

CHINA'S EXPANDING INFLUENCE IN THE MIDDLE EAST: THE PATH TO REGIONAL COOPERATION AND STABILITY

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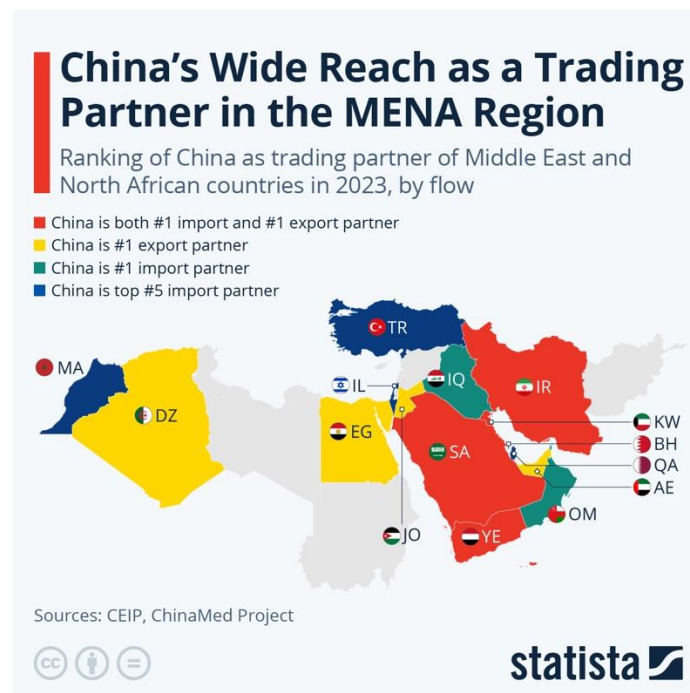


The increasing influence of China in the Middle East cannot be disputed and can be attributed to the Belt and Road Initiative (BRI), concerted efforts with key regional countries, and attempts to mediate conflicts in some of the regions' trouble spots. Most recently, China's role as a peacemaker was evident in its efforts to help resolve the Palestinian issue. Since the turn of the 21st century, China's main interest in the Middle East has been the region's vast energy resources, which has made it an important partner for the oil producing giants. However, in recent years, Beijing's interest in the Middle East has evolved to encompass economic development through the facilitation of infrastructure growth and connectivity from the platform of BRI. The Middle East region is an important component of the BRI because of its location, since it is situated not only at the crossroads of three continents (Asia, Africa and Europe) but also at the confluence of five seas: the Mediterranean, Red Sea, Arabian Sea, Caspian Sea, and Black Sea. Furthermore, the region borders vital marine routes, such as the Bosphorous, Dardanelles, Bab El-Mandeb Strait, and the Strait of Hormuz. ¹

¹ "The Middle East in China's Belt and Road Initiative : Strategic and Geopolitical Implications," Middle East Institute Singapore, March 16, 2021.
<https://mei.nus.edu.sg/wp-content/uploads/2021/03/Insight-256-Fabio-Indeo.pdf>

An example of China's evolving Middle Eastern strategy is the comprehensive strategic partnership it established with Iran in March 2021. The 25-year agreement covers a wide range of areas including infrastructure development, military cooperation, and energy security. While, China is reportedly going to make \$400 million investment in Iran's infrastructure development, the latter will provide the former with a steady supply of oil and gas.² The partnership reflects China's larger strategy to build stronger relationships with regional actors.

Another example is the relationship between China and Syria, which has become more significant with Syria's inclusion in the BRI in 2022. In the wake of the Syrian civil war, which has devastated the country's infrastructure, economy and social fabric since 2011, China has emerged as a key international partner. This cooperation has been crucial for Syria, contributing substantially to its economic reconstruction and social development.



Over the past 20 years, China has become the largest client for hydrocarbon exports from the Gulf countries, with energy trade being central to their relationship.³ China now accounts for nearly a quarter of the region's hydrocarbon exports and is expected to remain a major buyer for decades to come. Since the launch of the BRI in 2013, Saudi Arabia and the UAE have partnered with Chinese companies on various port and industrial projects, including development at Khalifa Port in the UAE

² "China, With \$400 Billion Iran Deal, Could Deepen Influence in Mideast," New York Times, March 29, 2021. <https://www.nytimes.com/2021/03/27/world/middleeast/china-iran-deal.html>

³ "East meets middle: China's blossoming relationship with Saudi Arabia and the UAE," European Council on Foreign Relations, May 20, 2024. <https://ecfr.eu/publication/east-meets-middle-chinas-blossoming-relationship-with-saudi-arabia-and-the-uae/>

and various ports along Saudi Arabia's Red Sea coast. However, economic cooperation has expanded beyond energy and infrastructure. As China's foreign policy priorities have shifted from hard infrastructure projects to focus more on digital infrastructure and new technologies, economic collaboration between China and the Gulf states has diversified. Investments have surged in sectors such as emerging technologies, Artificial Intelligence, logistics, critical minerals, and renewable energies. Investment flows have grown rapidly, with Gulf sovereign wealth funds like the UAE's Mubadala and Saudi Arabia's Public Investment Fund (PIF) planning to establish new offices in China.⁴ Political and security relations have also strengthened, with Gulf states upgrading their diplomatic engagement with China. Increased visits between senior officials from both sides illustrate the growing significance of the relationship.

Apart from its economic engagement, China has recently positioned itself as a mediator in complex regional conflicts. A primary case in point is Beijing's high-profile mediation of the Saudi-Iranian rapprochement in March 2023. After seven years of strained relations, Saudi Arabia and Iran resumed diplomatic ties through negotiations, facilitated by China. This development marks a significant shift in Chinese foreign policy, as Beijing has assumed the role of a credible international mediator. This new diplomatic approach comes at a time when the international community is looking for solutions to other enduring conflicts, including the situation in Palestine.

In nearly every conflict between Hamas and Israel, China's stance has typically involved urging restraint to all parties, emphasizing the importance of a two-state solution, and expressing support for peace negotiations, often through international conferences. However, during the latest Israeli military onslaught in Gaza, China's approach has shown notable changes. While continuing to advocate for a ceasefire and negotiations, Beijing has become more critical of Israel's actions in response to the October 7 Hamas attack. For instance, in an October 15 call with his Saudi counterpart, Foreign Minister Wang Yi condemned Israel's action in Gaza as "beyond the scope of self defence" and characterized them as a collective punishment.⁵ Additionally, in July 2024, China hosted a significant dialogue in Beijing, where senior representatives from 14 Palestinian factions convened and signed the "Beijing Declaration on Ending Division and Strengthening Palestinian National Unity". This dialogue represented the most comprehensive and inclusive reconciliation talks among the factions held to date.

⁴ "The Emergent Gulf Sovereign Wealth Fund-Global Tech Nexus," The Arab Gulf States Institute in Washington, May 2, 2024.

<https://agsiw.org/the-emergent-gulf-sovereign-wealth-fund-global-tech-nexus/>

⁵ "Tracking Chinese Statements on the Hamas-Israel Conflict," The Washington Institute for Near East Policy, November 3, 2023.

<https://www.washingtoninstitute.org/policy-analysis/tracking-chinese-statements-hamas-israel-conflict>

Recently, some Western media outlets have criticized China for allegedly standing idly by being indifferent to the conflict and humanitarian crisis in Gaza. However, the fact is that China has actively contributed to humanitarian efforts and supported ceasefire negotiations. Specifically, China has provided significant aid to address the crisis in Gaza, including \$2 million in emergency assistance through the Palestinian National Authority and United Nations agencies, as well as food, medicines and other supplies worth 15 million yuan. (approximately \$2.1 million) via Egypt. China has also committed to continuing its support based on the needs of the Gaza Strip and has delivered multiple rounds of emergency humanitarian aid to the region.⁶

To conclude, there is considerable admiration for China's impressive economic growth, coupled with quiet appreciation for its ability to achieve this level of progress without adhering to the political, economic and social liberalism advocated by Western states as prerequisites for prosperity and stability. The BRI stands out as a masterstroke of strategic branding, convincing numerous Middle Eastern states that they could play a pivotal role in the geostrategic calculations of the world's preeminent rising power. This initiative has led these states to envision increased influence and benefits they might accrue from aligning more closely with China, while safeguarding their other interests.

⁶ "China Not Standing Idle in Gaza," China- US Focus, March 5, 2024.
<https://www.chinausfocus.com/peace-security/china-not-standing-idle-in-gaza>