale of a 5% stake to a consortium of Chinese state-owned firms, and Abu Dhabi's ADNOC's sale of a significant share to Chinese government-held entities. (Dorsey, 2019) China has also been active in the nuclear, solar, wind, and hydroelectric sectors in the Middle East, consistent with the third pillar of its "1+2+3" approach. (Fulton, 2020) The growing Chinese role in regional energy investment—perhaps even more than its role as a consumer of Middle Eastern oil—raises the regional stakes for Beijing.

3.2—Non-Energy Trade and Investment

While energy may be at the core of China's economic interests in the Middle East, it is far from the entire story. For China, the Middle East is both a source of and a destination for investment and trade. According to the American Enterprise Institute, Chinese investment in the Middle East—Arab states, Iran, Turkey, and Israel—was a combined \$140.5 billion from 2005-2019. (American Enterprise Institute, 2019) Overall, this amount is not especially impressive—it is less than the amount China invested in the sub-Saharan Africa, and roughly on par with its investments in South America. More noteworthy is the trend. In 2018, for example, China invested \$28.11 billion in the Middle East, more than in any region except Europe. In a similar vein, nearly \$20 billion of the roughly \$25 billion in Chinese investment and construction in Egypt since 2005 has come since 2013, as has roughly \$22 billion of the \$30 billion it has invested in the UAE over that time period. (Molavi, 2019) Dorsey notes that China's investment is broad in scope, writing, "In just one slice of the vast Eurasian interests of Chinese companies, China's ambassador to Saudi Arabia, Li Chengwen, noted in 2013 that 140 Chinese companies were involved in contracts worth \$18 billion in Saudi Arabia's construction, telecommunications, infrastructure, and petrochemical sectors." (Dorsey, 2019) The Middle East has also been a growing destination for Chinese exports, which increased by 67% in nominal terms from 2010-2019, far exceeding the overall rate of growth in Chinese exports globally over that time period, and far exceeding the 22% increasing in American exports to the region. (International Monetary Fund, 2020) Finally, the region is a destination not only for Chinese trade and investment, but for its workers. Approximately 550,000 nationals were living in the Middle East in 2014 (Dorsey, 2019), with 200,000 in the UAE alone.

The economic dependence between China and the Middle East runs in both directions. In 2019, the Middle East sent \$132 billion in exports to China, more than to any other single destination, far outstripping the United States (\$41 billion) and nearly as much as to the entire European Union (\$160 billion). Yet while Chinese investment in the region seems ubiquitous, Chinese imports heavily favor energy producers. For example, Oman sent China nearly 40% of all its exports in 2019, and enjoyed a nearly \$16 billion trade surplus with Beijing. Egypt, on the other hand, exported a mere \$358 million to China that year while importing from China goods and services worth over \$12 billion, making China responsible for nearly one-third of Egypt's overall trade deficit. (International Monetary Fund, 2020) One important source of Chinese support for Middle Eastern economies comes in the form of tourism. China supplanted the United States as the largest source of outbound tourists and tourism revenue in 2014 (Chaziza, 2019) For example, the number of Chinese tourists arriving in Egypt grew by 280% from 2014 to 2018, with China's overall share of tourism in Egypt rising from 0.6% to 2.07% in that period. For comparison, US tourist arrivals in Egypt rose 86% in that same period, with the US market share rising from 1.56% to 2.53%. Over the same time period, Chinese tourism to Israel grew by 225%, while US tourism grew 49%. (UN World Tourism Organization, 2020)

While analysts and officials in the United States debate whether the overall trends of Chinese trade and investment in the Middle East, and vice versa, should be of concern, two areas of Chinese economic activity in the region merit particular attention: arms and technology. Chinese arms sales in the Middle East pale in comparison to those of the United States and Russia, yet have grown quickly in the past decade, increasing 82% during the period 2014-2019 compared to the previous five years. Furthermore, the systems sold by China raise particular concerns—Beijing has, for example, been energetically promoting the export of armed UAVs, selling them over the past decade to Algeria, Egypt, Iraq, Jordan, Saudi Arabia, and the UAE. (Stockholm International Peace Research Institute, 2020) In addition, China has sold significant quantities of anti-ship cruise missiles to Iran, among others; these types of weapons have been responsible for attacks by Lebanese Hezbollah and Yemen's Houthi rebels, both of which receive arms from Iran. China even reportedly built a factory in Iran in 2010 to manufacture anti-ship cruise missiles. (UPI, 2010)

Chinese investment in high technology has focused on Israel, considered a global leader in high-tech startups. According to a recent report by the RAND Corporation, Chinese venture capital investment in Israel increased from \$500 million in 2014 to \$1 billion in 2016, and Israeli tech-startups received \$325 million in Chinese investment in the first three quarters of 2018 alone, an increase of over one-third from the previous year. The report indicates that China has focused on areas such as artificial intelligence, robotics, and information technology—all notable for their potential application to military challenges and for being focus areas for Beijing's "Made in China 2025" plan. (Efron, et al., 2020) While China-Israel technology ties are notable for the friction they have caused in the US-Israel relationship, they are not the only case of Chinese technological investment in the Middle East raising eyebrows in Washington. As of September 2019, Chinese 5G provider Huawei had signed contracts with eleven telecommunications firms in the GCC, including in Saudi Arabia, Oman, the UAE, Kuwait, and Bahrain, prompting official US complaints. (Halligan, 2019)

3.3—Freedom of Navigation

China's economic dependence on the Middle East, and particularly the region's entanglement in Chinese energy security, also lends Beijing a keen interest in freedom of navigation in the region's seas. About 21% of petroleum liquids consumed globally and one-quarter of the global liquefied natural gas trade pass through the Strait of Hormuz, and in 2018, 76% of the crude oil and condensates passing through the Strait was bound for Asian markets. Options for bypassing the Strait of Hormuz are quite limited—Saudi Arabia and the UAE have pipelines circumventing the chokepoint that together can carry 6.5 million barrels per day of oil, just 31% of the volume that passes through the Strait. (Energy Information Administration, 2019)

Also of vital importance to Chinese energy and economic security are the Suez Canal and Bab el-Mandeb strait. These waterways are not as vital to Beijing from an energy security perspective, yet they are still important. According to the US Energy Information Administration, 9% of seaborne-traded petroleum passes through the latter, including, in 2018, 2.6 million barrels per day that is destined for Asian markets. (Energy Information Administration, 2019) Adding to the Suez Canal and Bab el-Mandeb's centrality to Chinese economic interests is the fact that 60% of Chinese exports traverse these waterways, which has led to heavy Chinese investment in the canal's ports and terminals. (Dorsey, 2019)

3.4—Counter-terrorism

At a meeting of judicial chiefs of Shanghai Cooperation Organization countries in 2006, Xiao Yang, chief of China's Supreme People's Court, exhorted his peers to combat what he termed the “three evil forces” of terrorism, extremism, and ethnic separatism. Beijing views the Middle East as a source of all three.

China's conception of terrorism is both like and unlike that of the United States, for reasons the “three evils” formulation suggests. Like the United States, China has been the victim of domestic terrorist attacks that it worries have links to international terrorist organizations. These have included bomb attacks in Urumqi, the capital of China's restive Xinjiang region, in April and May 2014, and knife attacks in Kunming and Guangzhou in March and May of 2014, respectively. In 2015, a Chinese hostage was murdered by ISIS in Syria. Thousands of Chinese nationals—exact estimates vary, and even China's Syria envoy has indicated he does not know the number with any precision—have reportedly traveled to Syria to join groups such as ISIS, Hurras ad-Din, and others. Chinese officials, like their counterparts in Europe and elsewhere, worry about the security consequences of the return of these foreign terrorist fighters. (Reuters, 2018)

Yet for China, unlike the United States, worries about terrorism and extremism are inextricably tied to concerns about ethnic rights and the internal stability of China itself. Alireza Nader and Andrew Scobell quote Chinese scholar Li Weijian of the Shanghai Institutes of International Studies as writing, “As the strategic extension of China's western border region, the trends governing the situation in the Middle East and the region's pan-nationalisms and extremist religious ideological trends have a direct influence on China's security and stability.” (Nader & Scobell, 2016) This also means that, despite its professed concern about terrorism, China tends not to share the blanket US opposition to Islamic extremist groups like Hezbollah or Hamas, provided that they do not give succor to those Beijing regards as threats to China's internal security. Nor, unlike the United States and most researchers of extremism, does China view political liberalization, justice, or democracy as part of the answer, for obvious reasons. Instead, China emphasizes economic development as the key to overcoming extremism and radicalization. Nadege Rolland quotes Chinese scholar Gan Junxian as asserting, for example, that “increased economic exchanges and trade, enhanced living standards in Central Asia, and cultural exchanges to strengthen trust between people will eliminate the basis for fundamentalism and terrorism.” (Rolland, 2017)

3.5—Other Interests

One could reasonably enumerate any number of other Chinese interests in the Middle East, all deriving from the basic desire of states to safeguard their security, prosperity, and system of government and way of life. Where China differs from the United States and other western countries, however, is in its readiness to link issues that are of deep concern to Beijing but otherwise unrelated to the Middle East—for example, the matter of international recognition of its “One China” policy—to its regional relations. Indeed, China devoted a paragraph of its Arab Policy Paper, issued on the eve of President Xi Jinping's visit to the Middle East in 2016, to the matter of Taiwan. The paper states that

The Taiwan question concerns the core interests of China. The one China principle is the important basis for China to establish and develop relations with Arab states and regional organizations. Arab states and regional organizations have always been committed to the one China principle, refrained from having any official relations or official exchanges with Taiwan, and supported China in peaceful development of cross-Straits relations and the great cause of national reunification. China appreciates all these. (State Council of the People's Republic of China, 2016)

Nor is Beijing's concern limited to this single issue. In his remarks at the 2019 Manama Dialogue, delivered in proficient Arabic, Chinese Middle East envoy Li Chengwen devoted nearly half of his speech to a stern rebuke of the Japanese Defense Minister's earlier comments on the South China Sea. (Li, 2019) While there is little indication that Beijing has sought to promote its stance on the South China Sea as actively as it has the "One China" policy, regional governments are doubtless aware that China views as global interests that others might perceive as strictly Asian affairs. There are few parallels to such linkages in international affairs; the Trump administration suggested that it would tie foreign assistance to states' UN voting records on Israel, for example, but such initiatives tend to be short-lived and sporadically enforced.

4—THE BELT AND ROAD INITIATIVE

The second lens through which Chinese policy in the Middle East should be viewed is the Belt and Road Initiative (BRI), Xi Jinping's signature foreign policy strategy. In the Chinese formulation, the BRI aims to foster connectivity in order to bring about the realization of what Xi termed a "community of common destiny"—that is, to more closely bind far-flung regions of the world to China. While the BRI is most frequently associated in Western opinion with infrastructure investment, Xi described five forms of connectivity the initiatives aim to advance: political, transportation, trade and investment, financial integration including greater use of the Chinese currency (renminbi), and people-to-people exchanges. (Scobell, et al., 2018)

The BRI consists of two, or in some descriptions three, separate pillars: the Silk Road Economic Belt, which focuses on overland routes from Western China through Central Asia and beyond; the Maritime Silk Road, which focuses on maritime corridors from the South China Sea to the Indian Ocean and beyond; and a "New Digital Silk Road," focusing on telecommunications and information connectivity. (Kliman & Grace, 2018) So ambitious is the BRI that it is more appropriate to ask which regions and countries China does not include in it rather than which ones they do; it encompasses all of Eurasia, including Russia, Central Asia, and the Middle East; Southeast Asia; all of South Asia apart from India; much of Eastern Europe; parts of Africa, especially coastal East Africa; and even countries in South America. The BRI speaks to the breadth of Chinese economic, political, and security activities, as well as to the depth of its ambitions.

In explaining how the BRI emerged and what drives it, Nadege Rolland describes it "as an attempt to set the direction for China to achieve its ambitions as a preponderant regional power, in the context of mounting challenges in both the economic and strategic domains." (Rolland, 2017) She states that the BRI emerged as a result of two developments that led the Chinese leadership to rethink their approach to achieving China's rise: the global financial crisis of 2008, which hampered Chinese economic growth; and the US "rebalance" to Asia, viewed in Beijing as an effort to contain China. Rolland asserts that the BRI has both economic drivers as well as unstated strategic drivers. The former aims not only to promote Chinese economic growth generally, but dispose of excess industrial capacity, boost China's state-owned enterprises, and encourage greater international use of the renminbi. The latter focuses on fostering development in Western China and Central Asia in order to promote internal stability in China, promote China's energy security, boost China's diplomatic profile and influence, and counter the perceived US effort at containment. (Rolland, 2017)

For all these hoped-for benefits, Chinese analysts also acknowledge that the BRI brings with it economic and

strategic risks. China's westward expansion has exposed it to increased threats of terrorism, which claimed the lives of fourteen Chinese nationals in Afghanistan and Pakistan in 2004, as well as war, which put at risk tens of thousands of Chinese citizens in Libya and Yemen in 2011-2012. Chinese analysts also have expressed worry about the BRI becoming a lightning rod for extremists, increasing the risk to Chinese workers. Finally, Chinese scholars have recognized the risk that BRI could place China in greater competition with other major powers, including not only the United States but also India, Japan, and others. (Wuthnow, 2017) China's growing economic footprint has also resulted in a degree of backlash in the region itself, with an Iranian parliamentarian complaining in 2010 of the impact of Chinese imports on domestic producers, and instances of violence against Chinese workers in Algeria and Iraq. (Chen, 2011)

Many of the activities now included under the umbrella of the BRI are not new; certainly China was active in infrastructure construction and port development in the Middle East before the strategy was articulated. Nor are the drivers of the BRI entirely distinct from the formulation of Chinese interests in the Middle East described above; building pipelines advances both transport connectivity as well as enhancing Chinese energy security, for example. Why then should the BRI be considered a distinct lens through which to view Chinese policy in the Middle East? If the interests enumerated in the previous section describe the ways in which Beijing sees the Middle East directly affecting its prosperity and security, the BRI treats the Middle East as a piece in a broader puzzle—not simply as a destination for Chinese diplomats, investment, etc. in its own right, but as a link in a chain, and a particularly important one given its geographic centrality. Thus, while projects such as the development of Oman's Duqm port or Israel's Ashdod port might serve Chinese economic interests in their own right, they take on particular importance in the context of BRI given their role in facilitating the westward projection of Chinese power and influence. As Rolland notes, "BRI is...not merely a list of revamped construction projects but a grand strategy that serves China's vision for itself as the uncontested leading power in the region." (Rolland, 2017)

5—US-CHINA RELATIONS

The United States and China are increasingly viewed as rivals if not adversaries, and for good reason: from a US perspective, China is the only other country in the world likely to match the United States in economic and military power, and appears determined to use that power in ways inimical to American interests. Yet the day-to-day reality of the US-China relationship is far more complex, as demonstrated by the frequent warm words and reciprocal visits between American and Chinese leaders as well as the interdependence of the US and Chinese economies. This conflict—between rivalry and interdependence—is the central one for US-Chinese relations.

In the Middle East, China is confronted with the unavoidable reality that the United States is the region's most powerful external actor, and has been not just since the end of the Cold War, but arguably since Egyptian President Anwar Sadat expelled Soviet military advisors from Egypt in 1972. China's relationship with the United States in the region is characterized by three tensions:

- 1) First, China aims to dethrone the United States, but not supplant it. As noted above, Beijing perceives the United States as a declining power, and the American rebalance to Asia as an effort to contain and marginalize China in regional and global affairs which must be countered for China's rise to continue. However, China is neither capable nor necessarily interested in replacing the United States as the world's sole superpower. Furthermore, China remains highly interdependent on the US, especially economically; the unavoidable reality for Beijing is that its relationship with Washington is—so far, at least—more important than almost any interest it possesses in the Middle East.
- 2) Second, China aspires to be seen in the world and within China as a great power, but wishes to

cast itself as an entirely different kind of power than those that preceded it, especially the United States. China characterizes Western powers' approach to the developing world as exploitative and militaristic, and seeks to position itself as a purportedly benevolent and peaceable alternative. Similarly, China has criticized the American tendency to seek and form alliances and engage in interventions in the Middle East and elsewhere, and has publicly espoused a doctrine of "non-interference" and sought to cultivate friendly relations with all states while eschewing formal alliances with any, save North Korea. This doctrine is captured by Mao Zedong's "five principles of peaceful coexistence," namely mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in other states' internal affairs, equality and mutual benefit, and peaceful coexistence. (Ministry of Foreign Affairs of the People's Republic of China, 2014)

- 3) Third, while China is critical of the US approach to the Middle East—especially military interventions in Iraq, Syria, and elsewhere—it remains dependent on an American security umbrella there. It is the US Fifth Fleet, not the PLA Navy, that secures oil shipments bound for China through the Strait of Hormuz, and American security cooperation with the Iraqi military is vital for safeguarding Chinese energy investments there. This dependence is why China, unlike other US rivals, has not cheered the withdrawal of US forces from Syria, Iraq, and Afghanistan; indeed, the prospect of American disengagement poses a difficult challenge to Chinese strategy in the region.

As Western analysts of China have debated whether the growing rivalry between China and the United States is merely a geopolitical struggle or also an ideological one, the notion that a "China model" exists as an alternative to the "Washington consensus" has been promoted by Beijing and has sparked worries in Washington. One Middle East analyst described the China model as "balancing economic development, state modernization, and political control...for countries that want to carefully manage their economic and political transformation." (Hokayem, 2009).

Yet there are substantial questions whether a China model truly exists, much less whether it is applicable to the states of the Middle East. Mehran Kamrava concludes, for example, that while the notion of achieving economic growth while avoiding political liberalization has an undeniable appeal for authoritarian states, Middle Eastern regimes generally lack the "necessary ingredients and preconditions"—notably state capacity—that enabled China's success. (Kamrava, 2018)

Nevertheless, a narrative about the risk of the China model spreading across the region will likely persist due to a combination of factors—discontent in the Middle East with American policies and the market- and democracy-oriented Washington Consensus; anxieties in the West about losing ground ideologically to China in regions such as the Middle East; and a desire by Middle Eastern governments to curry Beijing's favor and import the tools of political control it seems to employ so effectively. Despite these factors, there is little evidence that US policy faces a challenge, whether from within the Middle East or from China itself, from the adoption of a China model by regional governments. Indeed, the bigger challenge may come from within Washington itself, where questioning of the US-led Middle East status quo may be most acute.

6—CHINA'S CHALLENGES AND OPPORTUNITIES

In pursuing its interests and objectives in the Middle East, China—like all external powers before it—faces numerous obstacles. Yet Beijing, in contrast to the United States and Europe, also perceives opportunity in the region.

6.1—Economic Instability

In the first quarter of 2020, the Middle East faced what arguably constituted a triple economic crisis: the economic impact of national measures to contain the outbreak's spread, such as closing retail businesses and factories; the further impact of declining external sources of income and support, including tourism, remittances, portfolio inflows, and aid, as the rest of the world grappled with the outbreak; and the crash in oil prices stemming from a Saudi-Russian price war and the crash in demand resulting from the pandemic. The crisis demonstrated just how quickly economic fortunes can change, as prior to the pandemic the Middle East was experiencing modest growth and some countries, such as Egypt, were seen as the cream of the emerging-markets crop from the perspective of foreign investors.

For China—focused as it has been on energy and (often debt-financed) infrastructure projects, this instability also represented a multifaceted crisis. Low oil prices would ordinarily be greeted enthusiastically in Beijing, but, like other major oil consumers, China was in no position to capitalize as the decline in prices was driven as much by the evisceration of demand as the glut in supply. Furthermore, the decline in prices leaves energy investments less profitable, and pressure on regional finances likely promises a reduction in spending for the foreseeable future on the sort of mega-projects that have attracted Chinese involvement, many of which could be left dormant in the wake of the coronavirus. It is possible that the crisis may direct particular ire toward China, both because debt burdens are likely to mount and Beijing may hesitate to offer relief, and because blame for the pandemic's global spread may be placed at the doorstep of the Chinese government, which is widely regarded as having misled the world about the initial outbreak in Wuhan. The crisis may also underscore the need for regional governments to enact measures to encourage the growth of robust private sectors, which could prove a disadvantage for China's economic engagement in the region.

Nevertheless, Beijing may also perceive potential advantages in the region's economic instability. Amid economic crisis, distressed governments may seek to raise funds through the sale of assets, offering China an opportunity to expand its regional portfolio in line with BRI objectives. Beijing, and the Asian Infrastructure Investment Bank (AIIB) which it dominates, may also act as a lender of last resort if Western states prove unable or unwilling to help, and if traditional regional benefactors such as Saudi Arabia, the UAE, Qatar, and Kuwait must struggle with their own financial squeezes. This could be particularly the case for states like Oman, which is already heavily dependent on China for trade, is viewed by China as an important BRI node, and which has resisted the political conditions associated with financial aid from its neighbors.

6.2—Political Instability

While economics may come first in China's relations with the Middle East, political instability in the Middle East is a greater challenge than economic turbulence because China has far fewer tools with which to address the former, especially compared to competitors like the United States and Russia. Amid the "Arab Spring" in 2011, Beijing sought to maintain friendly relations with both sides of just about every regional conflict, cultivating cordial ties both with Muammar Qadhafi and Libyan rebels, for example (despite its professed prioritization of sovereignty and non-interference), just as China had been among the first governments to recognize Hamas rule in Gaza the decade prior. Yet Beijing was caught flat-footed nevertheless—it had to scramble to mount its first-ever expeditionary naval operation in 2011 to evacuate 30,000 Chinese nationals from Libya, having reportedly been previously unaware that so many of its citizens resided there. It later had to mount a smaller such operation in Yemen. While both operations were ultimately celebrated in China, they demonstrated clearly the mismatch between Beijing's regional posture and its vulnerabilities there—a mismatch China has since strived to overcome, in no small part by opening its first overseas naval base in Djibouti.

Since the Arab Spring, Beijing's effort to be friends with everyone has faced increasing headwinds, and not just

in countries experiencing civil wars. Since 2011, the Middle East has witnessed a rise in intraregional rivalry, as the old US-led order has decayed, and states have instead organized themselves into ad hoc blocs and taken more activist stances on conflicts within the region. In just a decade, for example, GCC states have intervened in Bahrain, Yemen, Libya, and the Horn of Africa, Turkey has intervened in Syria, Libya, and the Horn of Africa, and Iran has intervened in Syria, Iraq, Lebanon, Yemen, and elsewhere.

Avoiding taking sides in this environment has proven challenging, and has relegated China to the sidelines, despite its great-power aspirations. With regard to Syria, for example, China is widely viewed as a junior partner to Russia given the fact that Beijing has cast its veto multiple times in support of Moscow's position, breaking from its previous practice of using its veto power largely for matters closer to home. Beyond these votes, China has exercised little diplomatic muscle and no military power; while this quiescence may be in keeping with China's desire to distinguish itself as a different kind of power, the contrast between its profile and that of the US, Russia, and even European powers such as the UK, France, and Germany is stark and demonstrates the difficulty of marrying non-interference with geopolitical relevance. It also demonstrates that regional actors, whatever their complaints about American, European, or Russian policies, continue to turn to these powers for assistance and mediation rather than to Beijing, reflecting perhaps China's brief modern history in the region and a simple lack of familiarity and well-developed relationships.

Finally, China's preferred approach to tackling one of the region's most pressing problems—extremism—has proven wanting. As noted above, Beijing asserts that economic development, poverty reduction, and cultural exchanges are sufficient to prevent radicalization and discontent. However, copious research since the 9/11 attacks demonstrates conclusively that this is not the case. Extremism has multiple drivers, including political exclusion, corruption, abusive security forces, and ideological appeal—factors which Chinese initiatives avoid addressing, and to which they sometimes contribute in countries receiving Chinese aid and investment. As Daniel Kliman and Abigail Grace note in their report on the BRI, China—despite adopting an anti-bribery law in 2011—risks exacerbating corruption in the countries in which it operates, and its export and promotion of digital surveillance risks heightening a sense of injustice and oppression as it helps to solidify government control of local populations. (Kliman & Grace, 2018)

6.3—Changing Role of the United States

Under successive administrations, the United States has made clear that it views its engagement in the Middle East as excessive and often counterproductive, and desires, if not to withdraw, certainly to reduce the resources and effort devoted to the region relative to others. This Middle East fatigue has several causes—the desire to “rebalance” to Asia, a goal shared by Republicans and Democrats alike; a broad and growing sense that American interventions in the Middle East have paid scant strategic dividends at best; and even a view that the US has fewer national interests at stake in the region than in the past, largely due to the United States' increasing energy independence.

This desire to step back from the Middle East was first expressed by President Barack Obama, whose initial presidential campaign in 2008 focused heavily on criticism of the US-led war in Iraq. However, it has had its apotheosis under President Trump, who has spoken in characteristically blunt terms about the futility of US engagement in the Middle East, referring to Syria as “blood-stained sand” not worth fighting over, and the US invasion of Iraq in 2003 as “the worst decision ever made in the history of our country.” (Trump, 2019) Both Obama and Trump directed particular criticism toward China—Obama described Beijing as a “free rider” in Iraq, and Trump suggested that China and others “should be protecting their own ships” in the Gulf. President Trump has backed up his words with action: withdrawing some US forces from Syria and pushing to withdraw them from Afghanistan; acquiescing to a Turkish incursion into territories in northeast Syria occupied by US Kurdish allies; and declining to respond to Iranian attacks on internationally-flagged oil tankers and the Aramco

oil processing facilities at Abqaiq and Khurais.

The American drive to step back from the Middle East has, unsurprisingly, unsettled and often angered US allies in the region. Since the Cold War, the United States has been the preponderant power in the region, and the Middle East's de facto security architecture has been characterized not by regional multilateral organizations or alliances, but by a central US role as security guarantor, and strong bilateral security relationships between the United States and allies who often lack meaningful ties with one another. The erratic nature of American engagement and rhetoric on the Middle East since the mid-2000s has meant that US disengagement has often been perceived as more thoroughgoing than it has actually been; if prior to 9/11 the US had a strong commitment to the region but a modest presence, the US posture is now the reverse, an uncertain commitment despite an enduring presence. This uncertainty is exacerbated by the fact that the US has refrained from articulating what a new, less resource- and effort-intensive Middle East strategy might look like.

American diffidence toward the Middle East has also presented Beijing with a conundrum. On one hand, China's approach to the region has long assumed, and tacitly depended upon, a US security umbrella. There are three reasons for this. First, while the United States became heavily involved in the Middle East after World War II in part to contest Soviet influence in the region, China's involvement there began during a period—the 1990s—when the United States was already far and away the region's dominant power. Second, China has long lacked the capacity to project diplomatic or military power to the Middle East, even had it desired to do so. Finally, China as noted above has sought to style itself as a different kind of great power, one which eschews the military interventions practiced by peers; this is far easier to pull off when someone else is shouldering the security burden, which if unmet would significantly increase the risks to Chinese interests in the region.

Despite this dependence on the US security umbrella in the Middle East, China has—like other states—been critical of American policies in the region as contributing to instability. As a revisionist power, Beijing also, as noted above, broadly aims to reduce American dominance of international affairs and increase its own role. Thus, while US disengagement from the region poses a serious challenge to China's approach to the Middle East, it also opens an opportunity for China—albeit one it may not want—or be able to afford—to take. This conundrum is reflected in the positions Chinese officials and analysts have taken on US policies in the region. For example, China strongly opposed the US intervention in Iraq in 2003, yet also later opposed the withdrawal of American forces. (Singh, 2016)

7—CHINA'S MIDDLE EAST STRATEGY

A Chinese strategy in the Middle East must be inferred, as China, like the United States, tends to issue aspirational documents rather than propounding on its regional strategies. These statements, such as the “Five Principles of Peaceful Coexistence,” the “Arab Policy Paper” with its “1+2+3” framework, and so on, are useful for understanding China's approach to the region, but do not together constitute anything approaching a strategy. At the core of China's implicit strategy for the region are two realities: first, that a state's foreign policy, as Chinese ambassador to the United States Cui Tiankai acknowledged in 2015, inevitably follows its investment; in other words, where merchants and traders go, diplomats and soldiers follow. (Tiankai, 2015) Second, while China is a revisionist power and interested in reshaping global affairs to enhance its own role and diminish that of the United States, the Middle East is not Beijing's preferred arena to wage this struggle—it is not looking for a fight with Washington in the region, and likely assesses that the reverse is also true, at least for now.

The result is a strategy which seeks to build on what Beijing deems to have worked for it so far in the Middle East—practicing “non-interference,” remaining friends to all and avoiding taking sides in regional disputes, and looking to reap economic and political benefits where they are available—while incrementally expanding its regional role and challenge to the United States. Several distinct elements of this strategy can be identified from

China's recent policies.

7.1—Lead with Economic Benefits

China's economic relationships in the region are fundamentally driven by mutual need—China needs energy and uses for excess capacity and capital, and states in the Middle East need investment, infrastructure, and low-cost goods that the region's under-developed private sector do not provide. These economic relationships provide most states in the region with a clear stake in partnership with Beijing, and, far more than any geopolitical motivation, mean that regional states would resist being forced to choose between the United States and China if it came to that.

However, China's economic entanglement in the Middle East also pays other strategic dividends—it provides a form of leverage that China has not hesitated to use in other contexts, for example in withholding rare earth exports to Japan in 2010 and barring fruit imports from the Philippines in 2012. China has also used tourism as a political tool in its relations with Taiwan, and Mordechai Chaziza has argued that Beijing has also done so with regard to Turkey and Israel. (Chaziza, 2019) Similarly, during a 2017 summit in Beijing with Turkish President Recep Tayyip Erdogan, Xi Jinping was quoted by China's Foreign Ministry as telling his counterpart, “In order to promote even greater development of relations, China and Turkey must respect and give consideration to each other's core concerns, and deepen security and counter-terrorism cooperation.” This was widely viewed as Xi telling Erdogan that economic benefits would be based on better Turkish cooperation on the Uighur issue. (Reuters, 2017)

China's economic focus in the region carries other potential benefits. Kliman and Grace have argued, for example, that Chinese investments will give Beijing leverage in instances where projects are debt-financed, will reshape the commercial playing field in favor of Chinese firms and against those from the West, and enhance Chinese influence over international commercial standards. In addition, by inviting third-country banks to participating in the financing of Chinese-led projects, Beijing's economic risks can be shared, and other states can come to acquire a stake in its success in the region. (Kliman & Grace, 2018)

7.2—Everyone's Friend, No One's Ally

In the early years after the establishment of the People's Republic of China, Beijing acted in sympathy with anti-colonial or “liberation” movements, for example by cultivating ties with Nasser's Egypt in 1956 and supporting Yasser Arafat's Palestine Liberation Organization (PLO). In the ensuing years, however, China's approach to the Middle East went from ideological to outwardly cautious and conventional. In 2017, for example, China proposed a “four-point plan” for Israeli-Palestinian peace:

- 1) Advancing the two-state solution based on 1967 borders with East Jerusalem as the capital of a new Palestinian state;
- 2) Upholding “the concept of common, comprehensive, cooperative and sustainable security,” immediately ending Israeli settlement building, taking immediate measures to prevent violence against civilians, and calling for an early resumption of peace talks;
- 3) Coordinating international efforts to put forward “peace-promoting measures that entail joint participation at an early date;”
- 4) Promoting peace through development and cooperation between the Palestinians and Israel.

As a plan, it seemed designed more to avoid offense than take bold stands and, more than anything, to broadcast China's aspiration to a more prominent status in the region. In doing so, it followed a well-established pattern for Beijing—seeking to enjoy the benefits of friendship with all, without the burdens of alliance to any of the

region's players. Jonathan Fulton has described China's approach as "fence-sitting"—that is, avoiding entanglement in regional conflicts and competitions while formalizing relationships that highlight mutual benefit and minimize commitment. China has signed "strategic partnership" or somewhat enhanced "comprehensive strategic partnership" agreements with Algeria, Djibouti, Egypt, Iran, Iraq, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, Turkey, and the UAE since 2014.

While it would be easy to dismiss such vehicles as diplomatic niceties, Fulton argues that China uses them with purpose. First, they enable China to explicitly demonstrate balance in its regional ties; for example, Xi Jinping in his first visit to the region initially stopped in Riyadh to sign China's partnership agreement with Saudi Arabia, then immediately flew to Tehran to sign a comparable agreement with Iran. Second, the accords nevertheless broadcast Chinese priorities in the region—Fulton notes that Beijing hands out few "comprehensive strategic partnership agreements," which in the Middle East it has concluded with Egypt, Iran, Saudi Arabia, and the UAE. When Xi flew to Abu Dhabi in 2018, he upgraded China's relationship with the UAE to a comprehensive strategic partnership; when Qatar's Emir Tamim visited Beijing in 2019, no such upgrade was awarded. (Fulton, 2020)

China has counted implicitly on regional counterparts' desire for the economic benefits of good relations with China and, frankly, on low expectations to maintain this approach to a fractious region. Yet analysts debate whether Beijing will be able to sustain it. As James Dorsey notes, Xi's visit to Riyadh in 2016, though outwardly warm and successful, was in fact characterized by serious differences over Syria, Iran, and Islamism. (Dorsey, 2019) In a similar vein, then-Arab League Secretary General Amre Moussa publicly rebuked China in 2010 when Beijing refused to endorse a League resolution declaring East Jerusalem the Palestinian capital. (Chen, 2011) Dorsey argues that it is only a matter of time before the contradiction between China's growing interests in the Middle East and its effort to remain neutral in the region's conflicts becomes unmanageable, either because the gradual exit of the United States forces China to step up, or because a conflict inimical to Beijing's interests—say, between Israel and Iran—finally arrives. (Dorsey, 2019)

7.3—Quietly Seek Strategic Gains

China's avowed policy of non-interference in the Middle East can lead the casual observer to see Beijing as lacking anything beyond an economic interest—paired, perhaps, with a general desire for prestige—in the region, or even as lacking in confidence in its dealings there. However, the reality is more complex: behind the veneer of this relatively innocuous approach, Beijing quietly targets and pursues strategic gains in the region with determination.

Two clear examples of this pursuit of strategic gains are China's keen interest in infrastructure projects that further its BRI objectives, as well as the role technology plays in its regional relations. As to the former, China has energetically invested in the construction of ports in key locations—such as Duqm on Oman's Arabian Sea coast, Jizan port in Saudi Arabia, Khalifa port in the UAE, Ain Sokhna in Djibouti, and Ashdod on Israel's Mediterranean coast—industrial parks and other projects in proximity to those ports, and rail lines, such as one from Western China to Iran initiated by Xi Jinping on his 2016 visit there or another envisioned from Ashdod to Eilat, and oil and gas pipelines from the UAE, to Iraq, to Iran. Such projects predate the BRI, which served more as a rebranding and rationalization of such activities than a new approach to the region. On the surface such projects are both economically beneficial to the region and consistent with US objectives such as regional stability and economic development; yet on another, they connect to similar Chinese-led projects further east, such as ports in Pakistan and Southeast Asia, that taken together boost Beijing's ability to project power westward and could serve in the future as a foundation for a more robust Chinese presence.

Regarding technology, Shira Efron has noted that China's high-technology investments in Israel tend to focus

on areas such as artificial intelligence, robotics, and information technology, which are also areas of focus for Beijing's "Made in China 2025" plan. The plan's aim is to bolster China's role as a high-tech manufacturing leader by fostering indigenous innovation, in part through technology transfer facilitated by foreign investment. Efron cites a Mercator Institute report in stating that "Chinese companies are using overseas investments 'to speed up China's technological catch-up and to leapfrog stages of technological development,' which, although not problematic by itself, is objectionable because this activity is 'partly supported and guided by the state' as part of 'an overarching political' program that aims to 'generate large-scale technology transfer.'" (Efron, et al., 2020) China's focus is not on Israel only; Beijing has taken the same approach to Silicon Valley in the United States, prompting the US government to tighten rules on foreign investment to limit China's potential gains, and has sought to promote Chinese telecommunications providers in the Middle East as it has in other regions. (Northam, 2018)

One of the clearest ways in which China has sought strategic gains in the region, however, is its cultivation of relations with Iran. Superficially, Beijing has balanced its relations with Iran with those it enjoys with Tehran's regional rivals, notably Saudi Arabia—Xi was careful to visit both on his first regional trip, and accorded to both the same level of partnership. Yet there can be little doubt that Iran plays a more central role in China's regional policy than any other state; RAND Corp. has identified Iran as the "pivotal state" for China within the Middle East, in the same category as Venezuela and Pakistan, for example.

While Iran and China enjoy ancient historical and civilizational links which retain more relevance today than perhaps appreciated by Western policymakers, the drivers behind the Iran-China relationship are more contemporary. Iran offers China an appealing combination of geopolitical affinity, insofar as both are revisionist states looking to challenge American predominance in international affairs, and Iran is indeed the only state on the vital Gulf littoral not friendly to the United States; geographic proximity, especially insofar as Iran presents the possibility of providing China with energy imports via overland routes; and economic appeal, given that Western firms tend to steer clear of the Iranian market for fear of political risk.

The China-Iran relationship has netted important gains for Tehran, as Beijing has assisted Iran's military development—particularly its nuclear, missile, and satellite programs—and has used its permanent seat on the UN Security Council to dilute and delay sanctions targeting Iran. For China, Iran is something of a long-term bet; Beijing infrequently touts its relationship with Iran is only willing to stick its neck out so far for it—declining, for example, to flout US sanctions in recent years—but appears to be counting on the relationship to pay dividends over time as Iran emerges from international isolation and China's Mideast role expands. Scholar of Sino-Iranian relations John Garver describes China as seeking "a strategic partnership with Iran that will serve as a major element of Chinese influence in the post-American-dominated West Asia...without antagonizing the United States upon which China's modernization depends...a difficult task requiring considerable diplomatic skill." Garver suggests that China seeks to "manage the contradictions" between the US and Iran to its own advantage. (Garver, 2016)

7.4—Incrementally Boost Chinese Role, Challenge US Role

China is not looking for a fight with the United States in the Middle East; it is cognizant that it lacks the capacity, either in resources or partnerships, to prevail, and equally aware that the United States has considerable leverage it could employ against Beijing in the region, such as influence over oil flows. Moreover, China has benefited enormously from the US-led order in the Middle East as noted above, and does not appear to have yet reached a conclusion that it is no longer beneficial to Beijing's interests on balance, and indeed may never do so. Yet these regional considerations cannot be divorced entirely from China's global aspirations, which demand that it work to present itself internationally and domestically as a great power, and challenge American dominance of global affairs. It does so in the Middle East, albeit incrementally and relatively quietly.

In its practice of diplomacy in the region, China has preferred to create or promote structures that minimize the American role or exclude it entirely, and encourage regional partners to engage with them. Examples of this abound. Chinese scholar Sun Degang has characterized this as a “whole-of-region diplomacy” that aims to strengthen south-south relations and bolster the role of developing countries in international relations. (Sun, 2019) Sun describes this diplomatic engagement as following three patterns: first, the creation of bilateral mechanisms such as the China-Arab States Cooperation Forum and the China-GCC Strategic Dialogue, which he describes as “1+N” diplomacy; second, engagement with existing regional mechanisms such as the Organization of the Islamic Conference and the Union of the Arab Maghreb, which he describes as “N+1” diplomacy; and third, the inclusion of regional states in multilateral organizations that China dominates, such as the Shanghai Cooperation Organization, Conference on Interaction and Confidence-Building Measures in Asia, and the Asian Infrastructure Investment Bank. Beijing supplements these formal mechanisms with increasingly energetic, if not fruitful, diplomatic initiatives in the region. It has proposed an Israeli-Palestinian peace initiative, appointed envoys for Syria and “Middle East issues,” and has hosted numerous regional delegations in Beijing in an effort to position itself as an international mediator in the style of the United States, EU, and Russia.

China has also used its permanent seat on the UN Security Council to advance Middle East aims in unprecedented ways in recent years. While China has used its veto power less frequently than any other member of the P5, its use of the veto has accelerated in recent years, with eleven of China’s fourteen vetoes (excluding one cast prior to 1971, when the Chinese UN Security Council seat was held by the Republic of China) coming since 2000. Prior to 2011, China had never vetoed a resolution related to the Middle East, despite the region’s overrepresentation in UN business; since 2011, eight of China’s nine vetoes have concerned Syria. This development may reflect, in part, China’s burgeoning partnership with a fellow revisionist power, Russia. However, China has taken pains—though few in the region have noticed—to distinguish itself from Russia by abstaining on numerous occasions on which Russia has vetoed Syria-related resolutions. It may also reflect greater determination to use the tools at Beijing’s disposal to frustrate American aims, and together with Moscow to defeat what China sees as a Western-led regime change effort in Syria. (Calabrese, 2019)

In addition to traditional diplomacy, China has increasingly employed soft power, including information operations, in the Middle East, as it has done around the world. Most observers point to language, education, and tourism as China’s major tools of soft power in the Middle East, and with ample reason. China has set up Confucius Institutes in Bahrain, Egypt, Iran, Israel, Jordan, Lebanon, Turkey, and the UAE, and has made a conscious effort to encourage regional governments to promote Chinese-language instruction in their countries and send students to China for exchange visits. As Chinese tourism has grown, as detailed above, China has required hotels, for example in the UAE, to train staff in Mandarin and provide Chinese-language newspapers and television channels in order to qualify as “China Ready.” (Fulton, 2020) China has also engaged in disinformation campaigns in the Middle East targeting the United States, including for example an Arabic-language video produced by the state-run China Global Television Network alleging an American origin of the COVID-19 pandemic. (Wong, et al., 2020) The Alliance for Securing Democracy has also noted the predilection of Chinese official media for amplifying Iranian government-produced propaganda. (Brandt & Schafer, 2020)

Finally, China has been boosting its military presence in the region, focusing on activities that demonstrate presence and capability that also enhance Beijing’s ability to protect its citizens and investments in the region. These entered their present, more energetic phase in 2008, when the PLA Navy deployed vessels to conduct counter-piracy missions in the region and protect commercial vessels. This deployment enabled numerous port calls; indeed, the PLA Navy conducted more port visits, 45, in the Middle East than in any other region from 2009 to 2015. (Scobell, et al., 2018) The port calls are just one example of China’s military diplomacy; Chinese fighter jets have landed for refueling in Turkey and Iran, and China has dispatched and received dozens of high-level military delegations with the region. In 2017, perhaps as a result of the PLA Navy’s need to evacuate

Chinese nationals from Libya and Yemen during the Arab Spring, China opened its first naval base in the region in 2017, in Djibouti.

While these military activities have been relatively routine, even innocuous, in comparison with the activities of other external powers, they nevertheless appear designed in part to challenge the United States. For example, in December 2019, the PLA Navy joined the Russian and Iranian navies in joint exercises in the Gulf of Oman, at a time the United States was seeking to recruit partners to join in an anti-Iran maritime security coalition in the Gulf (which Chinese officials indicated they might join in August 2019, illustrating the mixed approach Beijing takes to the US in the region). Beijing downplayed the event, describing it as a “normal military exchange...not necessarily connected with the regional situation,” but it was the first exercise of its kind whose political symbolism exceeded its military significance. (Reuters, 2019) China has also reportedly engaged in intelligence cooperation with the Syrian regime and may even have deployed Special Forces personnel to Tartous, enabled by a 2015 law authorizing overseas counterterrorism operations, inching toward involvement in a conflict which would pit it against the United States and Europe. (Clarke & Saltskog, 2019) In Djibouti, the US Defense Department in 2018 accused Chinese nationals of targeting American military aircraft with lasers, a charge that the Chinese government denied. (Reuters, 2018)

8—THE WAY FORWARD

The overall trajectory of Chinese policy toward the Middle East seems certain—Beijing is gradually investing greater economic, diplomatic, and military resources there. At present, China would appear to devote proportionately few resources to the region given its strategic importance to Beijing; this imbalance will inevitably be rectified over time. The precise policies China pursues in the Middle East will be the result of the interaction of the three lenses described above—its interests, the Belt and Road Initiative, and the US-China relationship, as well as other factors such as China’s economic fortunes and its domestic politics.

But perhaps even more, Chinese policy—as well as that of other outside actors—will be profoundly affected by the United States’ own strategy, both toward the Middle East and toward China. Two fundamental questions are especially important: First, will the US pursue a zero-sum approach toward China, or do policymakers view some level of cooperation with Beijing as necessary or desirable? Second, what will the US strategy in the Middle East be as it shifts toward a focus on “Great Power Competition”? The United States starts with an overwhelming preponderance in the Middle East, which both attracts criticism yet also to a great extent crowds out powers like Russia and China. Going forward, Washington faces a spectrum of choices—whether it wishes to, as it did during the Cold War, define as a vital interest excluding its rivals from the region; whether it wishes to seek to cooperate with those rivals in the Middle East, whether to diffuse tensions or to share burdens; or even whether it wishes to force those rivals into greater commitments in the Middle East, forcing them to expend resources on peripheral matters, as many advocates of great-power competition strategy believe the United States has done for the past two decades.

If the United States chooses to continue competing for influence in the Middle East, it will face two difficult strategic choices. First, Washington must choose whether to continue its longstanding efforts to encourage economic and political reform, or to downplay or discontinue these efforts in order to avoid pushing authoritarian allies toward less demanding partners like Moscow and Beijing. The temptation to adopt a “go-along-to-get-along” approach is strong, both because it is easier, and because the US track record in promoting reform is poor. However, doing so may mean tolerating systems characterized by the maladies—for example, corruption and abusive security forces—that create opportunities for the very adversaries the United States seek to counter, whether great-power rivals or extremists.

Second, the United States will need to choose how it asks allies to relate to great-power rivals in the Middle

East, especially China—whether, that is, to seek to force partners to choose between the United States and China, as the Trump administration does in its Africa strategy, or to accept their increasing ties with China as not necessarily incompatible with their partnerships with the United States. The choice is not straightforward—while partners will resist making a choice, they also value the benefits that come with their affiliation with the United States and may be wary of Beijing’s—or for that matter Moscow’s—suitability as an alternative.

There are, of course, many options on the spectrum between these two extremes. The Center for a New American Security issued numerous recommendations for the United States to respond to China’s BRI, focused on coordinating with allies on matters such as defense, commerce, and technology, and addressing the problems such as corruption or vacuums such as infrastructure financing which create opportunities for China. (Kliman & Grace, 2018) In conjunction with this approach, the United States could choose to pursue cooperation with Beijing in the Middle East. Yet Washington should keep its expectations of such efforts low; those cooperative efforts that have succeeded are either modest, such as joint counter-piracy patrols, or over-hyped, such as cooperation on the Iran nuclear deal, which only materialized when the United States decided to make major concessions to the Iranian and Chinese positions. More robust cooperation would not necessarily require greater trust between Washington and Beijing—indeed, joint efforts in the region could be a mechanism for developing greater confidence in the bilateral relationship—but certainly would require a decision by Beijing to prioritize such confidence-building over the competing desire to undermine the United States.

Should the United States choose not to compete for influence in the region, it should not assume that the result will be a Chinese quagmire in the region. Such a decision would almost certainly force China to develop—or accelerate the development of—power-projection capabilities similar to those for which they currently depend on the United States. These capabilities would, it must be noted, be transferrable to other regions—just like those of the United States—not necessarily trapped in the Middle East. And Chinese moves to secure their own energy security would necessarily also give Beijing more control over that of others, including primarily its neighbors in East Asia who also depend heavily on Middle Eastern energy imports. But it seems highly unlikely that China would replicate American strategy in the region, which is the legacy of a Cold War competition with the Soviet Union that was both geopolitical and ideological. Instead, China would be more apt to leave the region to its own devices, narrowly defining Chinese interests and working where possible through what it regarded as capable regional partners, chiefly Iran. The United States should also avoid the mistaken belief that Chinese conduct in the Middle East will not have implications for the rest of the world—Washington and its democratic allies may not wish or need to contest every piece of territory in the world, but commercial and diplomatic standards cannot be easily defended in one place if they are forsaken in another.

Perhaps the least advantageous approach for the United States, however, would be to avoid answering these key strategic questions about the Middle East and China. Continuing the status quo—characterized by a large US presence but uncertain US commitment—would be a high-cost, high-risk, low-reward approach. The perception that the United States is hesitating leads partners to hedge—accelerating, perhaps, the development of their relations with Moscow and Beijing—and encourages adversaries to believe that the US is susceptible to being pushed out, placing US personnel at risk. It also seems likely to lead China to decide that it needs to step up its own diplomatic and military involvement in the region, increasing the chances of increased US-Chinese tensions there should Washington decide it does not wish to depart after all. The choice to compete with China in the Middle East or not is largely in Washington’s hands; deferring or avoiding that choice means, in reality, delegating it to Beijing.