How to Respond to China's Growing Influence in the Gulf

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Brief Analysis

Beijing's use of intertwined civil and military tools in the Gulf mirrors its activity closer to home, but the West can readily counter this influence by capitalizing on the region's desire for diversified partnerships.

While the Biden administration works to repair ties with Persian Gulf partners in the wake of (https://www.washingtoninstitute.org/policy-analysis/can-biden-convince-saudis-see-western-position-russia) Russia's Ukraine invasion, China is getting more attention for its expanding influence in the Indo-Pacific region, including recent reports of naval deals and military activity in the Solomon Islands and Cambodia. Some commentators have even criticized the White House for letting its resolve against Moscow supposedly delay the long-awaited "pivot to Asia" sought by three successive U.S. administrations. Yet talk of the "pivot" often oversimplifies the geopolitical situation, in particular by ignoring China's progress in the Gulf.

The pivot theory relies on the assumption that Beijing is mainly ramping up its influence in its own neighborhood. In reality, the Chinese strategy is global, and the methods it applies in the Indo-Pacific are being used in similar fashion elsewhere, including the Gulf. Such activities merit closer attention from the West even if they are not the number-one priority at the moment.

Beijing's Strategic Modus Operandi

One challenge in monitoring China's influence abroad is distinguishing the typical activities of its $14 trillion economy from a deliberate government strategy to wield influence. This is especially true given the interpenetration of the private and public spheres in the People's Republic. Yet several patterns are discernible in China's long-term infiltration strategy.

Most notably, Beijing strives to secure chokepoints on global trade routes, reinforce its military credibility, and increase its projection capabilities. The porousness between its civil and military spheres, sometimes called "civil-military fusion," plays a part in such achievements. China often invests in infrastructure first, then eventually

completes the process through arms sales and diplomatic courting. Activities that may seem harmless in themselves often serve the purpose of integrating Chinese-made network solutions and other technology into foreign countries, potentially giving Chinese companies access to critical data. Institutional agreements tend to follow, paving the way for an eventual military footprint.

For example, the National Public Information Platform for Transportation and Logistics (LOGINK), a data collection system funded by Beijing's Ministry of Transport, is used in most Chinese-funded ports around the world, including in the Persian Gulf and Red Sea. Although the platform may appear innocuous, China could exploit the information it yields both commercially and strategically.

What Has China Done in the Gulf?

In recent years, Beijing has increasingly set its sights on three key waterways surrounding the Arabian Peninsula: the Suez Canal, the Bab al-Mandab Strait, and the Strait of Hormuz. China could replicate its existing infiltration model there more directly than one might imagine.

The case of the United Arab Emirates is particularly revealing. In addition to reaching trade agreements with Beijing and hiring the Chinese telecom company Huawei to provide domestic network services, Abu Dhabi has acquired Chinese-made military drones and Hongdu L-15 training aircraft. Joint Chinese and Emirati efforts are slowly turning the UAE into a hub **(https://global.chinadaily.com.cn/a/201912/19/WS5dfae53ca310cf3e3557f378.html)** for artificial intelligence advances. This substantial cooperation is cause for concern **(https://www.washingtoninstitute.org/policy-analysis/unpacking-uae-f-35-negotiations)** even if one leaves aside reports that Beijing is secretly building a naval facility north of Abu Dhabi. Emirati authorities have denied **(https://www.theguardian.com/world/2021/nov/19/chinese-military-base-uae-construction-abandoned-us-intelligence-report)** any agreement to host such a base and stated **(https://www.wsj.com/articles/u-a-e-confirms-it-halted-work-on-secret-chinese-port-project-after-pressure-from-u-s-11639070894)** they did not believe the facility was meant for military purposes.

The situation in Saudi Arabia is little different. Chinese companies are heavily involved in funding and equipping NEOM, the "smart city" megaproject put forward by Crown Prince Muhammad bin Salman, the country's de facto leader. The two countries have also allegedly **(https://www.wsj.com/articles/saudis-begin-making-ballistic-missiles-with-chinese-help-11640294886)** developed joint ventures to design drones and build ballistic missiles in the kingdom, in addition to previous Saudi weapons purchases.

On top of these efforts, the Arabian Peninsula is playing a role in the Chinese navy's efforts to achieve blue-water capabilities. As shown in Djibouti **(https://www.washingtoninstitute.org/policy-analysis/case-holistic-us-policy-toward-emerging-red-sea-region)** , Chinese-built commercial docks can later be extended to include infrastructure with military purposes. Similarly, reports **(https://www.uscc.gov/sites/default/files/2020-04/China%20Expeditionary%20Logistics%20Capabilities%20Report.pdf)** indicate that Chinese naval forces have received training on resupplying their vessels from civilian container ships, implying a widened spectrum of possible military support points around the globe. These points could encompass the UAE, Saudi Arabia, and Red Sea locales, which are of particular interest to Beijing as a gateway to Europe.

Yet the Gulf's approach to dealing with China also seems singular in several respects. Unlike Asian states where Beijing has imposed its presence, Gulf countries—the UAE in particular—have long adhered to a policy of diversifying their partnerships. In Abu Dhabi, officials have cultivated a degree of strategic autonomy by increasing the country's spectrum of arms suppliers and becoming a multilateral economic and trade hub. Riyadh likewise seems convinced that multipolarity gives it more leverage and room for maneuver, including in its relationship with Washington. The Saudis have stuck to this policy even while turning to China as a significant supplier of goods and investments to

meet the needs of its population, which at 34 million people makes the kingdom a demographic giant in the peninsula.

Because they have chosen to cooperate with Beijing voluntarily, Abu Dhabi and Riyadh are more apt to encourage China's increased presence in the Gulf and not worry so much about becoming its vassals. Both countries have managed to maintain a great degree of autonomy from Beijing—in fact, they appear to be profoundly Western-oriented in many respects given the structural and societal evolutions at work in their societies.

Western Options

Despite Gulf leaders' preference for multipolarity, the growing pace and scope of China's influence in the region still call for significant action to keep these countries anchored in the West. Regaining ground requires a response that simultaneously addresses military issues, investments, and digital challenges—while taking care to adopt a nonconfrontational approach that respects each country's policy of strategic diversification.

Given the significant European interests at stake in the region, the EU could be a significant partner in formulating and implementing this response. Brussels showed significant initiative in this regard on June 20, when the EU's twenty-seven member states—under France's presidency at the time—adopted **conclusions (https://data.consilium.europa.eu/doc/document/ST-10038-2022-INIT/en/pdf)** on a strategic partnership with the Gulf Cooperation Council that would be applicable to addressing several of the most pressing challenges emanating from Chinese influence. For one, the document opens the way to incentives that could boost Europe's influence, such as Schengen visa exemptions for all GCC countries and investments in infrastructure interconnections under the EU's **Global Gateway (https://ec.europa.eu/info/strategy/priorities-2019-2024/stronger-europe-world/global-gateway_en)** . It also includes strategic reassurances such as establishing a permanent coordination mechanism on maritime security in the Western Indian Ocean and Persian Gulf—an important follow-up to the **surveillance mission (https://www.washingtoninstitute.org/policy-analysis/enough-theory-european-strategic-autonomy-needs-practice-middle-east)** European Maritime Awareness in the Strait of Hormuz (EMASOH). Structural cooperation on standards and regulations is mentioned as well, especially concerning data protection and digitalization. More broadly, the document paves the way for institutionalized political cooperation between the EU and GCC.

In the same vein, the ongoing EU-U.S. Dialogue on China should cover the Gulf more thoroughly, as well as the broader Middle East and North Africa. Notably, both the **French (https://www.diplomatie.gouv.fr/IMG/pdf/fr_a4_indopacifique_022022_dcp_v1-10-web_cle017d22.pdf)** and **EU (https://ec.europa.eu/info/sites/default/files/jointcommunication_indo_pacific_en.pdf)** strategies for the Indo-Pacific include the Arabian Sea, the Gulf of Aden, and some Gulf countries (e.g., Oman and the UAE). The Biden administration should keep this broadened scope in mind when seeking further ad hoc cooperation with its European partners.

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