

MIDDLE EAST NOTES AND COMMENT

The Vital Triangle

by Jon B. Alterman

“If China is winning, the United States must be losing.” That is precisely the principle that many Americans see at work not only in the world, but also in the Middle East. China’s surging manufacturing capacity has contributed to the steep decline in manufacturing jobs in the United States. U.S. businessmen worry about the consequences of Chinese firms taking over U.S. firms such as Unocal and 3Com and scuttle the deals. U.S. bankers agonize over China’s massive current accounts surpluses and its huge dollar holdings. Many perceive China to be a military threat too, expanding its reach in the Pacific and threatening the Pax Americana that has been in force there for decades.

The Middle East is not at the center of U.S. concerns about China, but it is certainly a part of them. The region holds the world’s largest repository of oil reserves and was a longtime Cold War battleground between the United States and the Soviet Union. The United States has been intensively engaged in the Middle East for more than a half century in an effort to maintain stability and ensure the free flow of oil out of the Persian Gulf. European nations have acquiesced to the U.S. lead, in part because they recognize that they cannot secure their interests in the ways that the United States does.

China, however, has felt less of a burden to comply with U.S. wishes, and the government often sees a range of reasons to depart from the U.S. script. Far more than the United States, China is dependent on Middle Eastern oil. More than fifty percent of China’s imported oil comes from the Middle East, versus some twenty-five percent in the United States. Further, China’s oil needs are growing, while U.S. oil consumption has flattened. China’s strategic thinkers see the country’s continued reliance on Middle Eastern oil to be a strategic liability, not only because the Middle East itself is an unstable region, but also because they have little faith in their own ability to secure

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Operation Runway

A covert operation is underway in Iran. Its organizers select participants through secret channels, conduct background checks, and communicate in code. Documents are distributed. Operational security is intense, as planners carefully avoid discussing their activities over the phone. At a predetermined time, participants don the orthodox dress prescribed by the regime, convene at a basement location, and give the proper signals to a guard at the door. There they strip off their outer garments and partake in...a fashion show.

The basement space is filled with pounding music, flashing lights, and cameras; dozens of eyes turn to the slim figure walking down the red carpet displaying the latest fashion trends. Models are even brought in from the UAE and tickets are sold for as high as \$760. Men and women sit side by side. This gathering is illegal, but that doesn’t appear to diminish the appeal.

Iran permits fashion shows, but not this kind. The acceptable shows are all-female and require the permission of the Ministry of Culture and Islamic Guidance. The government has taken a number of steps to stem the tide of Western fashion in Iran, from publishing an Islamic fashion magazine to harassing “inappropriately” dressed women on the street. Still, many wealthier Iranians have not been swayed and continue to gravitate toward Western fashion. After all, fashion is in part about being on the edge—a task far more easily accomplished in Tehran than in Milan. ■ NM

New Addition

The Middle East Program welcomes Lindsey Stephenson as the new program coordinator/research assistant. Lindsey is a *summa cum laude* graduate of Georgia State University in Political Science and Middle Eastern Studies and has recently completed a Fulbright Fellowship in Kuwait where she conducted independent research on the relationship between citizens and Parliament. She also lived in Syria and Jordan while studying Arabic. Lindsey replaces Gregory Brosman who is continuing his studies at the London School of Economics. You can reach Lindsey at 202.775.3179 or at lstephenson@csis.org. ■

the sea-lanes needed to transport the oil in the event of tensions with the United States.

As China looks to U.S. management of the Middle East, the country's leaders grow concerned. The Iraq war and continued sparring with Iran have heightened tensions in the Gulf and helped drive up oil prices around the world. China is largely indifferent to issues of domestic governance among its trading partners, and it appreciates their indifference when it comes to internal conditions in China. China judges that whomever is in power in these countries will sell them oil, and they need not be concerned beyond that. After decades as an avowedly revolutionary power, China has become an intensely status quo power, and Chinese see the United States as tilting the world dangerously toward instability. The notion of spurring internal change in hostile countries such as Iran, or even in friendly countries such as Saudi Arabia, is anathema.

For all of its skepticism toward U.S. actions in the region, however, China is not indifferent to the U.S. lead. Indeed, the Sino-American relationship is the premier strategic question in China, and there is great sensitivity to the possibility of alienating the United States in a region that is clearly of strategic importance to both countries.

Up to now, China and its Asian neighbors have been the beneficiaries of U.S. efforts to secure the Gulf and its rich oil supplies. The United States has supplied the troops and the ships, and the Chinese have bought the oil. Some estimates price U.S. expenditures to secure Gulf oil at more than \$30 billion per year—and that was before the military campaign in Iraq. The United States has borne those costs as part of its efforts to build global security.

Critics charge that China has been content to be something less than a full partner on Gulf security, entering into deals for Iranian oil and gas in the face of U.S. efforts to isolate the Iranians. While China certainly thinks that efforts at isolation are unwise, it has often yielded to strong U.S. protests (prolonging negotiations with U.S. adversaries rather than walking away from the negotiating table). Such strong U.S. demands have also prompted China to trim its weapons sales to Iran. Similarly, China has gone along with UN Security Council efforts to try to persuade Iran to be more transparent about its nuclear program, although it has often been reluctant to impose additional sanctions and has counseled much more patience. This is not a hopeless case.

Cooperation up to now has been incremental. Now, it is in the interests of both China and the United States that it become more systematic. The CSIS Middle East Program has just issued a book, *The Vital Triangle: China, the United States, and the Middle East*, that explores these questions more deeply. The bottom line is this: The United States and China share a wide range of interests in the Middle East, and efforts by either the United States, China or Middle Eastern countries to freeze out any of the others will surely lead to all parties emerging as losers. Small steps toward burden-sharing—cooperation on naval measures in the Gulf, such as ship identification protocols and disaster response coordination—can help steer China's deepening interest in the Middle East in a positive direction. More robust diplomatic coordination can go a long way as well. There is an opportunity here, and the alternative to success is not a happy one. ■ 7/22/2008

Links of Interest

Haim Malka was quoted by CNN regarding negotiations between Israel and Syria.

Jon B. Alterman, Ambassador Nicholas Burns and Ambassador Chas Freeman presented *The Vital Triangle: China, the United States, and the Middle East* to a CSIS audience on June 22.

Jon B. Alterman was quoted by the *Washington Post*, regarding the Bush Administration's policy towards Iran.

Download or purchase a copy of *The Vital Triangle: China, the United States and the Middle East*.

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