

Dragan Bisenić

Serbian ambassador to Egypt (2011 – 2018)

China, the Arab World and the Middle East

Abstract

After a decade of absence in the Middle East, China is returning to the region as one of the main “external” players. China’s foreign policy identifies an extensive area which it calls the “The Great Middle East” (Da Zhong Dong). It includes West Asia and North Africa (Xi Ya Bei Fei), and parts of Central and South Asia, as the area of greatest geopolitical interest. The increasingly intensive cooperation between China and the Arab countries can be characterized as a “natural partnership” created both on the basis of historical heritage and cultural understanding, and on the basis of compatibility regarding the goals for national reconstruction and aspirations for economic development. Due to the newly reached understanding, China significantly raised the status of the Middle East in its diplomatic architecture.

Keywords:

China, the Middle East, The Great Middle East, cooperation, compatibility, development

1. INTRODUCTION

One of the largest seismic disturbances regarding the geopolitical agenda in the Middle East since the end of the Cold War is the growing presence of the People’s Republic of China in the region.¹ After decades of absence, China is emerging as a major player in the region. China’s trade with the region has increased by over 600 percent in 10 years. Chinese aid to the region jumped from \$151 million in 2001 to \$6.8 billion in 2010. About 550.000 of

¹ James Reardon-Anderson (Ed), “The Red Star and the Crescent: China and the Middle East”, Oxford University Press, 2018.

Chinese people living abroad, out of the 5 million, are in the Middle East. Contrary to that, in terms of their military and diplomatic power, China is only moderately engaged in the region.

The cooperation between China and the Arab countries is deemed a “natural partnership”, created on the basis of historical heritage, social goals of national reconstruction, aspirations for economic development, and cultural understanding. The UAE ambassador to China, Omar Al Bitar, said that “the Middle East needs an honest arbiter who will not have double standards and selfish interests.” The Arab countries, he said, trust China because China is a trusted country and one of permanent members of the Security Council.

China’s greatest interest is gaining access to energy resources in the region, especially oil, maintaining stability in the region, expanding its influence in the “key region of the world” as it was assessed in Beijing, and presenting itself as a global power. The Middle East has never been more important for China’s continued prosperity: China’s energy consumption is rising, and more and more energy is coming from the Middle East. Crude oil imports, which account for 50 percent of China’s total energy consumption, jumped from 6.2 million tons in 2014 to 9.25 million tons in 2018, with 40 percent of that new influx coming from the Middle East. The Middle East is thus becoming a key driver of China’s economic growth.

China identified an extended area which it calls the “Great Middle East” (Da Zhong Dong). It includes Western Asia and Northern Africa (Xi Ya Bei Fei), but also parts of Central and Southern Asia. Due to a new understanding, China raised the status of the Middle East in its diplomatic architecture. In October 2013, the central government held a high-level conference dedicated to diplomacy towards the neighbors, and in November 2014, China announced that the neighboring countries were strategically important for its development and international surroundings. Through these statements, China modified the list of priorities of its diplomacy and raised the importance of its neighboring countries to the same level as the world powers. The Middle East is also a part of China’s “big neighborhood”.

As a part of the 21st Century Maritime Silk Road initiative, the Middle East is a pivotal point between the three continents and an important part of interconnections and communications.

China recognizes that the US is a dominant non-regional power in the Middle East, but Chinese activity necessarily contains both – elements of cooperation and competition with other regional powers. While other non-regional powers, the US and Russia, face lesser or greater opposition from

their public or political elite, Chinese activity has almost no rivals in the region, so general acceptance is undoubted.

Nabil Fahmi, the former Egyptian Foreign Minister argued that China “adheres to the philosophy of building a society with the common destiny of mankind, using the principles of growth for all through partnership and cooperation and making a contribution to reform.” He concluded that Chinese activity was a “positive factor” in developing a new, fairer and more stable international order and that it was in the best interests of Arab countries.² He gave a special place to the Chinese president Xi Jinping, who demonstrated the “maturity of a new phase of Chinese development” and the growing need to provide a variety of natural resources – energy, minerals, and salt – to enable the development of an industry and simultaneously find a market for its products in Africa, Latin America and Asia.³

China’s breakthrough in the Red Sea and the Middle East, of course, is changing the current balance of power. Oil suppliers in the Gulf are of utmost importance to China. They provide China with nearly 50 percent of oil and gas. Thus, China cannot, in any way, allow this supply to be disrupted or even threatened. China must, therefore, respond with an adequate regional policy.

China is one of six world powers which struck a nuclear deal with Iran and remained in a position of respecting it. President Xi was the first world leader to visit Tehran after the agreement was signed. It was during that visit that he presented the vision of a new Chinese “Arab doctrine” which had been announced two weeks earlier.

2. THE FORUM FOR COOPERATION BETWEEN CHINA AND THE ARAB STATES

The China-Arab Cooperation Forum was formed in 2004. Since then, it has evolved into a collective cooperation platform where cooperation is developed in many fields and with more than 10 mechanisms. At the opening of the Sixth Ministerial Conference of the Forum, held in Beijing on June 5, 2014, the Chinese president, Xi Jinping, identified key areas and directions for a Sino-Arab cooperation. China and the Arab countries have embarked on strategic co-operation relations through new forms and

² Nabil Fahmi, former US Secretary of State, Henry Kissinger, noted that China’s most important comparative advantage over the West is its long-term strategic thinking and planning, Al Hayat, 4. May 2019.

³ Ibid.

mechanisms determined a year earlier by the inaugurated Chinese Global “Belt and Road” Initiative.

Apart from an economic and practical significance, the Chinese president also gave a historical, cultural, philosophical, and a security dimension to the future Sino-Arab state cooperation.

In the speech titled “Promoting the Silk Road Spirit and Deepening the Sino-Arab Cooperation” the Chinese president pointed out that China and the Arab countries are facing the same challenges and are on the same mission to carry out a national reconstruction.⁴ First, he gave a short account of the Silk Road history and relations between China and the Arab world, stating that for hundreds of years, the Silk Road meant “peace and cooperation, openness and inclusiveness, mutual learning, mutual cooperation and gains”, that it survived for generations and now represents an important chapter in the history of exchange and mutual acquaintanceship of civilizations.” The Chinese and Arab people “support one another in preserving national pride and sovereignty, assisting each other on the path of development, achieving national reconstruction, and learning from one another when it comes to deepening the cultural exchange and restoring their national culture.”

The Chinese president stressed that “the next 10 years are a crucial period for the development of China and the Arab states.” In order to fulfill the common mission and face the challenges of national reconstruction, what needs to be promoted are the spirit of the Silk Road, mutual learning between civilizations, mutual respect for development paths, adherence to mutually beneficial (win-win) cooperation and commitment to dialogue and peace.

President Xi Jinping emphasized that the “Economic Silk Belt and Road” and the “Maritime Silk Road for the 21st Century” are both paths of mutual benefit and gain. China and the Arab states understand each other about the “Silk Road” and they are “natural partners for cooperation” in the joint construction of the “Belt and Road”. The two sides should adhere to the principles of exchanging opinions, building a community of common interests and a community of a “shared destiny”. The two sides should have a broad vision and create “1 + 2 + 3” cooperation principles. In this cooperation formula, building infrastructure is in the core, trade and investment are the two wings, and the three new high-tech areas are nuclear power, space programs and new energies.

⁴ Xi Jinping attended the opening ceremony of the Sixth Ministerial Conference of China-Arab States Cooperation Forum and delivered an important speech which underlined the importance of promoting the Silk Road Spirit and deepening the China-Arab Cooperation, Xinhua, 04.06.2014

The Chinese president announced that China will increase the trade exchange with the Arab countries from \$240 billion to \$600 billion in the next few years, increase its investment from \$10 billion to \$60 billion, accelerate negotiations and create a free trade zone between the Gulf Cooperation Council countries and act strongly on the involvement of Arab states in the Asian Infrastructure Investment Bank.

He announced that China and the Arab states decided to declare 2014 and 2015 years of Sino-Arab friendship and host a series of friendly events. In the next three years, China promised to train 6.000 Arab young people and exchange 10.000 Chinese and Arab artists through the participation of 200 Chinese and Arab institutions.

Kuwaiti Prime Minister, Jaber Al Mubarak Al Hamad Al Sabah, Moroccan Foreign Minister, Salahuddin Mazur, and the Secretary-General of the Arab League, Nabil El Arabi, praised the traditional Arab-Chinese friendship and Forum's achievements over the past 10 years and said that Arab countries welcome the Chinese president's proposal to strengthen the Forum and develop the Sino-Arab strategic cooperation relations. They support China's "Belt and Road" initiative and have reaffirmed their willingness to strengthen communication and cooperation with China, promote a political solution to important issues of the Arab states and work together for regional peace, stability, and development.

The Conference adopted three documents: the Beijing Declaration, the 2014–2016 Action Plan and the 2014–2016 Development Plan.

3. THE "CHINESE DOCTRINE" ON THE ARAB WORLD

The turning point in China's relationship with the Arab world and the Middle East is the creation and publication of the "Chinese doctrine of the Arab world". The Chinese Ministry of Foreign Affairs published the first Strategic Paper on China-Arab relations⁵ in early 2016. The document was synchronized with the Chinese president's significant visit to Egypt, Saudi Arabia and Iran in January 2016 and was published just before it.

The document gave, in the beginning, a historical overview of the development of Sino-Arab relations. It consisted of five chapters: 1) Deepening the Sino-Arab strategic cooperation, all-embracing cooperation, and joint development; 2) The Chinese Arab policy; 3) Strengthening the Sino-Arab cooperation in all fields, with a number of subsections, some of

⁵ China's Arab Policy Paper, Xinhua, January 14, 2016.

which are: high-level political cooperation, intergovernmental consultations, and cooperation mechanisms, cooperation in legislation, political parties and local governments, cooperation in international affairs, and the Taiwan issue. Then there is the cooperation in investment and trade, the subsections of which are: cooperation in the “Belt and Road” initiative, cooperation in production, cooperation in investments, trade, energy, infrastructure, the space program, nuclear cooperation for peaceful purposes, financial cooperation, development of economic and trade mechanisms and cooperation platforms; 4) The Sino-Arab Cooperation Forum; and 5) The relations between China and Arab regional organizations.

It emphasized the strategic approach “1 + 2 + 3”. Priority was given to energy cooperation, with the highlighted intention of expanding trade and investment and ultimately the closeness to three high-tech sectors: nuclear and recyclable energy and space technologies. The “Belt and Road” initiative was, of course, a framework for cooperation in all the fields mentioned earlier.

The document underlined that China adheres to “five principles of peaceful coexistence”: mutual respect for sovereignty and territorial integrity, mutual respect for the principles of non-aggression, non-interference in internal affairs, equality, mutual benefit, and peaceful coexistence.

China declared support for the Middle East peace process and the creation of the independent state of Palestine with full sovereignty, based on pre-1967 borders, with East Jerusalem as its capital. China supported the Arab League and its member states in achieving these goals. The document stated that China was committed to using political solutions in dealing with regional issues and supported the creation of a nuclear-weapons-free region. In addition, the efforts by the Arab states, to preserve and strengthen national unity, prevent extremist ideas and fight against terrorism, have been supported. China expressed its respect for the choices made by the Arab people and supported the Arab states in their path of development which followed national conditions.

At the very end, cooperation on peace and security was mentioned. China called for “common, all-inclusive and sustainable security in the Middle East” and supported Arab and regional countries in creating a “collective, regional cooperation mechanism” which would contribute to the long-term peace, prosperity, and development of the Middle East.

With regard to military cooperation, China announced the “deepening” of Sino-Arab cooperation by intensifying visits of military officials, deepening cooperation in arms, equipment, and various technologies, and holding joint war-games.

Within the “fight against terrorism”, it was stated that China “strongly opposed all forms of terrorism, of any ethnic group or religion, and “double standards” in that fight. The efforts of the Arab States to improve their abilities and fight against terrorism were supported. This fight should be conducted in accordance with the UN Charter and international norms, and should respect the sovereignty and territorial integrity of all countries. China highlighted its willingness to create “a long-term security mechanism, strengthen political dialogue and exchange intelligence”.

4. CHINA AND THE ARAB STATES

It could be said that Egypt engaged in cooperation with China with more enthusiasm than other Arab states. For Egypt, the events of the “Arab Spring” of 2011 were the turning point in the foreign policy orientation. Following the removal of the Muslim Brotherhood and President Mohammed Morsi from power, Egypt began the “diversification” of their foreign policy, which meant that instead of fully relying on the US, other countries, especially China and Russia, began to play a greater role. The Egypt-China trade reached \$8.33 billion in 2018, with Chinese exports to Egypt at \$7.61 billion and Egyptian imports at \$1.22 billion.

Egyptian President Sisi has visited China five times from 2014 to 2018. Chinese president Xi visited China in January 2016. Vice President of China, Wang Kishan, was in Cairo in October 2018. Egyptian President Sisi expressed proud sentiments regarding the fact that Egypt was among the first foreign countries to support China’s “Belt and Road” initiative and that Egypt “remains firmly convinced that this initiative will create unprecedented opportunities for mutual cooperation on both international and regional levels.”

The Chinese president arrived in Cairo on January 20, 2016.⁶ He praised Egypt’s efforts to stabilize the economy. “China supported Egypt’s efforts to preserve stability, develop the economy, improve living conditions and play a greater role in addressing international and regional issues,” said the Chinese president.

The two countries have signed 21 agreements. Chinese companies have invested \$45 billion into the Egyptian new capital mega project.

China and Egypt have plans for 15 energy, infrastructure and transportation projects which should reach \$15 billion, and the Chinese

⁶ China’s Xi visits Egypt, offers financial, political support, Reuters, 20.01.2016.

central bank should provide a \$1 billion loan so as to boost the country's foreign exchange reserves.

At that point, 32 Chinese companies were operating in the economic zone of the Suez Canal, with investments exceeding \$400 million, where the next phase was projected to increase to 100 companies and the total of \$2.5 billion.

In his speech, at the Arab League headquarters, President Xi announced his plan for the region. China set aside \$15 billion in special loans, so as to help boost industrial production in the region, \$10 billion in trade loans for joint energy projects, and another \$10 billion in cheap loans.

Xi announced the creation of funds, together with the UAE and Qatar. 20 billion dollars will be set aside for conventional energy sources, and China will extend the validity period of contracts, so as to buy oil from the region with \$300 billion set aside.

The Chinese president went to Cairo from Saudi Arabia and continued to Tehran afterwards.

At the beginning of early 2018, an agreement was signed, regarding the construction of sports facilities for the 2021 World Handball Championship and building the first industrial zone in El Alamein. The director of the Arab Organization for Industrialization, Abdel Moneim al Taras, announced that he agreed with the director of the Chinese Railway Bureau Group 20 (CR20G) to build industrial facilities for express trains.

The Egyptian Air force Commander, Mohamed Abbas, signed a contract to buy drones from China's National Aero Technology Import and Export Corporation (CATIC).

The Chinese Harbor Engineering Company (CHEC) began the construction of the main terminal of the port in Sokhna, while the National Bank of Egypt (NBE) signed a \$600 million loan agreement with the China Development Bank (CDB).

At the Eighth Ministerial Meeting held on July 10th 2018, the Chinese president proceeded with explaining Chinese politics in the Arab world for the third time.⁷ He announced the signing of a declaration for the "Belt and Road" Initiative, which would give "great support to the Arab world" and show China's willingness to cooperate with the Arab world itself. He said that the Arab countries are "natural partners of China", announcing \$20 billion in loans to Arab states and their economic cooperation with China. China will assist the Arab countries in their infrastructure projects, accelerate cooperation regarding energy, oil and gas, finance, high technology, digital economy, and artificial intelligence. It should be said that China is the

⁷ Highlights of Xi's speech at China-Arab forum, China daily, 10.07.2018.

first high-tech country to offer Arab countries cooperation in cutting-edge technologies, such as artificial intelligence.

The Chinese president announced that China will import \$8 billion worth of goods and products in the next five years, build a financial platform for industrial cooperation, speed up the talks on free trade agreements and invite hundreds of Arab representatives to visit in the next three years.

After that meeting, the Chinese president began his Arab – Asian tour, fulfilling his announcements. First, he spent three days in the United Arab Emirates, where he was welcomed in the most solemn way and by following the exceptional occasion's protocol. The fact that the president of a large and populous China decided to visit the rich, but small Gulf monarchy speaks to the importance that China attributes to this region. China sees the UAE as a key partner in the development of regional infrastructure. This was the first visit by a Chinese leader to the UAE, while the late emirate's ruler visited China 28 years ago. During the Chinese president's visit, 13 agreements were signed, among which the Cooperation Agreement on the New Silk Road and the Maritime Silk Road for the 21st Century are particularly important. The leaders of the two countries pointed out that they are starting a "new phase of cooperation" between the two countries. This year's trade is expected to reach \$60 billion. Mohammad Al Abar, the Emirates' leading figure, announced the construction of China's largest shopping mall in Dubai and the expansion of The Address chain of hotels all across China.

The Chinese president then continued his tour along the African coast. He moved from Dubai to Senegal, Rwanda and South Africa, where he took part in a summit with Brazil, India, and Russia in Johannesburg, July 25–27, which should undoubtedly strengthen China's presence in Africa and the Middle East.

Saudi King, Salman, visited Beijing in March 2017. Prior to that, he was in Beijing in 2014. As a Saudi monarch, he signed contracts worth \$65 billion. The Chinese president hailed the Saudi guest as a "global partner" in the "Belt and Road" Initiative, adding that China is a "stable export market for Saudi oil". Saudi Arabia was China's largest oil supplier in the previous years. Chinese analysts underline Saudi Arabia's need to turn to the East and to Asia, as Trump's Middle East policy is already undergoing change, according to Li Guofu from China's Institute for International Studies.⁸

⁸ China, Saudi Arabia sign US\$65 billion in deals as King Salman starts Beijing visit, South China Morning Post, 16. mart 2017.

The cultivation of good relations continues even in turbulent times for Crown Prince Mohammed bin Salman, due to the difficulties in the Yemeni war and the murder of Saudi journalist Jamal Khashoggi. The Chinese president met with the Saudi Crown Prince during the G20 summit in Buenos Aires and pledged that China would support Saudi Arabia's economic development, adding that its stability is a cornerstone of progress and prosperity in the Gulf.

President Xi stated that China “strongly supports Saudi Arabia in its striving for economic diversification and provides mutual support in matters involving their key interests.”⁹

Saudi Crown Prince Mohammed bin Salman (MBS) supports China's right to take “anti-terrorism” and “de-extremism” measures, according to Chinese state media, and was harshly criticized by activists as someone who is defending Beijing's crackdown on its Uighur Muslim minority.¹⁰

The Saudi Crown Prince also met with the Chinese president during a visit to Beijing, in February 2019, during his Asian tour, when he also visited Pakistan and India. MBS praised relations with China in which there are neither unresolved issues nor difficulties. According to Hsinhua, President Xi spoke about concentrated efforts to combat extremism and terrorism.

The Chinese president told the Crown Prince that the two countries must step up their international co-operation in eliminating “radicalization” and “preventing the influence and the spread of extremist ideas.” The Saudi prince replied that Saudi Arabia respects and supports China's right to protect its security and take counter-terrorism measures and steps to eliminate radicalism, promising a willingness to increase and strengthen co-operation.

Apart from the Arab countries of the Middle East, China successfully works with Iran and Israel, the non-Arab countries of the Middle East which often have complicated or conflicting relations with their Arab neighbors.

5. IRAN AND CHINA

China is Iran's largest trading partner since early 2000. Much of the vision of Sino-Iranian co-operation was presented by President Xi during his visit to Iran in January 2016. Xi was the first foreign statesman to visit Iran since the 2015 nuclear deal. The two countries agreed to increase their trade up

⁹ Chinese President Xi Jinping offers support to Saudi Crown Prince Mohammed bin Salman despite outcry over Khashoggi killing, South China Morning Post, 1. 12. 2018.

¹⁰ Saudi crown prince defends China's right to fight 'terrorism', Aljazeera, 23. 02. 2019.

to \$600 billion over the next ten years and at the same time strengthen the cooperation within the framework of the plan over the next 25 years. In addition, China is the largest investor in the Iranian market. About 100 Chinese companies invested in key economic sectors, especially energy and transportation. For example, China's National Nuclear Corporation worked on an Iranian heavy water reactor, the Arak IR-40, in order to meet the requirements of the 2015 Iran nuclear deal.

The Chinese government gave a \$10 billion loan to Chinese companies to build dams, electricity generators and other infrastructures in Iran, such as the railroad that connects Bajanur in China's Inner Mongolia region to Teheran.

Other transportation projects include the construction of a railroad line from the Eastern city of Mashad to the port Bushehr in the Persian Gulf. China wants to help build the port of Chabahar in the Gulf of Oman.

Another known project is the construction of five subway lines in Teheran which will be built by Chinese companies, and the cars will be manufactured by a joint Sino-Iranian company, Tehran Wagon Manufacturing Company.

The door was opened for China after America waived off the agreement with Iran. Apart from being the biggest trade partner for Iran, China is the biggest consumer of Iranian oil in the world. It was estimated that waiving off the agreement, on Washington's part, will harm European companies and the countries doing business with Iran the most. This leaves new possibilities for China and Russia to start new business ventures with Iran, as these two countries are in a much better position to avoid American sanctions.

The Chinese National Petrol Corporation is the partner of the French Total Company when it comes to exploiting South Pars Iranian oil field. If the French Total Company loses its share, due to American sanctions, the Chinese company will take over the whole business.

During the visit of the Iranian Foreign Minister, Zariff, at the end of August 2019, the Sino-Iranian Agreement on Strategic Partnership from 2016 was amended.¹¹ China offered mass investments in the Iranian economy in exchange for a long-term agreement on how this money would be spent and which products would appear in the process.

This plan projects investments of \$400 billion over 25 years. Out of this amount, \$280 billion will be allocated to Iran's oil industry, gas and petrochemical sector, while \$120 billion will be invested in Iran's transportation and production infrastructure. The agreement allows for

¹¹ China "pledges \$400bn" to develop Iran's energy, transport and manufacturing sectors, *Global Construction review*, 6.09.2019; and \$400 billion worth of investment from China to Iran, *News 1, Tehran*, 06.09.2019.

the deployment of 5.000 Chinese security personnel as well, so as to protect energy and petrochemical plants, as reported by Petroleum Economist.

One of the major infrastructure projects of the “Belt and Road” initiative is the construction of a railway from Kazakhstan to Iran, described by Beijing as “a means of integrating Central Asia with the Middle East.”

6. ISRAEL AND CHINA

Chinese investments in Israel reached \$20 billion in ongoing projects. Chinese companies are currently working on all key Israeli infrastructure projects, from railways, roads, and tunnels, to power plants. The Chinese company, Shanghai Port Group, won the tender for the port of Haifa, which will come into force in 2021.

China-Israel economic ties date back to 1979 before China formally recognized Israel. Israeli billionaire, Saul Eisenberg, first organized a secret meeting followed by Israeli arms shipments to China. Diplomatic relations were established in 1992. In recent years, Chinese investments in the high-tech sector have grown enormously, reaching a quarter of all funds raised by Israeli high-tech companies. China is Israel’s second trading partner with an exchange of \$11.5 billion.

Israeli Prime Minister, Netanyahu, paid a visit to Beijing in March 2017, from 19-22nd, when the Chinese president announced a “comprehensive, innovative partnership of the two countries”.¹²

Xi called for a stronger political dialogue, synergy of development strategies and strengthening cooperation in key areas such as water supply, agriculture, health care, and renewable energy.”

The peaceful, stable, and developing Middle East serves the common interests of all parties, including China and Israel, said the Chinese president. The Israeli-Palestinian problem had a long-term impact on the situation in the Middle East, the Chinese president added, saying that China “appreciates Israeli acceptance of the solution for the two states”.

Israel’s Prime Minister, Benjamin Netanyahu, retorted that Israel respects China’s history, achievements and current role in the world and hopes to participate in the “Belt and Road” initiative and expect China to play a greater role in the Middle East. Netanyahu emphasized Israel’s commitment to the “one China” policy, proposed partnership and cooperation between the two countries, in renewable energy, agriculture, investment, finance and medical services.

¹² China, Israel announce innovative comprehensive partnership, Xinhua, 21.03.2017.

However, Chinese investors have major opponents in the U.S. and have already created tensions in the Israel-US relations. The newest issue at stake is the Chinese bid to win the Haifa Port tender. In June 2019, the US Senate warned Israel of the matter. Haifa is the port where the ships of the US Sixth Fleet exclusively dock, thus a warning had been sent that the American war vessels would cease doing so if the Chinese take over the Port in 2021.

There were almost no meetings between the US and Israeli officials where the “Chinese issue” was not mentioned. This issue was raised by Michael Pompeo, the Secretary of State, during his visit to Israel in March, then by John Bolton, the former National Security Advisor and more recently by Rick Perry, the Secretary of Energy, in a meeting with Prime Minister Netanyahu.

During Netanyahu’s visit to Washington, on March 26th 2019, the US President Trump specifically emphasized that if Chinese companies set up a 5G network in Israel, the security cooperation between the two countries would be restricted and the US aid reduced. Last month, the Chinese ambassador to Tel Aviv, Chang Zhong, responded to these announcements, pointing out that the Israeli-Chinese cooperation is a “win-win” situation for both sides. He found the accusations of getting “intelligence” about the US Navy through the port of Haifa to be ridiculous. “I believe that anyone with basic military knowledge finds these accusations ridiculous. Does China really need to apply these outdated methods for intelligence gathering,” the Chinese ambassador wonders.

7. THE GEOPOLITICS – CONFLICTS, WARS, AND TERRORISM

The geopolitical risk is a new issue for China. Chinese expert, Zhang Jiadong, states that the Middle East is a part of China’s “Great Neighborhood”.¹³ It is at the same time a religious and cultural center of the “Islamic Belt”, which extends from North Asia, all the way through Central Asia up to Southeastern Asia.

The “Islamic Belt” touches the Western and Southwestern parts of China. The Middle East is the future direction of China’s maritime movements. What is happening in the Middle East affects not only China’s economic interests, but also China’s security status at home and abroad.

¹³ Zhang Jiadong, *China – Middle East relations: New Challenges and New Approaches*, Danish Institute for International Studies, 2016.

Jiadong believes that the role of the Middle East in China's foreign policy has changed greatly, from a model driven by political motives, through a "politics plus energy" model to the current combination which includes politics, energy, economic and strategic issues.

He also believes that, following the likely decline in the importance of energy, security risks are becoming a growing factor in China's Middle East policy. President Xi Jinping introduced China to the Middle East and Africa, after half a century of American domination and a renewed Russian presence. The region is in the midst of long wars in Syria, Yemen, Libya, and Iraq, and the conflicts are taking on new dimensions: Israeli – Iranian, Saudi – Iranian, Israeli – Palestinian, Sunni – Shiite. All those conflicts create a geopolitical vacuum.

Like many other external participants, China has to adapt quickly to the regional changes that emerge as the result of the "Arab Spring" 2011-2012, when many decades-long governments and rulers, such as Egypt, Tunisia, Libya, and Yemen, were removed. In some of these countries, such as Libya and Yemen, wars and civil conflicts occurred, and the particular problem is the conflict in Syria.

China adheres to the principle of non-interference in the internal affairs of those countries. Following this policy, along with Russia, it vetoed the resolution which sought the resignation of Syrian President Assad in the Security Council in February 2012. By the end of 2014, China and Russia vetoed four different resolutions concerning the Syrian conflict. China vetoed stronger sanctions on Syria, which lead to difficulties with some Arab countries, especially Saudi Arabia which hindered free trade negotiations with the Gulf Cooperation Council.

The events of 2014-2015, when the Islamic State began taking the territories of Iraq and Syria with a plan to create an Islamic caliphate, deleting the borders between the two countries, also created a dilemma for China. Although it refused to formally join the US-led coalition against the Islamic State, China joined the international community in condemning the Islamic State.

"The Middle East is the tomb of the great powers," said Li Shaosian, the former Vice President of China's Institute for Contemporary International Politics. "China does not care about who the Syrian president in the future will be. As long as that person can stabilize and develop the country, we will agree", he concluded.¹⁴

¹⁴ President Xi Jinping of China Is All Business in Middle East Visit, New York Times, January 30, 2016.

Globalization created a modern and powerful China, but also China with great needs. China strengthened its presence in the Red Sea and the Horn of Africa. In order to counteract the actions of pirates, it opened a military base in Djibouti, which monitors the Gulf of Aden and the coast, some 4.000 km long. There is also a US and a NATO base in Djibouti. Beijing recently leased Sri Lanka's Hambantota Port for the period of 99 years for \$1.1 billion.

The region of the Red Sea and the Horn of Africa is extremely risky for any major force. The Yemeni conflict in which Saudi Arabia is involved with its allies from the Gulf Cooperation Council, especially the UAE, has been burning for years. China's desire for new partnerships in trade, energy, and infrastructure can, therefore, hardly be separated from the turbulent geopolitics of the region and the political processes it creates.

Nearby Somalia is the cradle of violence since the fall of the last government in 1991 and the fighting between pro-government forces and Al-Shabab jihadists. This conflict is spreading to Kenya and other East African countries, Mozambique, rich with gas, and Tanzania. Somewhat further is impoverished Sudan, whose internal conflicts threaten all investments in the country.

All these countries on the "Chinese path" will undoubtedly welcome China's stabilizing economic initiatives, while China will, in turn, be able to count on the infrastructure necessary to export oil and minerals to China's booming economy.

To some extent, so as to meet all these demands, China is transforming itself from a neutral outsider role to a strategic participant.

Translated by
Zoran Pavlović

REFERENCES

1. Anderson, James R. (Ed), „The Red Star and the Crescent: China and the Middle East“, Oxford Univeristy Press, 2018.
2. “China's Arab Policy Paper”, *Xinhua*, January 14, 2016.
3. “China's Xi visits Egypt, offers financial, political support”, *Reuters*, 20.01.2016.
4. “China, Saudi Arabia sign US\$65 billion in deals as King Salman starts Beijing visit”, *South China Morning Post*, 16. mart 2017.

5. "Chinese President Xi Jinping offers support to Saudi Crown Prince Mohammed bin Salman despite outcry over Khashoggi killing", *South China Morning Post*, 1. 12. 2018.
6. "China "pledges \$400bn" to develop Iran's energy, transport and manufacturing sectors", *Global Construction review*, 6.09.2019.
7. "China, Israel announce innovative comprehensive partnership", *Xinhua*, 21.03.2017.
8. Fahmi, Nabil, "Former US Secretary of State Henry Kissinger noted that China's most important comparative advantage over the West is its long-term strategic thinking and planning", *Al Hayat*, 4. May 2019.
9. "Highlights of Xi's speech at China-Arab forum", *China daily*, 10.07.2018.
10. Jiadong, Zhang, *China – Middle East relations: New Challenges and New Approaches*, Danish Institute for International Studies, 2016.
11. "President Xi Jinping of China Is All Business in Middle East Visit", *New York Times*, January 30, 2016.
12. "Saudi crown prince defends China's right to fight 'terrorism'", *Aljazeera*, 23. 02.2019.
13. "Xi Jinping Attends Opening Ceremony of Sixth Ministerial Conference of China-Arab States Cooperation Forum and Delivers Important Speech Stressing to Promote Silk Road Spirit and Deepen China-Arab Cooperation", *Xinhua*, 04.06.2014.
14. "\$ 400 billion from China to Iran", *News 1*, Tehran, 06.09.2019