

MARCH 2017

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China, the United States, and  
the Struggle for Middle East Security



author **JON B. ALTERMAN**

**CSIS** | CENTER FOR STRATEGIC &  
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This report is made possible by the generous support of the Brzezinski Institute on Geostrategy.

*As its global footprint expands, China finds itself relying more and more on parts of the world where it has little influence, and seeking to flourish in a system largely developed by others. As China's global interests broaden, the country constantly finds itself in contact with the United States, which is neither a clear rival nor a clear adversary, but is clearly the world's leading global power. While China faces many challenges in its foreign policy, one of its most fundamental is how to manage its own rise without either clashing with the United States or creating undue burdens for itself as the largest Asian power. This challenge manifests itself especially in the space between East Asia and the Middle East, a space that, from a U.S. perspective, is truly the other side of the world.*

The challenge is particularly acute because conditions in Asia are in flux. While some observers take the enduring U.S. presence in this space to be a given, the United States in fact retains an array of options there. It can occupy that space in ways that complement China's ambitions, or ways that confront them. It can seek a strong imprint on the region, or it can decide that its vital interests lie elsewhere. China, too, has choices about how it will move in this space. It can seek to shape the space to advance its interests, or it can accept the contours as they are. It can develop its economic, diplomatic, and military capacities in this space simultaneously, or it can focus principally on economic matters. It can work to establish broad multilateral frameworks for international interaction, or it can stress bilateral relations.

What is certain is this: how the United States and China handle their mutual interests in the Middle East and in the Asian space leading to it will not only be an important indicator of how they relate to each other globally, but it will also strongly affect their broader ties. The geopolitics of this area will have a profound effect on the future of geopolitics more broadly.

This essay begins by considering the ways in which the U.S. and Chinese governments have approached the Middle East in the past, and then describes China's rising interests there. It next analyzes the countries' shared objectives and the contrasting ways they have pursued them. It considers the appeal of China to regional governments and the limits of Chinese influence, and then analyzes China's more immediate task,

which is securing the space between its Middle East interests and China itself. This analysis partly involves understanding the role of the United States in Asia, and how the U.S. military presence on the maritime route pushes China to pursue terrestrial alternatives. The essay then considers how a shift in the U.S. approach to the maritime space could have a profound effect on China's security and could push China to more aggressively articulate a "Chinese order" in Asia—one that could be well accepted and serve Chinese interests. It concludes by analyzing some of the new realities that China will have to confront as its global interests deepen.

## THE UNITED STATES IN GLOBAL AFFAIRS

The United States has long had an idiosyncratic approach to global power. Unlike Europe, it never tried to assemble a collection of far-flung colonies or lock in advantages for its investors abroad. In the nineteenth century, while European powers competed for the world, the United States government was largely preoccupied with settling a continent and was far removed from most of the European-based battles for wealth and influence. When the United States rose on the global scene in the mid-twentieth century, its strategy was not so much to exert control as to set universal standards by which all competed, including the United States. Europeans had sought to grow national power through establishing direct control, but the United States approach was indirect. Embedded in the U.S. strategy—even in its robust anti-

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Communism—was an interest in promoting stability, predictability, and transparency abroad. This interest had both military and economic components, involving soldiers and businesspeople alike. While much of the resultant structure and many of the resultant rules naturally favored U.S. interests and conduct, benefits were not reserved to the United States alone. Allies flourished under the aegis of *Pax Americana*, which was, in the end, a set of evolving common rules rather than a fixed outcome that insisted on U.S. primacy. The approach helped cement an acquiescence to U.S. global leadership out of a belief that it was in broad common interest.

When the United States swept into the Middle East after World War II, it did so under a clear Cold War framework. That is, U.S. efforts had a clear military component that was supplemented with economics. U.S. and allied forces sought to advance Western interests by securing oil fields, ensuring the safe passage of shipping, and inoculating formerly feudal and colonial societies from the attractions of communism. Israeli security was an important concern but not an overwhelming one; peace was pursued as much to prevent the Soviets from gaining a foothold among antagonists as to advance discrete U.S. commercial interests. The strategy went through different emphases for half a century—sometimes more state-centric in its approach, sometimes more grassroots; sometimes more economic, and sometimes more military. But it was always predicated on seeing the Middle East as a strategic prize.

After the Cold War ended, the Middle East remained strategically important to the United States, which feared not that an outside power would sweep in but that the region would succumb to its own demons and damage U.S. interests. The United States rushed to defend Saudi oil fields after Saddam Hussein invaded Kuwait

in 1990, and it assembled a broad international coalition to push Saddam back. The U.S. objective was order, not control. Similarly, the United States' confrontation with Iran since 1979 has reflected a desire to maintain regional stability and defeat Iranian efforts to pick apart the U.S.-led status quo (though for its part the Islamic Republic sees the U.S. strategy as part of an attempt to isolate and weaken it).

For the last half-century, the United States has occupied an increasingly confounding role in the Middle East. Intraregional actors wishing to change the status quo pushed many governments to seek protection from the United States. At the same time, close U.S. relations with authoritarian allies, a commitment to secular liberalism, and support for Israel have often made the United States come across as an arrogant and immoral power, one that presents an easy demon in public debate. The U.S. view of itself in the Middle East, as a pro-democracy force supporting public demands for a voice and greater accountability from authoritarian governments, does not prevail. The broad view is more negative. Most governments see the United States as a naïve but necessary partner, and publics broadly see the United States as a sometimes-admirable society with a despicable government.

## CHINA IN GLOBAL AFFAIRS

China's general approach to global affairs has been thoroughly different from that of the United States. Even at its zenith of power, China was a regional power and not a global one. It never sought far-flung possessions or devised rules governing international affairs. When Zheng He set out on his fifteenth-century voyages to the Persian Gulf and the Red Sea, he did not seek land for the monarch like his European counterparts. China conquered contiguous territory and demanded—and received—tribute from its





2015: A scale model of Egypt's new capital city, which received Chinese investment. (KHALED DESOUKI/AFP/GETTY IMAGES)

near abroad, but it never showed a thirst for a global role. Rather, those with such a thirst thrust themselves into China's consciousness when China was at its nadir. European powers established colonies in East Asia throughout the nineteenth century and (along with the United States) wrung concessions from the Chinese leadership after the Opium Wars. China suffered further under Japanese expansion in the early twentieth century, and was almost wholly inner-directed for decades as it sorted out the consequences of the Communist Revolution of 1949. By the time China began to shed its isolation in the late 1970s, a whole set of global postwar rules had been set. China's dizzying rise in the years since has been driven not by challenging those rules but by capitalizing on them. China's rise has not involved the creation of NATO-like military alliances, and China maintains a deep aversion to overseas military bases. China's articulated strategies are

light on security concerns and full of concern for mutual benefit.

China's spectacular rise has engendered widespread speculation on the country's ultimate strategy. A generation of American strategic thinkers has absorbed the writings of classical Chinese military theoreticians, and many view the present Chinese quietism as a sign of patience rather than benign intent. As they read Chinese history, the common thread in Chinese thinking is not peaceful accommodation but well-timed confrontation.<sup>1</sup> In this view, the modesty of China's announced ambitions on the global stage signals a shrewd reserve rather than modest aspirations.

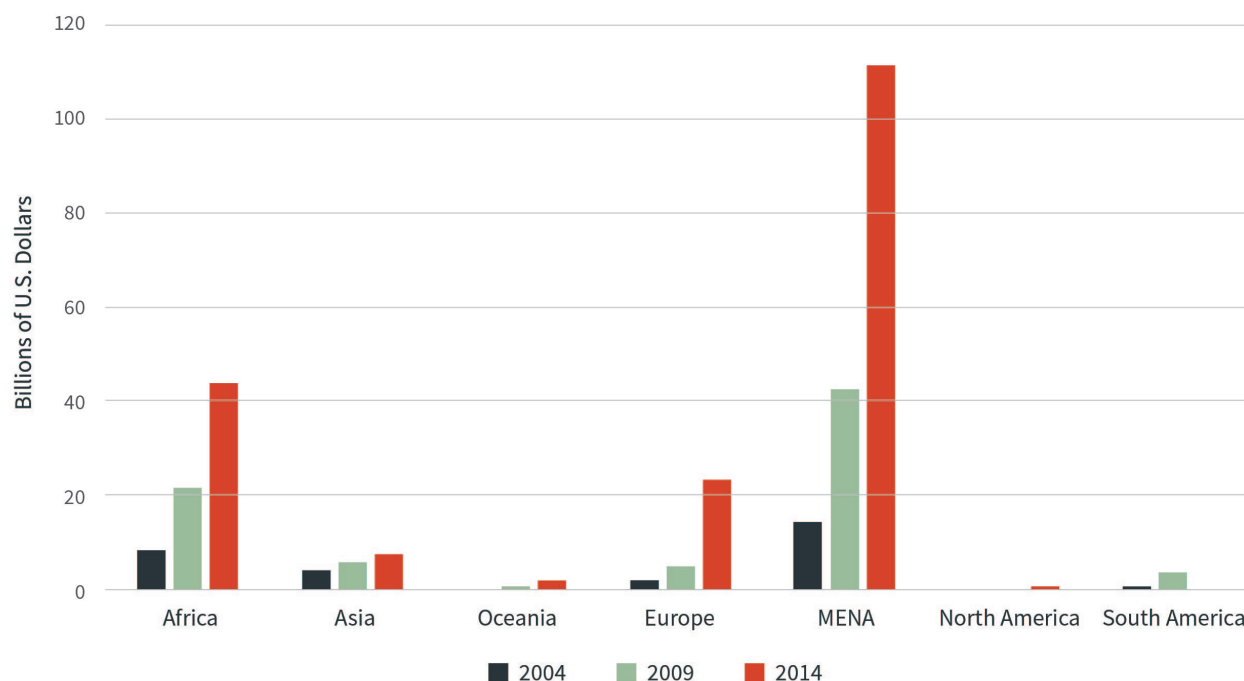
Even for close analysts of China, though, it is hard to know what the Chinese leadership genuinely seeks, if indeed it has a plan at all. So much is evolving so quickly in so many places, and the Chinese government is so large and complex—

1. See, for example, Alastair Iain Johnston, *Cultural Realism: Strategic Culture and Grand Strategy in Chinese History* (Princeton, NJ: Princeton University Press, 1995), 249.



## Annual Chinese Imports of Crude Oil by Region of Origin\*

2004/2009/2014



\* Source: BACI International Trade Database (a cleaned version of data original from the U.N. Statistical Division (COMTRADE).  
[http://atlas.media.mit.edu/en/visualize/tree\\_map/hs92/import/chn/show/2709/2014/](http://atlas.media.mit.edu/en/visualize/tree_map/hs92/import/chn/show/2709/2014/)

and opaque—that separating intent, reality, and illusion might be impossible. And even if China does have a long-term strategy, there is no way to know whether that strategy would be successful in an extended time of peace, let alone whether it could survive the contact of war.

### CHINA'S INTERESTS IN THE MIDDLE EAST

When it comes to the Middle East, China's interests are relatively more recent than those of the United States, and they are narrower. China had a modest cultural connection to the Middle East, largely through Islam, for centuries. The Silk Route long predated Islam, but Chinese travelers themselves rarely traversed it. By the medieval period, Muslim traders had established enclaves in Chinese ports, but there were no Chinatowns in the Middle East. China has several distinct Muslim communities—not only the Turkic Uighurs,

but also the Hui, who are in most respects indistinguishable from Han Chinese. A few of those Chinese Muslims made pilgrimage to Mecca over the centuries, but before regular air travel, such trips were rare. Chinese students began to study regularly in Cairo's al-Azhar University only in the twentieth century, and in relatively small numbers. Governmentally, there was little connection. Politically, the People's Republic of China has felt an emotional connection to anticolonial movements in the Middle East, especially when they held sway in the 1950s and 1960s, but it was mostly engaged in the politics of symbolism. Egypt's Gamal Abdel Nasser extended official diplomatic recognition to China in 1956, precipitating the withdrawal of Western support for the High Dam at Aswan and the subsequent nationalization of the Suez Canal Company. In so doing, Abdel Nasser was making a political point that had little practical effect on

Egyptian-Chinese relations. Similarly, it is little coincidence that the Chinese embassy in Algiers is in Charles De Gaulle's former residence—a location no doubt intended as a slap at Algeria's former colonial masters in France. China extended relatively little in exchange for Arab support, which one could also argue was not especially valuable to China.

## China's approach to the Middle East in the last two decades has been almost entirely state-centered.

With China's growth on the world stage in the last two decades, the stakes have changed, and China has become increasingly involved in the Middle East. The country's direct engagement has been overwhelmingly economic, through three avenues. By far the most important is energy. China became a net oil importer only in 1993, but the Middle East has consistently been the source of more than 50 percent of China's imported oil. China's growing demand for oil has frustrated efforts to diversify Chinese supply, as incremental increases in supply from non-Middle East sources have disappeared into a

rapidly growing basket of imports. China's oil imports increased 9 percent between 2013 and 2014 alone,<sup>2</sup> and that increase in Chinese oil demand

accounted for 43 percent of total global demand growth.<sup>3</sup> That year, it is worth noting, was a somewhat modest one for Chinese GDP growth, clocking in at less than 8 percent compared to many years of double-digit growth that preceded it.<sup>4</sup>

The second avenue is trade in manufactured goods. The Gulf Cooperation Council (GCC) is among China's fastest-growing trading partners, but not only because of rising energy imports. China sells a broad range of manufactured goods to the GCC, and that trade is increasing rapidly. The Economist Intelligence Unit estimated that by 2020, China would become the dominant global exporter to the GCC, doubling its 2013 volume and accounting for \$135 billion a year.<sup>5</sup> Dragon Mart, a vast mall on the outskirts of Dubai that acts as a showroom for myriad Chinese manufacturers and wholesalers, recently tripled its floor space to more than 2 million square feet, or 46 acres of retail space.<sup>6</sup> Some 250,000 Chinese now live in Dubai, although some serve the clientele from Africa and Europe who prefer to do business with China there rather than traveling to China itself.

The third avenue is contracts for infrastructure and other construction. China has applied its expertise—gained from rapidly building infrastructure and housing for its boom cities—to the needs of the boom cities of the Middle East. Chinese construction companies have a reputation for being both cheap and fast, qualities that allow local leaders to take credit for quick progress. China's investments and contracts in the Middle East between 2010 and 2016 totaled more than \$60 billion<sup>7</sup> and

2. Energy Information Administration, "China" (full report), 10, [http://www.eia.gov/beta/international/analysis\\_includes/countries\\_long/China/china.pdf](http://www.eia.gov/beta/international/analysis_includes/countries_long/China/china.pdf).

3. Ibid, 1.

4. World Bank, "GDP Growth (annual %)," <http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>.

5. Economist Intelligence Unit, "GCC Trade and Investment Flows," (2014), 9.

6. Andrew Scott, "Nakheel Triples Retail Space in Dragon Mart with Opening of Extension," *The National*, November 10, 2015, <http://www.thenational.ae/business/retail/nakheel-triples-retail-space-in-dragon-mart-with-opening-of-extension>.

7. American Enterprise Institute, "China Global Investment Tracker," <https://www.aei.org/china-global-investment-tracker/>.



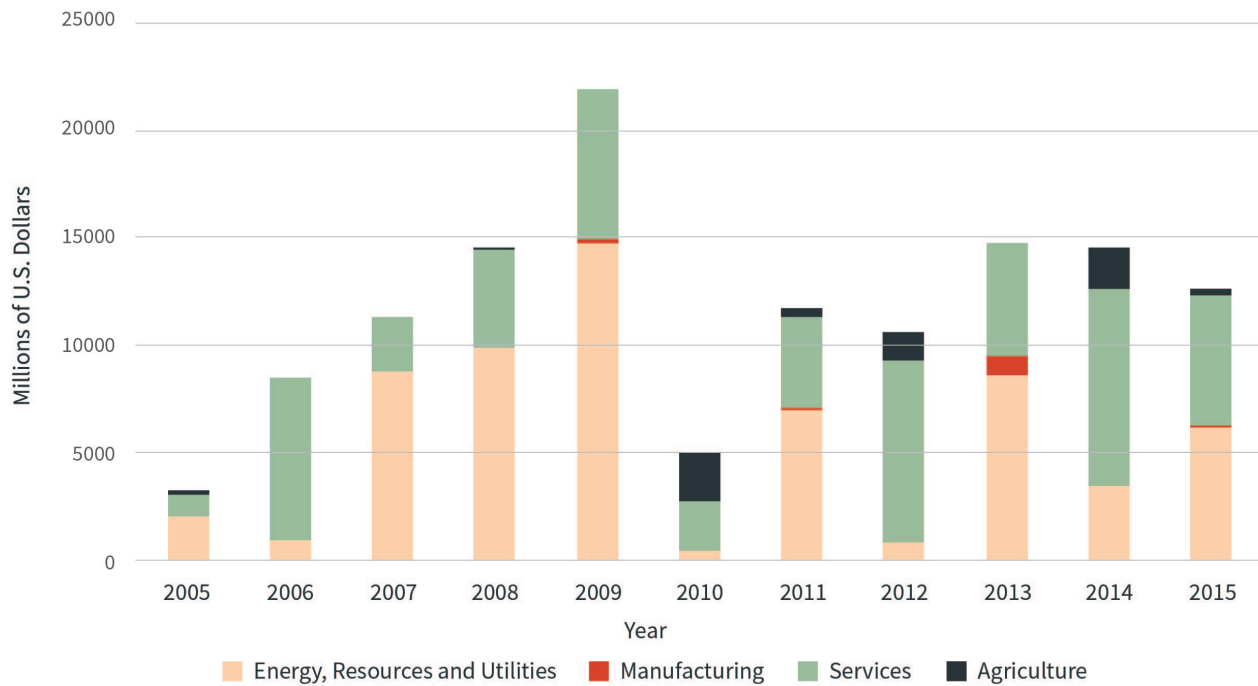
2007: Chinese construction workers in Kouba, Algeria. (PASCAL PARROT/GETTY IMAGES)

included such high-profile projects as a light rail line in Mecca, an oil pipeline in the United Arab Emirates that allowed direct access to the Indian Ocean, and 40,000 housing units in Bahrain. As Middle Eastern governments consider the role of material deprivation in generating the Arab Spring protests, the prospect of rapidly erected housing and infrastructure at attractive prices, often backed by Chinese state financing, has been enticing.

China's approach to the Middle East in the last two decades has been almost entirely state-centered. The Chinese government is comfortable with the large public sectors in Middle Eastern states, and it is comfortable striking trade agreements with state institutions. When operating anywhere overseas, the United States government generally seeks to reach beyond state-

to-state relationships in order to establish direct ties with business elites, academics, and other members of civil society. China, by contrast, has contented itself to accept the Middle East as it is. While there is some Chinese concern that the region lacks the requisite resilience to cope with its domestic social, economic, and political challenges, the Chinese government seems to distrust opposition groups and to see government forces as the only powers able to contain terrorism and other kinds of disorder. Caught flat-footed by the Arab uprisings of 2011 and the rise of populists who blamed the Chinese for giving succor to overthrown dictators, Chinese officials have appeared relieved to see powerful regional strongmen return, while being careful not to completely close the door on opposition groups.

## Chinese Investments in Middle East 2005–2015 by Sector\*



Data shows investment and construction deals, but excludes troubled transactions

\* American Enterprise Institute, China Global Investment Tracker Database <https://www.aei.org/china-global-investment-tracker/>

### CHINA AND THE UNITED STATES IN THE MIDDLE EAST

Fundamentally, there is no natural conflict between the United States and China in the Middle East. Both share an interest in stability, and both are deeply invested in the status quo. In part because of the U.S. commitment to open markets in the Middle East—it is worth noting here that Chinese firms have invested more than \$16 billion in Iraq,<sup>8</sup> making China one of the country's largest foreign investors<sup>9</sup>—China benefits from a system that the United States invests billions of dollars in helping to secure. But China does not benefit only by avoiding similar investments in security; it also benefits by avoiding the hostility such investments

arouse in those who oppose the status quo. Some Chinese officials privately express a certain satisfaction with the U.S. involvement in the Middle East, because U.S. forces deployed to the Middle East are U.S. forces that cannot be deployed to China. The U.S. Navy, for example, generally has three carrier strike groups on station at any one time, and a commitment to keep one in the Middle East makes it difficult for more than one to be on station in the Pacific at any given time.

The Chinese strategy toward power in the Middle East appears quite different from the country's attitude toward power in its near abroad. While China is comfortable operating under the penumbra of U.S. power far from home, it is increasingly

8. Ibid.

9. Dexter Roberts, "Iraq Crisis Threatens Chinese Oil Investments," Bloomberg Business, June 17, 2014, <http://www.bloomberg.com/bw/articles/2014-06-17/iraq-crisis-could-threaten-chinese-oil-investments>.





2010: The Chinese-built Mecca Light Rail, Saudi Arabia. (AMER HILABI/AFP/GETTY IMAGES)

wary of U.S. power in East Asia. China's caution toward the U.S. presence seems to have at least two explanations: China believes East Asia is rightly its own proper area of influence, and it fears that the United States seeks to use China's near abroad to contain China. China's sparring with the United States over its assertions of sovereignty in the South China Sea are a reminder that China's acquiescence to U.S. naval power is highly situational. A third explanation for China's caution is also likely. China does not feel it needs the United States to maintain order in East Asia, which is well within the range of the Chinese navy and where China is the overwhelming local military and economic power. The same does not hold for the Middle East, where potential threats are rampant, local politics are complex and often opaque, and the application of Chinese military force so far afield is a much more tenuous operation.

## DIFFERING APPROACHES TO THE MIDDLE EAST

Even where U.S. and Chinese interests overlap—on security, stability, and trade—the two countries have profound differences in approach. Many of these differences stem from a professed U.S. commitment to process, and a Chinese focus on outcomes. The U.S. focus on process has not been a consistent thread in U.S. foreign policy, but it has become increasingly consistent over time. In the early years of the Cold War, U.S. officials pushed land reform and economic development projects as ways of immunizing populations in the developing world against the appeal of communism. If feudalism made communism more attractive, the logic went, then the United States and its allies had a strategic interest in eradicating feudalism. A host of U.S. agencies labored by various means to improve econom-

ic and political conditions overseas, from the global technical assistance promised by President Harry Truman's "Point IV Program" in 1949 to the massive reorganization of aid in the Foreign Assistance Act of 1961.<sup>10</sup> Even so, the United States pursued close ties with authoritarian governments across Asia, the Middle East, and Latin America, in part to keep communism at bay.

The agonizing U.S. defeat in Vietnam and public criticism of the Central Intelligence Agency's Cold War exigencies in the mid-1970s not only created a demand for a "moral" U.S. foreign policy, but also sharpened the critique that realpolitik approaches were damaging to U.S. interests in the longer term. The end of the Cold War had two impacts on the debate. First, the common narrative emerged that the West won the Cold War because its system was superior. Spreading liberal systems became a security imperative because democracies were understood not to fight wars against each other,<sup>11</sup> or more colloquially, "No two countries that both have a McDonald's have ever fought a war against each other."<sup>12</sup>

Second, the absence of an existential security threat for the first time in a half century freed the United States and its allies from the perceived necessity of supporting thuggish leaders. As new

**China does not appear to have any global evangelization streak and seems to have no desire to persuade the world of the superiority of China's ideology or culture.**

10. See Jon B. Alterman, *Egypt and American Foreign Assistance, 1952–1956: Hopes Dashed* (New York: Palgrave Macmillan, 2002), 21–38; Robert A. Packenham, *Liberal America and the Third World* (Princeton, NJ: Princeton University Press, 1973).

11. See, for example, Bruce Russett, *Grasping the Democratic Peace: Principles for a Post-Cold War World* (Princeton, NJ: Princeton University Press, 1993).

12. Thomas Friedman, "Foreign Affairs Big Mac I," *New York Times*, December 8, 1996, <http://www.nytimes.com/1996/12/08/opinion/foreign-affairs-big-mac-i.html>.



strategic frameworks for the post–Cold War world emerged, some in the United States proposed that the United States should seek to become a persistent force for good in the world—even at the expense of U.S. short-term interests. This view of the U.S. role partly reached back to a history of American exceptionalism. It also derives from the fact that the U.S. encounter with the world in the nineteenth century was dominated by missionaries and not by generals. Bonaparte had his “*mission civilisatrice*” as a governmental task with a clear connection to state power. In the United States, evangelization was a public enthusiasm, and it continues to have deep roots.<sup>13</sup>

As a consequence of these two strands of thought, democratization and governance have been a major part of U.S. foreign assistance for decades. Linking governance to security has played an important role in every presidential National Security Strategy since 1990.<sup>14</sup> The Obama administration has run more than 350 projects in 64 countries under the “Democracy, Human Rights and Governance” rubric,<sup>15</sup> and boasted in September 2015 that “the United States is the largest supporter of civil society in the world, with more than \$3.2 billion invested in strengthening civil society since 2010.”<sup>16</sup> The 2010 National Security Strategy was clear:

The United States supports the expansion of democracy and human rights abroad because governments that respect these values are more just, peaceful, and legitimate. We also do so because their success abroad fosters an environment that supports America’s national interests. Political systems that protect universal rights are ultimately more stable, successful, and secure.<sup>17</sup>

China does not appear to have any global evangelization streak and seems to have no desire to persuade the world of the superiority of China’s ideology or culture. Further, China’s population does not seek to transcend state power to be a positive force in the world. Chinese government actions in the foreign policy space are wholly limited to state interests, and the state sees its interests furthered by close relations with other governments. China’s “Five Principles of Peaceful Coexistence,” articulated more than a half century ago, insist not only on respect for sovereignty and territorial integrity, but also on noninterference in the domestic affairs of other states.<sup>18</sup> In pursuing cooperative relationships on development-related issues with other countries, the Chinese government focuses on governmental interlocutors to a far greater extent than does the U.S. government. China shares the sense of

13. See William R. Hutchison, *Errand to the World: American Protestant Thought and Foreign Missions* (Chicago: University of Chicago Press, 1987). A more recent take on exceptionalism comes from Governor Mike Huckabee. He complained that President Obama “grew up more as a globalist than an American,” and asserted that “to deny American exceptionalism is in essence to deny the heart and soul of this nation.” Ben Smith and Jonathan Martin, “The New Battle: What It Means to Be an American,” *Politico*, August 20, 2010, <http://www.politico.com/story/2010/08/the-new-battle-what-it-means-to-be-american-041273>.

14. U.S. Agency for International Development, *USAID Strategy on Democracy, Human Rights and Governance* (Washington, DC: USAID, 2013), 9, [http://pdf.usaid.gov/pdf\\_docs/PDAX557.pdf](http://pdf.usaid.gov/pdf_docs/PDAX557.pdf).

15. U.S. Agency for International Development, “Interactive Map,” <http://map.usaid.gov/?s=DHRA>.

16. White House, Office of the Press Secretary, “Fact Sheet: U.S. Support for Civil Society,” September 29, 2015, <https://www.whitehouse.gov/the-press-office/2015/09/29/fact-sheet-us-support-civil-society>.

17. White House, “National Security Strategy of the United States,” May 2010, 37, [https://www.whitehouse.gov/sites/default/files/rss\\_viewer/national\\_security\\_strategy.pdf](https://www.whitehouse.gov/sites/default/files/rss_viewer/national_security_strategy.pdf).

18. Ministry of Foreign Affairs of the People’s Republic of China, “China’s Initiation of the Five Principles of Peaceful Co-Existence,” [http://www.fmprc.gov.cn/mfa\\_eng/ziliao\\_665539/3602\\_665543/3604\\_665547/t18053.shtml](http://www.fmprc.gov.cn/mfa_eng/ziliao_665539/3602_665543/3604_665547/t18053.shtml).

some governments that the non-governmental organization (NGO) sector may be a hotbed of opposition and social unrest, and it does not seek to embolden or empower civil society in other states. The U.S. approach is different. Whereas the U.S. government certainly seeks to empower partner governments and is cautious not to support terrorist groups, it also aggressively seeks

to enlist civil society actors in its programs, and it is often careful to include voices out of favor with the sitting government.

The different U.S. and Chinese approaches to the Middle East were apparent when revolts broke out throughout the Arab world in 2011. The United States government jumped on the protests as confirmation that undemocratic governance was unsustainable. While the White House did not encourage protestors, its satisfaction

with events was evident. Upon learning that the Egyptian president and long-time U.S. ally Hosni Mubarak had stepped down in 2011, President Obama said, “There are very few moments in our lives where we have the privilege to witness history taking place. This is one of those moments. This is one of those times. The people of Egypt have spoken, their voices have been heard,

and Egypt will never be the same.”<sup>19</sup> China, by contrast, viewed the uprisings with alarm. Rather than celebrate them, the Chinese government sought to limit domestic reporting on them, fearful of spawning a copycat uprising in China itself. When the results of the Arab revolts of 2011 were far less clear, it looked as if China had a major problem brewing in the Middle East. The collapse of the status quo meant not only that China lost state partners in places like Libya and Egypt, but also that it had gained the enmity of newly powerful revolutionary groups who believed China had contravened their interests.<sup>20</sup>

## THE APPEAL OF CHINA

The pendulum has swung back in the region, and security officials have reasserted control. Consequently, it is the United States that has lost the trust of those in power; China, prized for its indifference to domestic affairs, appears to be back in favor. In fact, we may see the different approaches of the United States and China promoting a quiet rivalry between the two in much of the world, as the United States insists on bilateral relationships with “strings attached,” and China signals its disinterest in precisely the kinds of internal considerations that constrain U.S. policy. Of course, the United States has more to offer than China in absolute terms—in the way of economic strength, technical prowess, and military sophistication—but the Chinese approach, unlike the American, makes military and economic resources accessible that otherwise would not be.

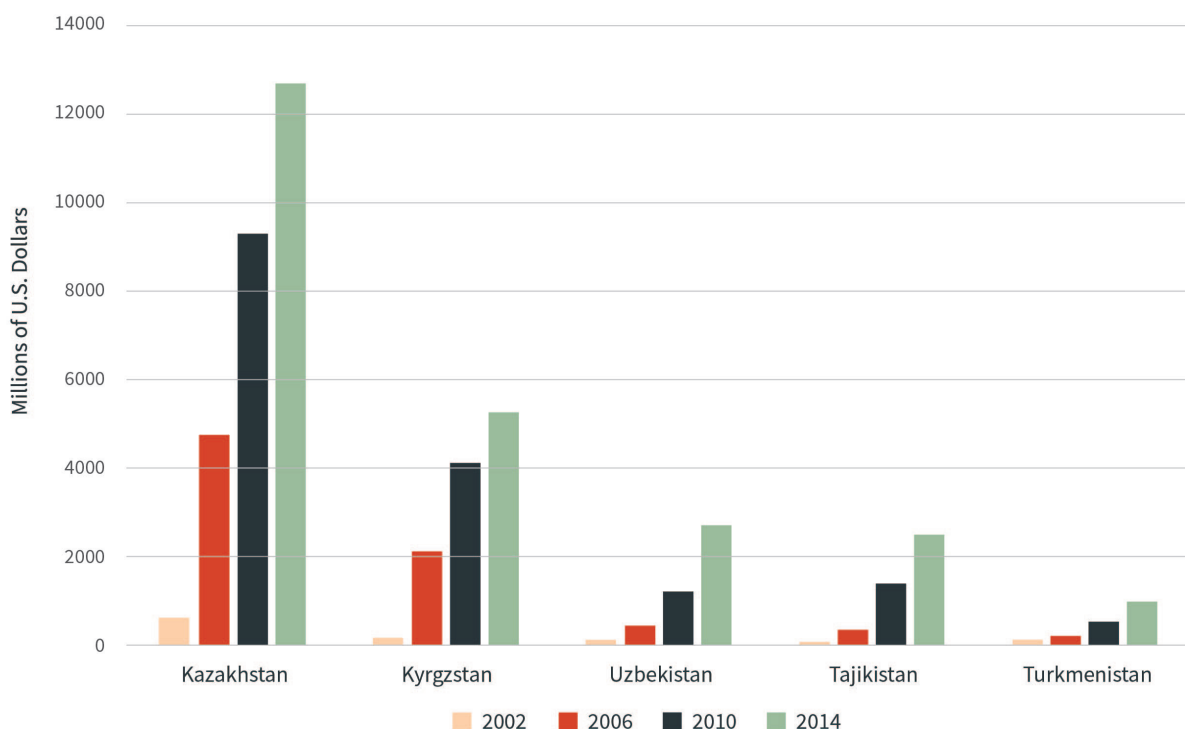
For countries that the United States has tried to freeze out—such as Iran—China represents

**It is premature to argue that China is playing a major role in the Middle East, or that it will do so any time soon.**

19. White House, “Remarks by the President,” February 11, 2011, <https://www.whitehouse.gov/the-press-office/2011/02/11/remarks-president-egypt>.

20. See, for example, “China’s Evolving Foreign Policy: The Libyan Dilemma,” *The Economist*, September 10, 2011, <http://www.economist.com/node/21528664>.

## Central Asian Countries' Annual Imports from China\*



\* International Monetary Fund, *Direction of Trade Statistics Yearbook 2006*, 134; International Monetary Fund, *Direction of Trade Statistics Yearbook 2015*, 156.

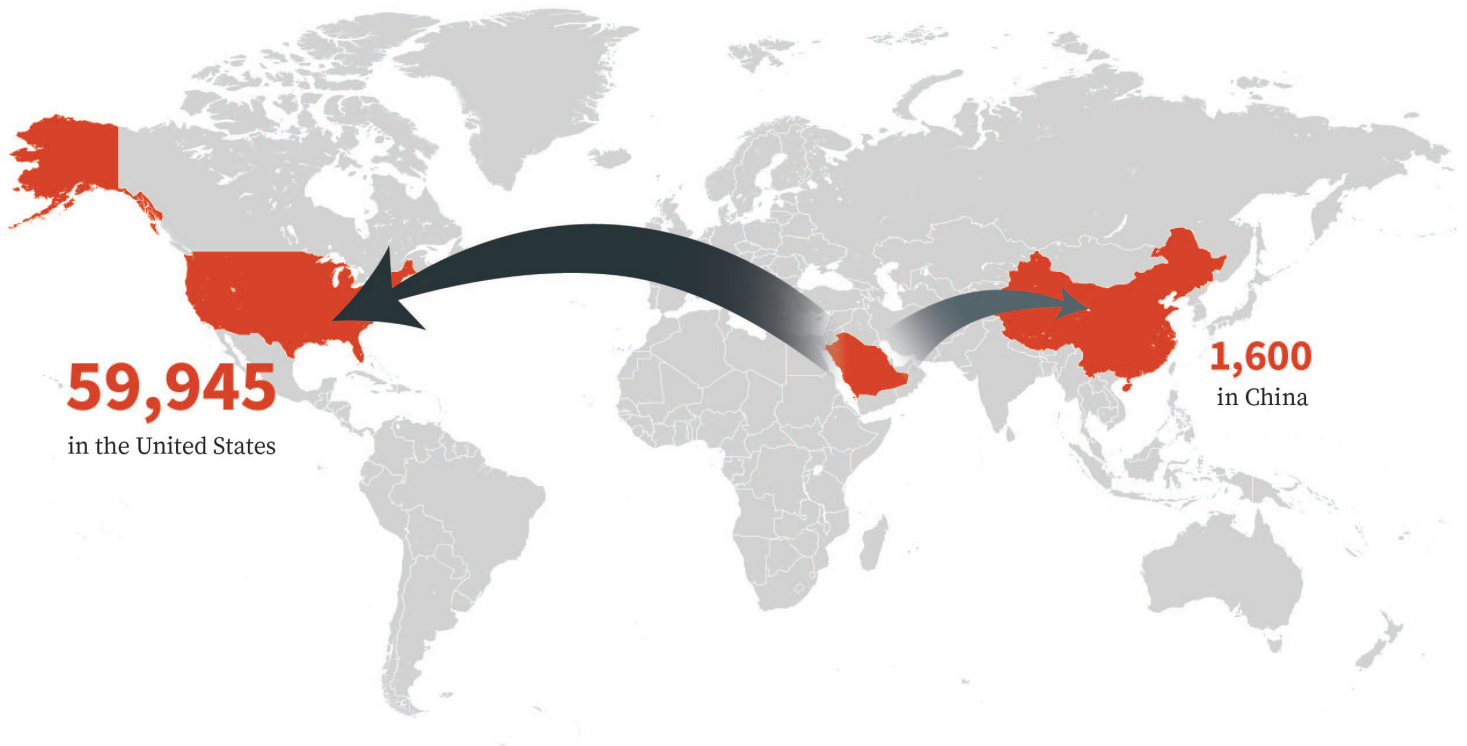
a counterweight in global affairs. For countries that believe the United States is turning away from its old friends—such as Saudi Arabia and Egypt—China represents a competing offer against which the United States must bid, and a pathway to obtain what the United States will not sell. Almost every country in the Middle East believes it would benefit from a heightened Chinese role in the region, even if what each country wants to see from China is different.

For the Middle East, a large part of China's appeal is not so much what it is, but what it is not. This sentiment is similar to the popularity that the United States enjoyed in the Middle East in the 1920s, as the region sought to free itself from the imperial grip of the United Kingdom and France. Governments have long resented what they see as U.S. meddling, and publics have long resented what they see as a hostile

bias against their interests. To both, China is a blank canvas on which Middle Eastern countries project their aspirations for a different kind of great-power relationship. Chinese officials do not condition, and they do not moralize. They do not complain that the legislature has tied their hands, and they do not produce extensive compliance documents that require signature and verification. Western countries in general, and the United States in particular, have become more cumbersome partners, and China promises a more straightforward relationship.

It certainly helps that China is a success as a nation, and one that has made remarkable economic progress in the last several decades. Looking forward, China is likely to remain one of the world's fastest-growing markets for fossil fuels, and a growing market for materials produced with fossil fuels (for example, fertil-

## Saudi Students Abroad\*



\* "Cooperation between China and Saudi Arabia sees Continual Progress in the Fields of Culture and Education" [Arabic] CCTV Arabic, uploaded January 30, 2016, <http://arabic.cntv.cn/2016/01/20/VIDEazMNrof7XKzqsgphuZyB160120.shtml>; "Open Doors Report on International Educational Exchange," Institute of International Education, November 16, 2015

izer, petrochemicals, plastics, and aluminum).<sup>21</sup> Elsewhere, the prospects for energy sales are not so good. Conservation has caused European imports to weaken, and a combination of conservation and unconventional oil production in the United States has diminished Middle Eastern exports to what was once the world's largest importer. In fact, with increased domestic production, the United States has recently resumed its status as the world's largest producer of oil and natural gas.<sup>22</sup>

Middle Eastern countries long believed that the U.S. reliance on oil from the Middle East would

keep the United States vitally concerned with events in the region. The end of that reliance—even if temporary—has persuaded many of those countries that the United States is eager to cut its ties. Initial U.S. discussions of the "pivot to Asia" sent a signal to many in the Middle East that the United States was desperately trying to pivot away from the region. China's growing reliance on Middle Eastern energy, and its growing ties to the region, persuade Middle Eastern governments and populations that China is the rising power and the United States is the diminishing power.

21. "Fossil Fuel Markets in China," *Research and Markets*, April 2015, [http://www.researchandmarkets.com/research/wk2fch/fossil\\_fuel](http://www.researchandmarkets.com/research/wk2fch/fossil_fuel).

22. Energy Information Administration, "U.S. Remained World's Largest Producer of Petroleum and Natural Gas Hydrocarbons in 2014," April 7, 2015, <https://www.eia.gov/todayinenergy/detail.cfm?id=20692>.

## THE LIMITS OF CHINESE INFLUENCE

Expectations of the future, however, tend to cloud understandings of the present. It is premature to argue that China is playing a major role in the Middle East, or that it will do so any time soon. China's boosters in the region tend to underestimate the large gap between the United States and China militarily and diplomatically. It will be decades until China's capabilities in the region match those of the United States.

A broader cultural element blunts China's impact as well. There is simply less comfort in the Middle East with China than there is with the United States, whose deep exposure to the region began more than two centuries ago. It is partly an issue of language and culture, as Mandarin-speaking atheists find it hard going in Arabia. But in the Middle East and around the world, the United States is starting far ahead of China. Harvard is the world's gold standard for education, not Beijing University; the computers people want are Apples and not Hasees; drivers aspire to own Jeeps and not Great Wall SUVs. When it comes to prestige and the perception of innovation, the United States does the glamorous piece while Chinese workers grind out products. Chinese products are cheap and available in the Middle East, but they are a poor-man's substitute. This same phenomenon can be found in China itself, of course, whose elites aspire to Western brands (including many manufactured in China itself). This state of affairs suggests the pro-Western tilt is likely to endure for some time to come.

## The United States Cold War history of resisting Soviet influence in Europe provides a useful reference point, in part because it differs so starkly from the issue of Chinese influence in Asia.

### CLOSER TO HOME

In the face of security concerns in the Middle East and a dominant U.S. position in the region, the Chinese government's instinct in the near term is to limit the immediate growth of ties to the Middle East. Instead, China seeks to grow Middle East ties slowly, as a continuation of deeper ties with China's neighbors. Central Asia represents a relatively uncontested zone and thus a sort of virgin territory for China to win over. Even more important is Asia's role as a gateway to some of China's most strategically important trading partners, not only in the Middle East but in Europe as well.

China's still somewhat hazy Belt and Road Initiative focuses initially on contiguity and patterns of trade. China is the leading trading partner of all of its close neighbors, and it is a growing trading partner for most countries in the world. China's expansion westward began more than a decade before Xi Jinping proclaimed the Belt and Road Initiative in 2013. Between 2005 and late 2014, Chinese trade with the five former Soviet states in Central Asia—Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan—and the Caucasus states of Armenia, Georgia, and Azerbaijan—increased 10-fold, largely because of energy trade.<sup>23</sup>

<sup>23</sup> International Monetary Fund, "Regional Economic Outlook: Middle East and Central Asia," World Economic and Financial Surveys, October 2015, 55, <http://www.imf.org/external/pubs/ft/reo/2015/mcd/eng/pdf/mreo1015.pdf>.





2016: The port of Gwadar, Pakistan, a multi-million-dollar project being developed by China (SARAH TITTERTO/AFP/GETTY IMAGES)

China surely realizes that a key variable in its ability to expand its influence is its neighbors' acquiescence to China's rise. Outside of Central Asia, many of those neighbors have close ties to the United States, in part a legacy of Cold War relationships, and in part a consequence of U.S. economic strength. Tens of thousands of U.S. troops are stationed in South Korea and Japan, and both countries have trade relationships well over \$100 billion a year with the United States.<sup>24</sup> Warming U.S.-India ties, combined with Indian uncertainty over China's regional ambitions, also represent a potential check on China's westward push, especially by sea. The United States Cold War history of resisting Soviet influence in Europe provides a useful ref-

erence point, in part because it differs so starkly from the issue of Chinese influence in Asia. First, the Soviet push into Europe was explicitly military, and it was an outgrowth of World War II. As such, it represented a somewhat sudden change to the status of Eastern European states struggling to recover from the war. By contrast, Chinese influence across Asia is much more subtle and much less military, and the general trend of welcoming closer ties with China seems genuinely widespread in regional states, in part because of the importance of growing trade relations. Whereas the United States' closest allies were alarmed by Soviet actions in Europe, close U.S. allies have much more nuanced views

24. United States Census Bureau, "Trade in Goods with Japan," <https://www.census.gov/foreign-trade/balance/c5880.html>; United States Census Bureau, "Trade in Goods with Korea, South," <https://www.census.gov/foreign-trade/balance/c5800.html>.



toward China's rising influence in Asia. Indeed, China is the largest trading partner of most U.S. allies in Asia, and many Asian countries are deeply resistant to the notion that they would have to "choose" between China and the United States. That circumstance is wholly different from the "Iron Curtain" mentality that prevailed in Western Europe in the second half of the twentieth century.

Second, Soviet moves in Europe were clearly offering an alternative system to that put forward by the United States and its allies, while China argues that its system is complementary. China takes pains to minimize the effects of Chinese influence, strongly arguing that it merely seeks win-win arrangements that serve the national interests of both sides. The proclaimed modesty of the efforts has the effect of minimizing the opposition to them.

Third, the United States felt intimately connected to Europe because of ethnic and cultural ties. Many Americans felt any change in the status quo was a threat. While an increasing number of American citizens have Asian (and in many cases specifically Chinese) origins, Asia simply feels more culturally remote. Asians who do reside in the United States also are less alarmed by growing Chinese influence in Asia than Europe-oriented Americans felt in the face of growing Soviet influence, creating less domestic pressure to check Chinese growth.

## THE UNITED STATES IN ASIA

A question that must be central to Chinese strategists is how permissive the United States

will be toward China's expansion westward—an expansion that would presumably have economic, diplomatic, and security dimensions. Thus far, the two sides have sought to build constructive relations arising out of their common interests.<sup>25</sup> China received U.S. encouragement for joining anti-piracy efforts off the coast of Somalia, for example. Similarly, the United States is supportive of Chinese demonstrations of commitment to global security, such as sending more than 3,000 peacekeepers to 10 UN missions around the world.<sup>26</sup> The United States has not seemed to interfere with China's efforts to build closer ties with Pakistan (including developing the port at Gwadar) and Sri Lanka, nor with China's efforts to develop naval and shipping facilities in Djibouti, where the United States has a navy base.

And yet, the United States seems to be moving to counter China's expansion, or at least retain the ability to counter it, especially in the maritime domain. The growing U.S. bilateral relationship with India is one manifestation of this, in its military and economic dimensions. So, too, is the gentle U.S. nudging of Japan and India to have closer naval ties. Closer military ties between the United States and Australia, which create a more durable U.S. presence in the western Pacific, are another sign of how the United States views the geometry of the region. A new nomenclature about the U.S. military commitment to the "Indo-Pacific" seems to be gaining some currency, although some scholars criticize it as a meaningless term.<sup>27</sup> On the economic front, the United States sought to undermine the Asian Infrastructure Investment Bank (AIIB) before its launch,

25. See Andrew Erickson, "More Willing and Able: Charting China's International Security Activism," Center for a New American Security, May 2015, [http://www.cnas.org/sites/default/files/publications-pdf/CNAS\\_MoreWillingAndAble\\_final.pdf](http://www.cnas.org/sites/default/files/publications-pdf/CNAS_MoreWillingAndAble_final.pdf).

26. United Nations, "UN Mission's Summary Detailed by Country: Month of Report: 31-Oct-15," [http://www.un.org/en/peacekeeping/contributors/2015/oct15\\_3.pdf](http://www.un.org/en/peacekeeping/contributors/2015/oct15_3.pdf).

27. Chengxin Pan, "The 'Indo-Pacific' and Geopolitical Anxieties about China's Rise in the Asian Regional Order," *Australian Journal of International Affairs* 68, no. 4 (2014): 453–69, <http://dx.doi.org/10.1080/10357718.2014.884054>.

and the Trans-Pacific Partnership is an initiative to deepen U.S.-East Asian trade relations that do not involve China.

It is clear that the United States has a far more powerful military presence in the Middle East and South Asia than China will be able to muster for decades. At the same time, China's deepening trade relations, growing economy, and rising consumption clearly make it an attractive partner for many Asian governments and businesses. There is a certain complemen-

## **Current conditions help preserve Chinese interests, but future conditions may not.**

tarity here, as it is clear that China can afford to have a relatively light military presence in the region because the United States has a heavy one. The U.S. Navy has ensured freedom of navigation through the Indian Ocean, even as much of the trade making use of this route has been with China. It is true that regional trading systems function because of the consensus of the participant countries,

but they have done so under the penumbra of U.S. protection and with the active support of U.S. diplomacy, which together promote robust multilateral cooperation.

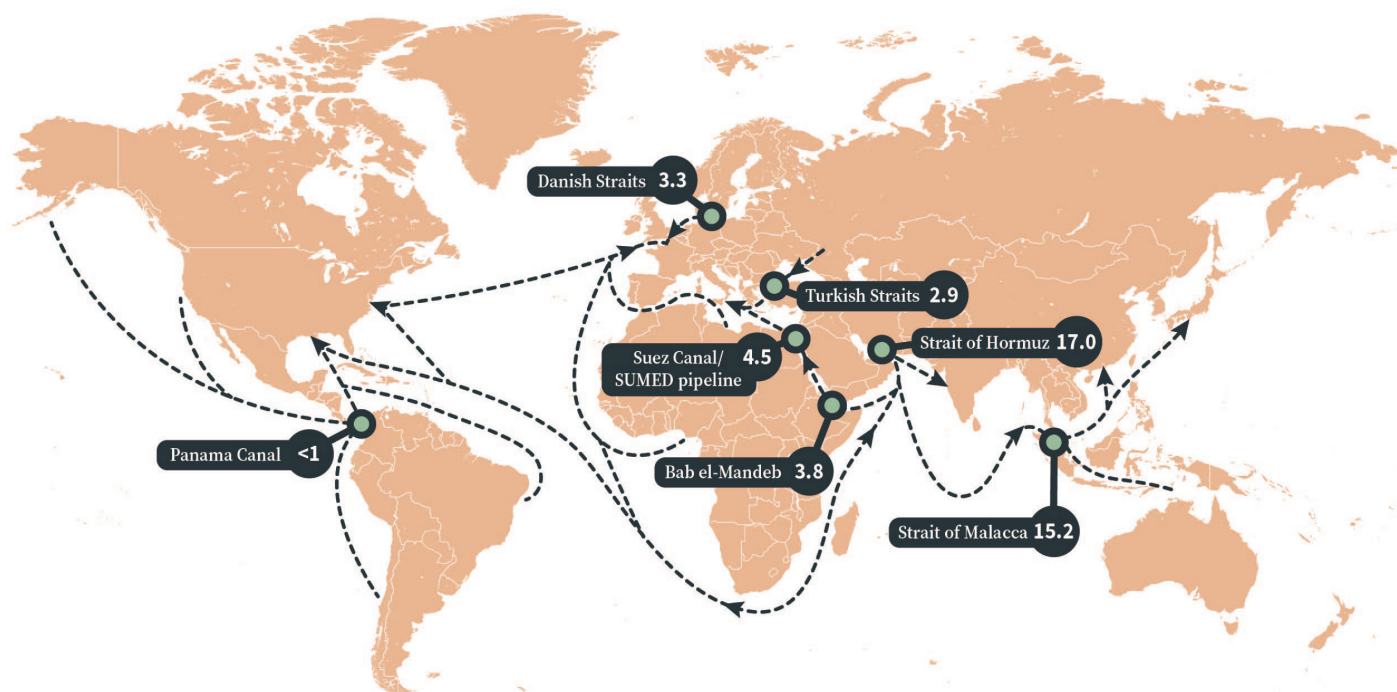
China gains both security and vulnerability from the U.S. role. In peacetime, it benefits from a secure and predictable environment for trade. One sign of just how open the present system

is to Chinese benefit is the successful Chinese investment in the Iraqi oil sector—which took place in the wake of a large U.S. military effort in which China did not participate. In extremis, however, China shares no confidence in the current system's durability. The United States will retain a significant ability to disrupt Chinese maritime operations should it wish to—certainly in the Indian Ocean, and even in the South China Sea. Similarly, the U.S. ability to amass an array of allies in Asia dwarfs the current Chinese ability to do so. This is in part because of the U.S. distance from the region, and in part because of regional confidence that the United States does not seek to dominate it.<sup>28</sup> Current conditions help preserve Chinese interests, but future conditions may not.

To take on a heightened regional role in the near term that would serve its interests in differing security environments, China would require the acquiescence of the United States for its expansion into the Indian Ocean, or else would need a strategy for overcoming U.S. obstruction. It seems to be focusing thus far on winning U.S. acquiescence, ensuring that U.S.-Chinese naval tensions remain isolated in the South China Sea. China's ability to continue to win U.S. acquiescence is uncertain. It is true that China has successfully boosted Sino-American economic cooperation, making the eruption of serious bilateral tensions unlikely. China has also smoothed its path by emphasizing that it is not seeking any more military role than is necessary, stressing that it seeks "win-win solutions" and is willing to invest billions to ensure that benefits flow to Chinese partners. China's suggestion is that its development is in harmony with U.S. influence in the region rather than a challenge to it. But the

28. Richard Wike, Bruce Stokes, and Jacob Poushter, "Global Publics Back U.S. on Fighting ISIS, but Are Critical of Post 9/11 Torture," Pew Research Center, June 23, 2015, <http://www.pewglobal.org/files/2015/06/Balance-of-Power-Report-FINAL-June-23-20151.pdf>.

## Maritime Oil Trade Routes\*



Estimates of the volume of crude oil and petroleum products passing through key passages (millions of barrels per day).

\* U.S. Energy Information Administration, "World Oil Transport Chokepoints" (November 10, 2014), 2  
<https://www.eia.gov/beta/international/regions-topics.cfm?RegionTopicID=WOTC>

"win-win" language is much less prevalent in China's near abroad, where some of the closest allies to the United States are located. The post-World War II settlement drew the United States close to Korea and Japan, and the significant U.S. military presence built up to counter Soviet expansion in the Pacific now stands as a bulwark against Chinese adventurism. China's vigorous assertion of its maritime rights is a transparent effort to assert dominance in East Asia.

### THE APPEAL OF LAND ROUTES

China finds much less resistance to developing terrestrial routes, for several reasons. First, rising tensions between the United States and Russia preclude the two cooperating to isolate China and make Russia especially eager for positive relations in the East. The balance in the bilateral relationship tips toward China, as Russia's economic and

demographic weakness undermines national strength. Second, the Soviet experience left Central Asia relatively underdeveloped and ambivalent toward Russia. The need for infrastructure and trade is deep, and China can deliver both better than the Russians can. China can also play the Central Asian states and Russia off against each other, as both provide Chinese routes to Europe. Russia's rail lines run on a unique gauge, creating incentives for China to develop rail routes that bypass Russia or force Russia to haul Chinese goods at concessionary rates.

China's uncertain plans in the terrestrial space play significantly to the country's advantages. There is no map of where the Belt and Road Initiative will run, and no list of participating countries. Combined with confidence in the future success of Chinese plans, the uncertainty leads many governments and businesses along

the potential route to believe that they have an opportunity to be part of something great, even if none have a clear idea of exactly what it is. The explicit way in which Chinese officials have touted the “win-win” character of China’s expansion, combined with the promise of resources from the growing economic powerhouse, increases the likelihood that target states will welcome Chinese influence.

Even so, the economic superiority of the maritime route is striking. Shipping costs to Europe are a third to a half of land trade costs, and volumes are almost 30 times greater.<sup>29</sup> The United States has weaker ties to the countries on China’s land borders than with its maritime neighbors in Southeast Asia, but the logic of China’s economic growth requires an emphasis on maritime trade.

### POTENTIAL SHIFTS IN THE U.S. MARITIME ROLE

An important question to consider is what would happen if the United States took a less active role protecting the sea lines of communication between the Strait of Hormuz and the Straits of Malacca. Currently, the U.S. Navy has a unique role in this space, although many of the littoral powers have some naval presence in the area. While the U.S. Navy does not have a large permanent presence in that space, almost half of the troop movements to Afghanistan and the Gulf went westward out of San Diego, CA, rather than eastward from Norfolk, VA.

Barry Posen has argued that the unique power of the United States is its uncontested “command of the commons”—that is, its unique ability to deploy swiftly to defend interests anywhere.<sup>30</sup> Yet one might argue that the United States could afford to spend much less defending the so-called “global commons.” In part, malign actors’ reach is quite limited. For example, while piracy has been a problem in the Horn of Africa and the Indonesian archipelago, it has been a problem in areas relatively close to shore and within the reach of national coast guards and navies. Where there was an enduring piracy threat off the coast of Somalia, a concerted international effort (which included China) proved quite effective, and no large merchant vessel has been hijacked since May 2012.<sup>31</sup> When it comes to preserving free navigation on the high seas, there are few national navies that could even contemplate blocking the sea lanes, and the ones that could have deep trade relations with each other that would make hostile actions unlikely, if not unthinkable. While U.S. government officials are often quick to insist that the United States is committed to allies across Asia, and while it has begun describing something called the “Indo-Pacific” to encompass a U.S. commitment across the region, there are still some determined voices that suggest the level of U.S. commitment to Asia is folly.<sup>32</sup>

Two other aspects of U.S. global primacy are worth considering. The first is the unique U.S. ability to deploy large military forces swiftly anywhere in the world. While that ability certainly exists, the

29. Greg Knowler, “China-Europe Rail Services Starting to Turn Shippers’ Heads,” March 11, 2015, JOC.com, [http://www.joc.com/international-logistics/china-europe-rail-services-starting-turn-shippers'-heads\\_20150311.html](http://www.joc.com/international-logistics/china-europe-rail-services-starting-turn-shippers'-heads_20150311.html).

30. Barry R. Posen, “Command of the Commons: The Military Foundation of U.S. Hegemony,” *International Security* 28, no. 1 (Summer 2003): 5–46.

31. Control Risks, “Maritime Risk Forecast 2015,” <https://www.controlrisks.com/~media/Public%20Site/Files/Reports/MaritimeForecastReport2015.pdf>.

32. See, for example, Christopher Preble, “U.S. National Security Strategy after Primacy,” testimony to the Senate Armed Services Committee, October 29, 2015, 5.

rather mixed results from the last half century of global deployments raise reasonable questions about its utility. As the tools of asymmetrical warfare grow in strength, the U.S. government's—or any government's—ability to deliver swift and decisive political outcomes through military action becomes more constrained.

The other aspect is the U.S. role in maintaining a broad global order in all of its facets—military, diplomatic, and economic. The United States becomes the senior partner in all of its global endeavors, one bearing a disproportionate share of the burden while being careful to distribute benefits broadly. In the face of what many Americans see as welcome insulation from global energy markets and migrant flows—and with looming budget challenges brought on by aging demographics, rising entitlement spending, and a persistent resistance to tax increases—calls for the United States to spend less blood and treasure on sustaining order for a seemingly ungrateful world are likely to rise.

**What China is seeking to do in the Middle East context is add to its power through emphasizing economic diplomacy and the prospect of mutual gains, while limiting the contributions it makes to hard security or to strengthening institutions of economic governance.**

### **A CHINESE ORDER?**

One important question to answer is how different a Chinese-led order in Asia might be from one guided by the United States and its allies. On one level, the difference would likely be less than during the Cold War, when the world was divided into communist and capitalist spheres. Capitalism has all but won the economic argument. While there are still differences over the proper scope for state-owned enterprises, the economic basis for judging the utility of activities is widely



accepted, and we see startling overlaps between free-market systems and “socialism with Chinese characteristics.” But on another level, disparities emerge. The United States has invested a tremendous amount in negotiating trade regimes that promise the equal treatment of goods. It has

sought to constrain the role of governments in the economy. China has also not emphasized eradicating corruption (although it has an active anticorruption effort underway at home). China is simply seeking to pursue its national economic interests, and it perceives other states as willing partners.

## **The country is confronting concerns that its traditional approach to regions far from China is no longer adequate.**

also invested in good governance, and in global institutions that promote good governance. Central to the U.S. approach has been a sort of economic evangelism, which is predicated on the confidence that the U.S. model offers developing societies a route to prosperity. Especially during the Cold War, the United States understood itself as the promoter and defender of a free world that stood in contrast to a world first of tyranny, and then of communism.

China’s approach, by contrast, has been to live alongside something extant rather than to displace it. Like the United States in the 1940s, it does not seek formal empire. Unlike the United States in the postwar period, China does not seek ideological hegemony, either. Instead, its thrust has been to emphasize bilateral business arrangements of mutual benefit—where increasingly China is the stronger party. Skeptical of broad schemes of mutual obligation, China has strived for simpler “win-win” arrangements, often directly between governments. China has not prioritized the growth of an independent business class abroad, nor has it

Some China-watchers make the argument that China has acceded to U.S. norms as it has grown its economy and increased its share of global trade.

In this view, China is

not a disruptor of the status quo but a party to it. Seen from the perspective of the Cold War, when capitalist and communist systems battled for primacy, this is true. There is no grand ideological principal at stake. Yet the U.S. system is about much more than a profit motive. The U.S. system is predicated on a desire to foster competition, transparency, and opportunity. The Chinese system, by contrast, stresses the importance of winning; whispers of corruption and cronyism are rarely far from discussions of Chinese contracting. In its most recent survey of bribery around the world, for example, Transparency International judged that Chinese companies were the second-most likely to bribe in their overseas operations, after Russian companies, and the difference between them was so slight as to be well within the margin of error.<sup>33</sup> Writing in 2013, two years after China passed legislation making overseas bribery a crime, one critic noted that China appeared to have launched no investigations of overseas bribery at all and suggested that the government had little interest in pursuing the problem.<sup>34</sup> As

33. Transparency International, *Bribe Payer’s Index 2011*, 6, <http://www.transparency.org/bpi2011/results>.

34. Samuel R. Gintel, “Fighting Transnational Bribery: China’s Gradual Approach,” *Wisconsin International Law Journal* 31, no. 1 (2013): 10.





2009: A restaurant employee grills lamb skewers in Yiwu, China. (PHILIPPE LOPEZ/AFP/GETTY IMAGES)

China reaches out more vigorously to the world, and as Chinese funds play a larger role in global economic development, a question is looming. Will China seek to use its rising profile on the international stage to protect its institutions from international standards, or will it use its rising international engagement to bring Chinese institutions up to international standards?

In this regard, the Asian Infrastructure Investment Bank represents an unusual Chinese investment in a multilateral institution that China does not itself control. Whereas China may have initially believed that the AIIB could be an instrument of Chinese policy, the bank's startling success in attracting 60 initial stakeholders—16 of them from Europe—means that China's ability to direct the bank's actions will

be limited. In fact, such a large multilateral bank may have the paradoxical effect of actually constraining Chinese conduct rather than projecting Chinese values abroad. The AIIB can help advertise China's arrival as a global power, but as a multilateral institution beyond Chinese control it is unlikely to be the principal instrument through which China invests in Asia. For that, China is likely to rely more on institutions such as the Silk Road Fund and the China Development Bank for investments that are intended to advance state interests.

As the United States government has talked openly of the need to make China a "responsible stakeholder" in global affairs, China has made a great show of its effort to define a "new type of great-power relations." The compo-

## China's need to adjust to global realities comes at a time when those realities themselves are in rapid transition.

nents are 1) no conflict or confrontation, 2) mutual respect, and 3) mutually beneficial cooperation.<sup>35</sup> What is most striking, however, especially in a Middle East context, is China's effort to articulate what it means to be a "new type of great power." In the nineteenth century, status as a great power was a reflection of how much an individual country could control. In the mid- and late-twentieth century, power was often measured by how much a country could influence and shape, largely through institutional arrangements. What China is seeking to do in the Middle East context is add to its power through emphasizing economic diplomacy and the prospect of mutual gains, while limiting the contributions it makes to hard security or to strengthening institutions of economic governance. The bet on the Chinese side is that others will continue to contribute sufficiently to sustain the value of Chinese investments, while China will reap the benefits without expending resources. Diplomatically, China's desire seems to be to have positive relations with a wide variety of antagonists, while powers such as the United States provoke animosity from choosing sides.<sup>36</sup>

While China gives up some agency through pursuing this strategy, it has benefits beyond saving on expenditures. By not projecting itself into the Middle East, it helps avoid a confrontation that it cannot win with the United States and its allies. Many would read any Chinese effort to move in aggressively with its forces as an effort to displace the United States. Further, China is decades away from being able to begin to match the U.S. ability to defend positions far from its shores. Similarly, the global economic institutions that the United States has helped establish—not only in the Middle East—enjoy a perception of global ownership, and any Chinese effort to subvert them would be read as a sign of Chinese aggression and ambition. Just as the United States has benefited from a perception that the systems it has established leave ample room for others to benefit, so too does China profit from a perception that it is not being as assertive as it might be in amassing national power. But at the same time, China does need to amass more national power. The country is confronting concerns that its traditional approach to regions far from China is no longer adequate. Large-scale citizen evacuations from Libya and Yemen, the Islamic State group's execution of a Chinese hostage in Syria, and persistent security concerns for Chinese nationals in Iraq are a reminder that perhaps a million Chinese citizens abroad represent a growing consular responsibility for China that the country is still struggling to meet.<sup>37</sup> With a limited diplomatic corps, no overseas bases,

35. See Cheng Li and Lucy Xu, "Chinese Enthusiasm and American Cynicism over the 'New Type of Great Power Relations,'" Brookings Institution, December 4, 2014, <http://www.brookings.edu/research/opinions/2014/12/05-chinese-pessimism-american-cynicism-great-power-li-xu>.

36. Ministry of Foreign Affairs of the People's Republic of China, "China's Arab Policy Paper," January 2016, [http://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/t1331683.shtml](http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1331683.shtml).

37. Anjani Trivedi, "China Takes Its Debt-Driven Growth Model Overseas," *Wall Street Journal*, August 6, 2015, <http://www.wsj.com/articles/china-takes-its-debt-driven-growth-model-overseas-1438882687>.

and ties with foreign intelligence services and law enforcement organs that are still in their infancy, China's ability to protect a growing number of overseas Chinese is hardly adequate.<sup>38</sup>

## NEW REALITIES

China's need to adjust to global realities comes at a time when those realities themselves are in rapid transition. The world's interest in the Middle East for the last century has been intimately tied to fossil fuels, and Middle Eastern oil has fueled much of Asia's economic growth since World War II. Changing global patterns of trade for fossil fuels, and growing concern about fossil fuels' environmental impact, create uncertainty. For China in particular, this cuts two ways. China's reliance on domestic coal for electricity generation has fouled the air of Chinese cities, but shifting to gas would make China more reliant on imported fuel. Similarly, growing transportation infrastructure in China drives greater fuel growth, but much of China's transportation fuel must be imported—and much of it from the Middle East. The United States, by contrast, has diminishing reliance on imported fuels now, although the durability of the unconventional oil and gas revolution is in question. Technological advances could enhance every country's ability to develop its own domestic energy resources and diminish global trade. By contrast, a failure to develop new technologies could put the United States back in the center of the global trade in gas and oil in 20 years.

China, then, has increased its presence on the world stage at an unusual inflection point. Whereas many of the previous shifts in global power have occurred in the wake of warfare, today's shift is advancing in peacetime among the prevailing

powers. The Middle East is at one of its greatest periods of instability, and that has a profound effect on the world's great powers as well. While we have grown used to talking about instability in the Middle East, the Middle East of the 1970s and 1980s that seemed so unstable at the time in retrospect seems like a bastion of certainty. Enfeebled states, rising non-state actors, and Iran's potential reentry into global politics all create profound uncertainty. Even so, it is hard to imagine that, in the next 20 years, China and its Asian neighbors will not be heavily reliant on the Middle East for energy. Less clear is the ways in which the United States will still feel a commitment to sustaining a global role.

China's efforts to secure its growing ties to the Middle East provide an important window into how China sees its global role. China's Middle East strategy not only provides insight into how the Chinese government views its security interests, but it also forces China to make choices about its ties to the United States and the post-World War II environment that the United States helped construct. What is often forgotten is how many choices both China and the United States have to make about security in this part of the world, and how many of those choices have not yet been made. What patterns of behavior change over the next decade, and how, will be among the most important indicators of Chinese intent, U.S. intent, and the structure of great-power relations around the globe.

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38. Mathieu Duchatel, Oliver Brauner, and Zhou Hang, "Protecting China's Overseas Interests: The Slow Shift Away from Non-interference," *Stockholm International Peace Research Institute*, June 2014, [http://books.sipri.org/product\\_info?c\\_product\\_id=479](http://books.sipri.org/product_info?c_product_id=479).

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