



**INSTITUTE OF  
STRATEGIC STUDIES**

**web:** [www.issi.org.pk](http://www.issi.org.pk)  
**phone:** +92-920-4423, 24  
**fax:** +92-920-4658

## Issue Brief

# China's Middle East Policy: President Xi Jinping's Recent Visits

**Dr Ahmad Rashid Malik**, Senior Research Fellow, ISSI

February 04, 2016

China's Middle East policy is driven by a genuine desire for peace and security in the region. It is also underpinned by China's growing economic and commercial ties and massive imports of crude oil. China is seeking greater diplomatic and political support for its "One Belt One Road" (OBOR) initiative, a broader inter-regional development strategy. China is a development partner of many Middle Eastern countries. Traditionally, it has never supported regime change in the Middle East pursued by Western countries from time to time. China strongly advocates non-interference in the internal affairs of other countries and opposes use of force to bring change in the Middle East or anywhere else. China neither fights proxy wars in the Middle East nor is interested in filling the vacuums of power. It has never been comfortable with the way change was enforced in Iraq and Libya or the manner in which the Syrian crisis is being handled. The country has resolutely eschewed Middle East's sectarian feuds.

Energy security in the Middle East figures prominently in China's policy because of its underlying belief that it creates stability in the region. China accounted for over approximately one-third of global crude oil demand in 2015,<sup>1</sup> which is expected to increase in future and half of demand would be met by the Middle East.

The region has been facing the threats of terrorism and violent extremism. Most of oil wells and refineries in Iraq and other areas have been attacked by the ISIS. Disruption of crude oil supply could have adverse consequences for the Chinese economy. Securing a peaceful region is, therefore, indispensable for China to strengthen its economic and trade relations with the Middle East. While China would not interfere in the internal affairs of other countries or show partisanship in their bilateral disputes, the stakes are so high that it cannot sit idly by as the region descends into chaos. China is, thus, embarking on a new proactive but still guarded role to ease tensions in the Middle East. Because of its weight and linkages with the Middle Eastern countries, China's role is perceived as constructive.

### **President Xi' Jinping's Visit**

In this context, President Xi visited Saudi Arabia, Egypt, and Iran on 19-23 January in a bid to foster closer ties and building peace in the region. Earlier, his visit to the region had been called off, which was scheduled to be under taken in April 2015 largely owing to Saudi-Yemeni discord. The visit was a turning point in China's Middle East diplomacy, which could be termed as diplomatic missions to Saudi Arabia and Iran, the two countries at loggerheads with each other, in addition to discussing bilateral ties. These

visits could be seen as a conciliation effort in accordance with the longstanding Chinese tradition of respecting the sensitivities of the Middle Eastern countries.

Saudi Arabia is the largest supplier of oil to China and has been an important ally of Beijing for decades. During the visit, Saudi and Chinese leaders decided to lift their bilateral ties to a comprehensive strategic partnership to further develop industrial and energy cooperation.

Saudi Arabia also indicated its willingness to participate in building interconnectivity in the region under the framework of the One Belt One Road initiative and hoped to become a vital link in China-Africa economic cooperation.<sup>2</sup>

President Xi also visited Egypt during this trip. The Sino-Egyptian bilateral ties are strong. To Egypt, the Silk Road connectivity offers developing nations an alternative path of prosperity and peace. Both countries signed twelve agreements to uplift economic ties. Speaking at the headquarters of the Arab League on 21 January 2016, President Xi offered an alternative approach to the "Middle East predicament" that would embrace "dialogues and development as the ultimate solution". He announced a host of moves including loans, financial aid and a common investment fund to help improve livelihoods and promote development; and offered US\$ 55 billion as financial support to the region.<sup>3</sup>

Economic sanctions have just been removed on Iran after decades. Within days of lifting economic sanctions, President Xi visited Iran and met with Iranian leadership. It may be recalled here that during difficult times China has stood by Iran. The former also realises that Iran is an important pillar for the Silk Road connecting China onward to Europe. Therefore, these visits to Saudi Arabia and Iran were a delicate balancing act.

As for the Sino-Iranian trade ties, the two sides decided to increase their trade to US\$ 600 billion over the next decade. The removal of sanctions on Iran provides ample opportunities to both countries to achieve economic benefits. The two sides emphasised the importance of cooperation on international affairs and their joint efforts towards realisation of peace, stability, and development in the region and the world at large. Both sides also agreed to enhance military and defence exchanges as well as cooperate in counter-terrorism. China has supported Iran's application for full membership on the Shanghai Cooperation Organisation (SCO).

## Conclusion

President Xi's five-day visit tremendously enhanced the political and economic stature of China in the Middle East and yielded positive results at a critical juncture in the region's history. At a time when diplomatic communication between Riyadh and Tehran had been cut-off, Beijing played a crucial role in defusing tensions. Increasingly, because of the growing global clout of China, Middle Eastern leaders look at China not only as a vital economic partner but a country whose benign influence could be leveraged for peace and stability. In that context, President Xi's visit to the Middle East has enhanced China's esteem. It has also raised the stature of President Xi as a global leader and added a new dimension to China's diplomacy.

## Notes and References:

- 
- <sup>1</sup> Owen Daniels & Chris Brown, "China's Energy Security Achilles Heel: Middle Eastern Oil", *The Diplomat* (Tokyo), September 8, 2015.
  - <sup>2</sup> "Xi Jinping Meets with Deputy Crown Prince Mohammad bin Salman", Ministry of Foreign Affairs of the People's Republic of China, Beijing. [www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/t1333566.shtml](http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1333566.shtml)
  - <sup>3</sup> *The National* (UAE), January 21, 2016.