



**INSTITUTE OF
STRATEGIC STUDIES**

web: www.issi.org.pk
phone: +92-51-9204423, 24
fax: +92-51-9204658

Report – Web Panel Discussion

“The Role of China in the Middle East & Africa”

November 26, 2020



Rapporteur: Areeba Arif Khan

Edited by: Amina Khan

The Centre for Middle East & Africa (CMEA) at the Institute of Strategic Studies Islamabad (ISSI) organized a web panel discussion on “The Role of China in the Middle East & Africa.” The panel of experts included: Ms. Maria German, student at the School of International Relations and Public Affairs Fudan University (China); Dr. Zahid Ahmed, Research Fellow at the Deakin University (Australia) and Dr. Talat Shabbir, Director China-Pakistan Study Centre (CPSC). Ambassador Aizaz Ahmad Chaudhry, Director General ISSI, and Ambassador Khalid Mahmood, Chairman BOG, ISSI also joined the panel for the discussion. Director CMEA, Ms. Amina Khan moderated the discussion.

Director CMEA, Ms. Amina Khan opened the panel discussion by stating that the Belt and Road Initiative (BRI) is a mega-project focused on increasing connectivity by opening up avenues for diplomatic and economic activity, thereby cementing trade and commercial ties between China and partner countries.

In the case of Middle East, this can be evidenced by a sharp increase in trade between China and the Middle East countries. Chinese investment in the Middle East focuses on infrastructure, construction, agriculture, finance, however the energy sector remains the substratum of China’s associations with the region. Both sides have mutual interests in integrating the BRI into national regeneration schemes, such as Saudi Vision 2030, UAE Vision 2021, Jordan 2025, Turkey’s Middle Corridor and Kuwait’s Vision 2035.

She went on to say that it is a similar story in Africa. China has taken a multi-pronged approach in its economic relations with Africa, as it is a significant source of foreign direct investment. In 2019, Beijing announced a \$1 billion Belt and Road Africa infrastructure development fund as well as a \$60 billion African aid package in 2018. Moreover, the ‘Extraordinary China-Africa Summit on Solidarity against COVID-19’ held in June 2020, has further strengthened ties between China and the African bloc.

Answering a question regarding China’s overall role in the Middle East, Ambassador Aizaz stated that there are three dimensions of China’s regional approach, the economic, political and security dimensions. The economic dimension is more dominant than the other two. The Western analysts often perceive China in the Middle East in a more negative light although its security engagement in the region is quite minimal. Commenting on China’s perception in the African

continent, he said that the African countries view China as a good investor while there is also stiff competition between China's and Africa's traditional partners such as the US and France.

While commenting on China's overall foreign policy approach towards the Middle East, Dr. Zahid Ahmed, stated that like any strong state China deals with countries on an individual basis and it is not influenced by one country's conflict with another which is a key aspect of China's engagement in the Middle East. This approach is helping China to expand its economic interests or economic relations in the region. He went on to say that, the key manifestation of China's growing influence can be seen through the expansion of Belt and Road Initiative (BRI) to the Middle East. BRI covers all themes in the region including infrastructure and trade but energy is the key component for China.

A large number of Middle Eastern countries export oil to China. He also spoke about China's 25-year Strategic Partnership Agreement with Iran. In terms of security he stated that, China has a far less significant security imprint in the Middle East. It has shown no desire to influence the US dominated security infrastructure in the region because US has very strong and historic security relations with most of the countries in the Middle East. A lot of China's role will also depend on how US allies such as India shape their policy in the Middle East so while US withdrawal will provide space to China, it is likely that China and India will be locked in a battle for influence. He further stated that as far as conflict resolution is concerned China adheres to the principle of non-interference.

Talking about China's overall approach in Middle East Dr. Talat said that it is also driven by China's overall global approach. China wants a shared future of prosperity for its partners. This also extends to the Middle Eastern countries. China's vision focuses on expansion of trade links in the region and follows its policy of non-interference in countries' political rifts strictly. There is a thought process in Chinese scholarship that if China gets involved in the security matters of the region, it will be detrimental to the win-win narrative China propagates.

While commenting on China's overall Foreign policy approach towards the Middle East, Ms. German said that apart from increasing investments, China is also cognizant of ensuring the safety of its citizens residing in different countries of the region. She further remarked that China's regional preference is peace, stability, with a cautious approach to conflict resolution. Although it becomes engaged in a process but does not play a decisive role.

Ambassador Khalid was of the view that China is slowly gravitating towards the Middle East and Africa region with the main focus being on the energy sector. China's appetite for energy resources is growing since China's demand for oil and gas is increasing. Ambassador Khalid said that at present China's role in the region is purely economic because of China's policy of non-interference. It is only natural that in order to safeguard its stakes in the region, China has to maintain some sort of presence in the region, which it does through bases in Djibouti and peacekeepers in Sudan. He was of the view that China has let the US take a lead in playing a security role in the region and instead has focused on economic development.

Another subject that came under discussion was about the expansion of China's security realm in Africa. While responding to this Dr, Zahid stated that, China's role in Africa is very interesting and very old. He compared it with South Asia and stated that as is the case in South Asia countries have a regional approach through SAARC but unfortunately it did not work out. But China's regional approach in Africa has worked very well in terms of China's collaboration with the African Union. China has dealt with African countries or the developing world as a whole. The African Union headquarter building in Ethiopia was fully funded by China worth \$200 million which is a clear indication of how Chinese investments are welcomed in Africa. He further stated that, with some countries the relationship has moved to the security sector like Sudan; and there are several other countries where China has some kind of security cooperation. He also mentioned that China has shown a great deal of flexibility and pragmatism to make things work particularly in case of investments in Africa.

Ms. Maria agreed with Dr. Zahid by saying that China has been pragmatic and flexible in Africa. China is the largest trading partner of African continent and it is win-win cooperation. In order to have economic growth and to attract foreign investors it is pertinent to have good infrastructure. For this purpose, China is providing financial support investments and also bringing new technologies like 5G or beta system which are very important for African countries. African countries are important because they export raw material which is necessary for the Chinese economy.

While responding to the same question Dr. Talat agreed with other panellists and went on by saying that China always shows pragmatism and flexibility to its foreign relations. But when we look at Africa and China's involvement in African continent there are number of reasons; one is

the reservoir of huge resources that China looks at and second is that China's terms of engagements are very flexible and benevolent. China has been focusing on economic development of African on humanitarian grounds through peacekeeping missions. He further went on that China has always been supportive to African continent in 2019 it has offered \$60 billion in form of double finance development and at that time Europe and United States actually refrained from carrying out any investment in Africa. Moreover, China's growing international role in Africa is very pragmatic and when we look at China's overall approach to their foreign relations it continues to engage with those countries which have potential for development, cooperation.

While talking about China and Russia, Ms Maria stated that China and Russia share a number of common policy and interests in both regions. Both China and Russia are engaged on all levels including military, politics and economics. Both countries should adopt a balanced approach and in terms of security complement each other. In this way they can become donors of peace and security in the region. Russia has already proved its role as a peacemaker and China has demonstrated economic benefits therefore the coordination of actions between Russia and China could have a positive effect on regional stability and could open a new space for cooperation.

Responding to the question related to prospects of China and Pakistan working together in Middle East and Africa, Dr. Zahid stated that Pakistan has very keen interests in Middle East and it has very close ties with most of the Middle Eastern countries especially with Saudi Arabia and Iran.

While commenting on the potentials of expansion of bilateral relation of China and Pakistan in Middle East and Africa, Dr. Zahid stated that there is a lot of potential between two countries to work together. He also stressed that in this relationship Pakistan is not a passive actor but it will continue to help China in Middle East as it enjoys stronger ties with GCC countries.

During the discussion Ambassador Aizaz Ahmed stated that there is an emerging consensus that the Chinese presence in the Middle East and Africa is economic in nature and they are not interfering in the regional conflicts and also they have very less role on security side as well. He further stated that Russia is taking a lead on the security issues and China is leading in the economic component of the relationship. While talking about the larger dimension Ambassador

Aizaz Ahmed posed a question to panellists that there is an emerging competition in Indian Ocean and how it will pan out in the Indian Ocean region?

While responding to the Ambassador's question Dr. Zahid said that in the past we have seen a number of strategic partnerships in Indian Ocean to counter Chinese influence such as Trans Pacific Partnership (TPP) and QUAD. TPP did not work out as it was expected because of the Trump administration and this failure of TPP has provided an opportunity to Beijing. QUAD is more security oriented and its joint military exercises may have a symbolic significance or psychological influence for China, but it will not be a real challenge for China.

Commenting on global situation Dr. Talat went on by saying that a global competitive regime is emerging and in which there is QUAD, US China rivalry, India China rivalry and some tension in the South China Sea. China has been dealing with all kind of pressures and threats very effectively. In his assessment China is likely to experience discomfort because of these emerging issues. In this global competition there will be a friction because of US and India and this rivalry will continue for quite some time but China knows how to deal with issues effectively. These issues will not pose a serious challenge to China because through BRI it has gotten into a win-win and cooperative mode. Through BRI China has brought around 70 countries on board and with them it looks for economic cooperation and prosperity.

Considering Pakistan's Engage Africa policy in the backdrop of China's broader engagement in Africa Dr, Zahid argued that, it is a very timely initiative by Pakistan. Entire African region is full of opportunities and with Engage Africa policy Pakistan can initiate cooperation with the whole continent. Close ties with China will provide a strong and effective forum for Pakistan. In his view point there is very bright future of this triangular cooperation between Pakistan, China and Africa.

During question and answer session a question was asked about the recent establishment of diplomatic relations between Israel UAE and Bahrain and its impact on China's interests in these countries. Dr. Zahid said that this relationship will not affect China's interests at large. As China maintains its relations on country to country basis so it does not bring in a third country's relationship into the equation. Hence, there are very less chances of challenges and also China will continue to have normal relations.

Ms. Maria also agreed with Dr. Zahid by saying that it is true that China favours multipolarity and it rejects the model of division between allies and rivalries. China's policy is always based on the principles of peaceful coexistence and it does not interfere in internal matters of the state.

There was a question that, since US and West has resisted China's 5G technology so how receptive are Middle East and African countries towards technological cooperation with China?

Responding to the question Ms. Maria said that China has developed digital Silk Road and development of 5G and Beta System which has great prospects in the Middle East and Africa.

Responding to same question Dr. Talat stated that technological advancement is in fact one of the major causes of friction between US and China. With technological advancement, China is trying to overtake the US. He stressed that technology not only brings comfort it also brings efficiency in all domains such as political strategy, strategic, military, defence, trade and commercial areas. So, the technological advancement is a key to modern day success and of course anybody who is technologically strong in the coming era will rule the world. He mentioned that Pakistan would really want to have technological cooperation with China. In this cooperative environment both countries will be able to work together. Similarly, African Continent is also very interested in technological assistance provided by China particularly in health and medical sciences.

While responding to the last question which was related to the Caesar Act that has impeded development in Syria, Ms Maria highlighted that being a friendly state during the crisis Beijing provided humanitarian and food assistance to Damascus, but due to the unstable situation in Syria reconstruction and development will be an extreme risk for promotion of BRI. Therefore, Beijing is very cautious in its engagement and rebuilding process in Syria. It advocates for the stabilization of the situation and it is also encouraging states to create a multilateral model of cooperation that will effectively coordinate the interests of all parties based on the political consultation process.

While ending the discussion Ms. Amina Khan thanked all the panellists and participants.