
FORMATION OF A NEW WORLD ORDER

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The Characteristics of China's Energy Policy and Geopolitical Role in the Middle East

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The article examines China's energy policy in the Middle East from a geopolitical perspective. It considers the political factors that affect China's energy policy development, the energy cooperation dynamics between China and Middle Eastern countries, as well as the impact of the latter on political cooperation (e.g. political problems in the Middle Eastern region, the Xinjiang problem concerning Uighurs, etc.). The article also discusses the impact of the above-mentioned on China-Russia energy cooperation and China-US relations. The study reveals that China's energy cooperation does not simply aim at meeting China's vast energy needs; along with economic interests, China's energy policy is also affected by several geopolitical factors. Since the US influence is in decline in the Middle East, China tries to increase its influence through energy cooperation, investments, and economic initiatives.

Keywords

China, USA, Russia, Middle East, energy policy, geopolitics

Introduction

Since Xi Jinping became the President of the People's Republic of China, the country has smoothly moved from the "Keeping a low profile" policy to the "Striving for achievement" policy. The foreign policy change was a sign that China was striving to become a world superpower¹. In addition to regional projects, China also introduced global programs, mainly based on the promotion of economic cooperation, the establishment of good-neighborly relations, as well as respect for each other's territorial integrity. China's

¹ **Yan X.**, From Keeping a Low Profile to Striving for Achievement, *The Chinese Journal of International Politics*, 2014, 7, 2, 153-154.

sphere of influence began to expand, including Middle Eastern countries that previously did not interest China. In addition to the main areas of cooperation, energy cooperation gained great significance in the Middle East. The aforementioned caused a conflict of interests between China and the United States, gradually straining the bilateral relations. China's energy policy also affected the China-Russia energy cooperation.

China's energy policy does not merely aim at meeting energy needs. China imports huge volumes of gas and crude oil even though it is already rich in coal reserves that can fully meet domestic energy needs for more than a century. Therefore, Chinese foreign and energy policies also consider chemical pollution, ease of transportation, industrial processing, and strategic reserve calculations².

It is necessary to study the following topics to discover the characteristics of the combination of China's energy policy and geopolitical role in the Middle East:

- The dynamics of China's presence in the Middle East,
- The dynamics of gas imports to China over the years and their geopolitical importance,
- Conflict of interests between China and the United States in the Middle East,
- The impact of China's energy policy in the Middle East on Russia-China relations.

China's presence in the Middle East

China had had no particular interest in the Middle Eastern countries and pursued a passive policy until 2011, which is the year when the "Arab Spring" began. Because of the civil war in Libya, China evacuated its 40,000 citizens. The latter was the beginning of China's new policy, which included meetings of high-ranking officials, the signing of various agreements, and huge investments.

China's foreign policy priorities changed significantly in 2013, which is the year when the "Belt and Road" initiative launched. The initiative created a stable base for China to establish and strengthen ties with Eurasian and Indian Ocean countries. The importance of the Middle East within the

² **Burgos S., Ear S.**, The Geopolitics of China's Global Resources Quest, *Geopolitics*, 2012, **17**, 1, 47-79.

framework of the "Belt and Road" initiative (BRI) is reflected in the following documents: the 2015 "Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road" and the 2016 "Arab Policy Paper"³. It is noteworthy that the "Belt and Road" initiative not only benefits China economically but also politically. According to some Chinese official sources, the initiative serves as a means to enter new markets, increase exports, create new jobs, reduce regional disparities, as well as improve political stability, security, prosperity, and ultimately restore China's influence in Eurasia and beyond⁴.

Along with BRI projects, China also implements separate regional projects. That combination brings China and the Middle Eastern countries closer by strengthening their ties and diversifying spheres of cooperation. The latter can eventually lead to economic interconnectedness. Traditionally, it is believed that cooperation and development are possible only if there is a peaceful and secure environment. But the political situation is still quite unstable in the Middle East. Previously, the United States was the only major promoter of peace and security in the region. But now, peace and stability in the Middle East are among China's immediate interests, too. However, China's approach to this issue is quite different from the one of the United States.

According to the "Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road" paper, it is important to "carry on the Silk Road Spirit in face of the weak recovery of the global economy, and complex international and regional situations." The success of BRI will "promote orderly and free flow of economic factors, highly efficient allocation of resources and deep integration of markets, as well as encourage the countries along the Belt and Road to achieve economic policy coordination and carry out broader and more indepth regional cooperation of higher standards, jointly creating an open, inclusive and balanced regional economic cooperation architecture that benefits all." This document does not have a separate section on cooperation with the Middle East, but it identifies five priorities for regulating cooperation with all countries involved in the

³ **Fulton J.**, China's challenge to US dominance in the Middle East, China's Great Game in the Middle East: Policy Brief, European Council on Foreign Relations, 2019, pp. 10-17.

⁴ **Umbach F., Yu K.**, China's Expanding Overseas Coal Power Industry: New Strategic Opportunities, Commercial Risks, Climate Challenges, and Geopolitical Implications, EUCERS-Strategy Paper No. 11, 2016, pp. 1-64.

initiative. Those priorities are policy coordination, facilities connectivity, unimpeded trade, financial integration, and people to people bond⁵.

Since the mentioned paper does not have separate points for military and security cooperation, we can assume that BRI's main focus is development, and not geopolitical advancements. Therefore, the initiative is not an active part of China's geopolitical strategy. However, the paper successfully outlines the priorities of the future development of interstate relations between China and Middle Eastern countries⁶. Although the paper aims at enhancing economic and cultural cooperation, it can eventually also lead to security and military cooperation. Once China manages to establish strong economic ties with the Middle Eastern countries, there may also be a need for military cooperation since it is essential to create a safe and secure economic environment in the region. Otherwise, China's massive investments will be in vain. It is noteworthy that initially prioritizing economic cooperation and gradually diversifying the spheres of cooperation (eventually involving military cooperation) is one of the main characteristics of Chinese foreign policy.

The Five Principles of Peaceful Coexistence (mutual respect for sovereignty and territorial integrity, mutual non-aggression, mutual non-interference in internal affairs, equality and mutual benefit, and peaceful co-existence) act as the basis of Chinese foreign policy. That is why those principles are mentioned separately in both the aforementioned and China's Arab Policy paper. However, China's Arab Policy paper is especially significant because it describes the priorities for cooperation between China and the Middle Eastern countries. China and Arab countries adopt the "1 + 2 + 3" cooperation pattern where 1 stands for energy cooperation, 2 stands for infrastructure construction, as well as trade and investment facilitation, and finally 3 stands for high and new technologies in the fields of nuclear energy, space satellite, and new energy⁷.

⁵ Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road, National Development and Reform Commission, Ministry of Foreign Affairs, and Ministry of Commerce of the People's Republic of China, with State Council authorization, First Edition, 2015, https://reconasia-production.s3.amazonaws.com/media/filer_public/e0/22/e0228017-7463-46fc-9094-0465a6f1ca23/vision_and_actions_on_jointly_building_silk_road_economic_belt_and_21st-century_maritime_silk_road.pdf, (01.04.2021).

⁶ **Fulton J.**, Op. cit.

⁷ China's Arab Policy Paper, The State Council, The People's Republic of China, 2016,

Because of the enhanced cooperation pattern, China has become the biggest and the most pursued investor in the Middle East. In 2018, China committed \$3 billion in loans for banking sector improvement, \$20 billion in loans for Arab world reconstruction, and made investments in regional clean energy projects. Chinese investments and projects do not entail any political conditions, but instead, they often involve strict preconditions about the use of Chinese materials and the involvement of Chinese labor⁸.

The change in China's policy towards the Middle East is not accidental. China's main priorities are the enhancement of economic cooperation (especially in the energy sector) and the stabilization of the region (not to lose investments). It is crucial for China to diversify its energy sources, as energy dependence on a single provider may harm China's growing economy. And even though regional stability benefits China, Beijing tries to avoid getting involved in regional issues as much as possible while establishing mutually beneficial relations with the Middle Eastern countries.

The Characteristics of China's Energy Policy and Geopolitical Role in the Middle East

The shortage of energy resources is a threat to the Chinese economy because it is impossible to ensure sustainable economic growth without the complete satisfaction of China's growing energy needs. Consequently, China's energy policy in the Middle East considers two factors: the need to meet energy demands and geopolitical interests in the region. To battle the energy deficit, Beijing has developed a three-pillar energy policy that aims to⁹:

1. Enhance domestic supply through new exploration and production;
2. Secure overland supply through bilateral and multilateral energy-transportation arrangements;

http://english.www.gov.cn/archive/publications/2016/01/13/content_281475271412746.htm, (01.04.2021).

⁸ **Elnaggar Y.**, China's growing role in the Middle East, Middle East Institute, 2020, <https://www.mei.edu/publications/chinas-growing-role-middle-east>, (01.04.2021).

⁹ **Farizal Mohd Razalli**, China's Foreign Energy Quest and the Changing Security Dynamics in ASEAN, Asian Conflicts Reports, Issue 11 (Alexandria, VA: Council for Asian Transnational Threat Research, June 2010) p. 1.

3. Diversify sources of supply from as many different parts of the world as possible.

China's dependency on the import of crude oil and gas is growing year by year. That is why energy cooperation is at the core of economic relations between China and the Middle Eastern countries. China has made massive investments in infrastructure constructing projects in the region. China pledged US\$23bn in loans and development aid to Arab states in 2018 during a meeting of the China-Arab States Cooperation Forum (CASCF) in Beijing. The latter identified the UAE's Khalifa Port, Oman's Duqm, Saudi Arabia's Jizan, and Egypt's Port Said and Ain Sokhna as key projects that China will develop in association with the BRI in the Middle East¹⁰.

The change of the energy policy not only had an impact on the amounts of imported energy resources but also on their distribution among the exporting countries.

In 2019, the cost of crude oil exported into China totaled US\$238.7 billion which is a 77.7% increase compared with 2015. Along with the rise in energy demands, China also diversified its energy suppliers. China imported crude petroleum oil from forty-three countries in 2019; nine Middle Eastern nations supplied 44.8% of the imported crude oil originated to China, ranging from \$386 million from Egypt up to \$40.1 billion for Saudi Arabia. In 2019, the following countries supplied 90.1% of the crude oil imported into China¹¹:

1. Saudi Arabia: US\$40.1 billion (16.8% of China's total imported crude oil);
2. Russia: \$36.5 billion (15.3%);
3. Iraq: \$23.7 billion (9.9%);
4. Angola: \$22.7 billion (9.5%);
5. Brazil: \$18.5 billion (7.8%);
6. Oman: \$16.4 billion (6.9%);
7. Kuwait: \$10.8 billion (4.5%);
8. United Arab Emirates: \$7.3 billion (3.1%);
9. Iran: \$7.1 billion (3%);

¹⁰ Oil and gas projects led by Chinese contractors in the Middle East region stand at US\$75.3bn, Global Data, 2019, <https://www.globaldata.com/oil-and-gas-projects-led-by-chinese-contractors-in-the-middle-east-stand-at-us75-3bn/>, (01.04.2021).

¹¹ **Workman D.**, Top 15 Crude Oil Suppliers to China, World's Top Exports, <http://www.worldstopexports.com/top-15-crude-oil-suppliers-to-china/>, (01.04.2021).

10. United Kingdom: \$6.3 (2.7%);
11. Congo: \$5.54 billion (2.3%);
12. Malaysia: \$5.5 billion (2.3%);
13. Colombia: \$5.4 billion (2.3%);
14. Libya: \$4.8 billion (2%);
15. Venezuela: \$4.4 billion (1.9%).

If we compare the list above with the list of energy suppliers of 2018, we can notice that import volume distribution underwent some changes. For example, the amount of crude oil import from Saudi Arabia grew in 2019, and consequently, Saudi Arabia became the number one crude oil provider to the People's Republic of China¹²:

1. United Kingdom: Up 44.3% since 2018
2. Saudi Arabia: Up 35.1%
3. Brazil: Up 14.3%
4. Malaysia: Up 13.8%
5. United Arab Emirates: Up 9.5%
6. Colombia: Up 7.6%
7. Iraq: Up 5.9%
8. Libya: Up 0.5%
9. Russia: Down -3.7%
10. Oman: Down -5.4%
11. Angola: Down -8.7%
12. Kuwait: Down -9.3%
13. Congo: Down -12.9%
14. Venezuela: Down -36.6%
15. Iran: Down -52.9%.

As seen from the data given above, roughly half of Chinese imported crude oil originated from Middle Eastern countries. However, energy cooperation between the countries is not only limited to oil imports into China.

China is the leading investor in the Middle Eastern regional oil and gas projects. In 2014, the annual spending on projects with a Chinese contractor totaled \$13.8bn, but four years later, the number almost doubled, reaching \$24.9bn. The drastic increase in investments is due to the expansion of BRI; China not only invests in gas and oil infrastructure construction

¹² **Workman D.**, Op. cit.

projects but also airport, road, railway, power, water, sewage, and marine infrastructure schemes projects¹³.

China's energy needs satisfaction has not only become the key precondition for the sustainable growth of the Chinese economy, but also an important factor, shaping modern world politics. China's energy policy is changing geopolitics around the world; it pursues not only economic but also political-strategic interests¹⁴. As a result of energy cooperation in the Middle East, China not only participates in the trade of energy resources but also makes massive investments in various spheres. Therefore, in this context, energy cooperation can be considered as a means for China to increase its presence and influence in the Middle East. Along with Chinese investments, thousands of Chinese citizens come to the region to implement Chinese-sponsored projects. Simultaneously, Middle Eastern countries have become more willing to provide political assistance to China (in particular, on issues related to China's territorial integrity) due to the deepening of energy cooperation.

Cooperation between China and the Middle East is not limited to BRI. The countries cooperate through various platforms, such as the China-Arab States Cooperation Forum (CASCF), the Cooperation Council for the Arab States of the Gulf (GCC), and the Forum on China–Africa Cooperation (FOCAC). In particular, CASCF aims at promoting cooperation between China and the League of Arab States, including such fields of cooperation as politics, trade, and technology¹⁵.

Beijing is extremely careful in the Middle East and tries to avoid involving in regional conflicts and issues as much as possible. However, the Arab Policy Paper expresses Beijing's position on some regional issues¹⁶:

- China supports the Middle East peace process and the establishment of an independent state of Palestine with full sovereignty, based on the pre-1967 borders, with East Jerusalem as

¹³ **Murray J.**, China leads investment for Middle East oil and gas projects worth \$75bn, NS Energy, <https://www.nsenergybusiness.com/features/china-oil-and-gas-investment/>, (01.04.2021).

¹⁴ **Marketos T. N.**, *China's Energy Geopolitics: The Shanghai Cooperation Organization and Central Asia (Routledge Contemporary China Series)* (1st ed.), Routledge, 2007, pp. 5-10.

¹⁵ Ministry of Foreign Affairs of the People's Republic of China Official Website, https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zzjg_663340/xybfs_663590/dqzzywt_663826/, (01.04.2021).

¹⁶ China's Arab Policy Paper, Op. cit.

its capital. China supports the efforts of the Arab League and its member states to this end.

- China adheres to a political solution to regional hot spot issues and supports the establishment of a nuclear-weapon-free and WMD-free zone in the Middle East.
- China supports positive efforts made by Arab states in strengthening unity, curbing the spread of extremist thoughts, and fighting terrorism.
- China respects choices made by the Arab people and supports Arab states in exploring their development paths suited to their national conditions.
- China hopes to enhance the sharing of governance experience with Arab states.
- On major international issues, such as climate change, food, and energy security, both sides respect each other's core interests and major concerns, safeguard the common interests of developing countries, as well as support each other's reasonable propositions and justifiable demands.

China's Middle East policy is based on cooperation and mutual benefit. Beijing does not put ideological pressure on any country and the relations develop based on respect for each other's cultural values, interests, and positions. The latter is one of the characteristics of Chinese foreign policy around the world. China's foreign policy is based on the creation of an atmosphere of mutual trust through the use of soft power. That is why many countries have started viewing China as a more appealing and trustworthy partner for cooperation.

Beijing has adopted the strategy of a "Wary Dragon" in the Middle East. China is politically as neutral as possible in the region and (if possible) does not take sides in regional conflicts and controversies to protect its expanding interests. Beijing avoids articulating a Middle East policy or strategy in public, making hard commitments to any countries beyond what is necessary to preserve stable pragmatic diplomatic and security ties, as well as business relations. Besides energy security and economic stakes, China also has three other key interests in the region: strengthening its geostrategic position and balancing against US influence (without actively opposing the USA), ensuring domestic tranquility and suppressing any public criticism of its policies (especially those affecting Chinese Muslims and Xinjiang's

Uighurs), as well as enhancing its great-power status. Even though China and the USA both desire stability and unfettered access to energy, China does not pose a threat to US regional interests because Beijing wants to keep the overall atmosphere of friendly and cooperative ties between the US and China. Therefore, if both countries cooperate without rivalry, they will be able to improve regional stability while also protecting their key interests in the Middle East¹⁷.

China's policy in the region is cautious because Beijing prefers a multipolar order in the Middle East. Beijing seeks to spread its political influence alongside other influential countries through mediation in different regional disputes. Some examples are the case of the Syrian war when China vetoed a new UN Security Council resolution concerning the situation in Syria, as well as the disagreements that led to the 2015 Iran nuclear deal. Consequently, China may be willing to take a politically more active role in the Middle East which may seem like a step aimed at weakening the US positions in the region. However, Beijing does not seek to replace the US and become the most politically influential foreign actor in the Middle East. Instead, China aims to become one of the influential regional powers in order to protect its interests and massive investments¹⁸.

Even though Beijing avoids getting involved in regional issues and adheres to the principle of non-interference in internal affairs, China is ready to pursue a more active policy in the region if the need arises or if the safety of investments is at stake. The latter makes China a more appealing partner for cooperation as Beijing neither imposes any ideological pressure on the Middle Eastern states nor does it present any political preconditions. Consequently, the regional countries mainly respond positively to China's attempts to deepen relations and expand the spheres of cooperation.

After the launch of BRI, it became evident that China's interest in the Middle East has significantly increased. Hence, Beijing has been actively taking steps to expand its influence in the region. The Middle East plays an important geopolitical role in the international arena and it is also rich in natural resources. That is why China has a wide range of interests in the region. China uses four means to protect its regional interests: mediation,

¹⁷ **Nader A., Scobell A.**, *China in the Middle East; The Wary Dragon*, RAND Corporation, Santa Monica, 2016, pp. 1-7.

¹⁸ **Sun D.**, *China's approach to the Middle East: Development before democracy, China's Great Game in the Middle East: Policy Brief*, European Council on Foreign Relations, 2019, pp. 17-25.

deepening of political cooperation with influential Middle Eastern countries, deployment of peacekeepers, and deepening of economic (especially energy) cooperation. Beijing's interests in the region are multifaceted. China aims to¹⁹:

- Expand its political influence by having good relations with the most influential Middle Eastern countries to resist the international opposition with their support. For example, the Arab League supported China with the Doha Declaration when the territorial dispute in the South China Sea intensified in 2016. Later, when the judges of the Hague Arbitration Tribunal rejected China's territorial claims in the South China Sea, the support of 22 Arab states helped China overcome international isolation.
- Advocate the concepts of state sovereignty and territorial integrity in the Middle East to ensure wider international adherence to those norms. In July 2019, when the West criticized China for setting up the Xinjing Vocational Education and Training Centers, Iran, Saudi Arabia, Kuwait, and some other Middle Eastern countries supported China.
- Deepen economic relations, especially energy and trade cooperation. According to the General Administration of Customs of China, 462 million tons of oil were imported in 2018, almost half of which came from the Middle East. Consequently, China became the largest trading partner of 11 Middle Eastern countries (including Iran).

It is noteworthy that the countries that provide political support to China in the international arena are mainly those Middle Eastern countries that supply China with energy resources, particularly crude oil and gas. China tries to establish mutually beneficial relations, create favorable conditions and offer such solutions that will be acceptable to all parties involved. However, China's key interest is the last point. Therefore, Beijing may pursue a politically more active policy only if there is no other alternative way to protect its investments and ensure the stability of economic relations.

Since the launch of BRI, Beijing has begun to view the Arab world as a region of great strategic importance as it possesses large oil reserves and

¹⁹ Sun D., Op. cit.

strong links with international markets. That is why China designed a type of soft power that aims at establishing strong relations with the Middle Eastern countries with a traditional Islamic population; Beijing uses *Chinese Islamic soft power* to penetrate the Middle East. The latter includes knowledge exchange platform creation, meetings of high-ranking officials, pilgrimages of official delegations made up of Chinese citizens to Arab states (Hajj diplomacy), the organization of Islamic religious events in China for Muslim minorities, the use of Arabic newsletters to maintain a good international reputation, and sinicization of Islam (mosques built in the Chinese architectural style, preaching of Chinese socialist values, etc.). The efforts of the Islamic Association of China are especially significant for the successful implementation of the mentioned policy²⁰.

Due to China's Islamic soft power, Hajj diplomacy, and the efforts of the Islamic Association of China, Beijing was able to gain the support of Arab states in its policy towards the Uighurs²¹. According to Chinese official sources and sources that represent some Muslim-majority countries²², the Vocational Education and Training Centers of Xinjiang provide Uighurs with the opportunity to learn Chinese, acquire some skills that will help them find work, and live a dignified life in China, therefore those re-education programs aim to alleviate poverty and fight terrorism. According to those sources, this policy aims at combating separatist sentiments and terrorist acts in Xinjiang. Moreover, the Islamic Association of China has described the "false riots" in Xinjiang as "criminal acts against the Islamic spirit that cannot be forgiven." But it is noteworthy that even though the Chinese policy towards the Uighurs of Xinjiang faced a massive backlash and

²⁰ **Greer L., Jardine B.**, The Chinese Islamic Association in the Arab World: The Use of Islamic Soft Power in Promoting Silence on Xinjiang, Middle East Institute, <https://www.mei.edu/publications/chinese-islamic-association-arab-world-use-islamic-soft-power-promoting-silence>, (01.04.2021).

²¹ Spotlight: Ambassadors from 37 countries issue joint letter to support China on its human rights achievements – Xinhua, *English.news.cn*. (2019, July 13). *Xinhua Net*. http://www.xinhuanet.com/english/2019-07/13/c_138222183.htm, (01.04.2021).

²² **Hashemi A.**, How Come Islamic Countries are Silent about China's Crackdown on, *Iran International*, 2019, <https://iranintl.com/en/world/how-come-islamic-countries-are-silent-about-china%E2%80%99s-crackdown-muslims>, (29.08.2020); Saudi newspaper prints full-page denial of China's Uighur persecution, *The New Arab*, 2020, <https://english.alaraby.co.uk/english/news/2020/7/12/saudi-newspaper-prints-full-page-denial-of-chinas-uighur-persecution>, (01.04.2021).

criticism from the West and some Muslims that live outside China²³, Beijing was able to overcome that crisis due to the support of the influential Middle Eastern countries such as Iran, Saudi Arabia, Kuwait, Egypt, and some other Middle Eastern countries²⁴.

China has always tried to pursue a cautious and passive policy in the Middle East, but the Arab Spring forced China to change its approach. To strengthen its geopolitical role and protect key interests, Beijing designed a new Middle Eastern policy and has gradually increased the number of its energy provider countries, including many Middle Eastern countries as possible.

The strategic rivalry between the United States and China escalated during the Arab Spring. In Tunisia and Egypt, Beijing continued its traditional policy based on principles of territorial integrity, sovereignty, and non-interference. Consequently, when US-Egypt relations became tense, and the new Egyptian government was reconsidering its foreign policy, Beijing managed to use the created situation in its favor; China expanded its influence in the region by strengthening Sino-Egyptian relations and establishing ties with the new Egyptian government²⁵.

During the "Libyan Spring," it became clear that the further application of the traditional Chinese foreign policy would be ineffective. Therefore, to protect its regional interests, Beijing made some amendments to its traditional Middle East policy by participating in global governance, undertaking active mediation missions in Syria and Libya, as well as acting as a defender of the fundamental norms of international relations. As part of the new policy, China also deepened cooperation with relatively stable Gulf countries to ensure economic security and protect its investments; Beijing

²³ **Mu L.**, Vocational education and training centers in Xinjiang represents new path to address terrorism, *People's Daily Online*, 2019, <http://en.people.cn/n3/2019/0910/c90000-9613730.html>, (01.04.2021).

²⁴ **Wenting X., Yunyi B.**, Fifty ambassadors throw weight behind China on Xinjiang, *Global Times*, <https://www.globaltimes.cn/content/1159357.shtml>, (01.04.2021).

²⁵ Հարությունյան Ա., «Արաբական գարունը» իբրև նոր մարտահրավեր և նոր հնարավորություն Չինաստանի մերձավորարևելյան քաղաքականության համար, *Հայկական Քաղաքագիտական Հանդես*, 2014, 1, 93-121:

justified the presence of the Chinese naval fleet in the Gulf of Aden and the Indian Ocean based on anti-piracy operations²⁶.

Beijing managed to adapt to the situation and deepen relations with countries of the Middle East despite the regional political tensions and challenges. Nevertheless, China still faces some challenges in the region.

The Middle East upheaval, in general, did not affect the friendly relations between China and the countries in the region due to the profound traditional friendship between the states, as well as the increase of China's international influence and economic strength. Even though the Middle Eastern countries still rely on the USA in regard to security, military, and politics, but they are still willing to deepen the relations with China; "Looking East" remains their policy orientation. Even though the situation may seem pretty favorable and full of opportunities for China, but its Middle East diplomacy faces some enormous challenges²⁷:

1. China's dependence on Middle Eastern crude oil grows year by year. In the future, the shortage of oil reserves could have serious consequences for China's economic security and sustainable development.
2. The so-called "Libyan model," manufactured by the United States on the pretext of "humanitarian intervention," may be copied in other regions and even around China which would challenge China's principle of "non-interference in other's internal affairs."
3. The intensification of extremist movements may directly or indirectly lead to the uprising of separatist forces in China.
4. Middle Eastern countries are heavily dependent on the United States for security and defense, which makes it difficult for China to advance in the region.

China's interest in the Middle East grows year by year, which became evident as Beijing adopted a more active policy in the region. The traditional passive foreign policy faced criticism from both Middle Eastern countries and the people living within China. Beijing finally managed to make appropriate amendments to its foreign policy. Consequently, China deepened the relations with Middle Eastern countries and became involved in politics to ensure regional security.

²⁶ Հարությունյան Ա., *Op. cit.*

²⁷ **Kuangyi Y.**, The Upheaval in the Middle East and China's Middle East Policy, *Journal of Middle Eastern and Islamic Studies (in Asia)*, 2012, **6**, 3, 19-26.

For the countries of the region, China promotes the idea that development is more important than democracy. Beijing claims that the main causes of regional instability are economic stagnation, high unemployment rate, weak infrastructures, rapid population growth, and brain drain, but not the lack of democratic values. Therefore, although Moscow and the West play a major role in the conflicts in Iraq, Lebanon, Libya, Palestine, Syria, and Yemen, China will play a major role in the region during the post-war reconstruction period²⁸.

Thus, China's geopolitical role in the Middle East is mainly connected to the deepening of energy cooperation and the increase of investments. The main characteristic feature of China's Middle East diplomacy is that China's political influence increases parallel to the increase of the volumes of energy resource trade and Chinese investments in BRI initiatives. China's soft power in the region is mainly reflected through political neutrality (except for the cases where neutrality can put Chinese citizens or investments in danger), energy cooperation, and the diversification of investment sectors. Consequently, the diversification of energy providers and the expansion of energy cooperation not only solve China's issue of energy security but also serve as a means of increasing China's political influence in the Middle East. Large-scale investments, economically mutually beneficial conditions, and the lack of ideological propaganda make China a more attractive and reliable partner for the Middle Eastern countries than the United States.

Conflict of interests between China and the US in the Middle East

The development model proposed by China is quite different from the American model of democratic development. Therefore, China's caution in the Middle East is also because the US influence is still significant in the region. Whenever China tries to pursue a politically more active policy in the region, it mainly meets the US opposition. The latter affects Sino-American relations. However, as the US policy in the region became quite passive during Donald Trump's presidency, China had the opportunity to expand its sphere of influence in the Middle East.

In the Middle East, China mainly has geo-economic interests that involve trade, investment, and energy cooperation. The increase of China's

²⁸ Sun D., Op. cit.

geopolitical role is more like a result of deepening economic cooperation, so China's interests are more economic than geopolitical. Meanwhile, US interests are more geopolitical than economic. Along with economic cooperation, US interests include anti-terrorism advocacy, maintaining regional influence, and the protection of the allies. Therefore, even though China and the United States may have some overlapping economic interests in the region, but, in general, their interests do not exclude each other and can be compatible. So, the increase of China's influence does not mean complete expulsion of the United States from the region; if the United States and China find the appropriate cooperation terms, they can establish complementary cooperation in the Middle East²⁹. Moreover, the US presence is important and necessary to stabilize the region and create a secure environment for Chinese investments. Therefore, it would be beneficial for all involved parties if Russia, China, and the United States managed to develop a strategic cooperation plan for the Middle East³⁰.

Although Chinese and US interests can be compatible in theory, harmonious Sino-US cooperation is impossible as long as the United States considers China's growing influence as a threat to its geopolitical role³¹. The anti-China sentiment was extremely active during Donald Trump's presidency, and the United States and China faced a tense point in their relations; anti-Chinese bills were passed, and Chinese policies actively faced strict criticism on numerous international platforms. To discredit China's reputation as a rich and peaceful country, the American and the Western media have mainly used the following topics: the (debatable) Chinese origin of coronavirus (COVID-19), the Xinjiang problem concerning Uighurs, Hong Kong pro-democracy protests, as well as private data leaks through Chinese tech companies and apps³².

²⁹ **Xu R., Sun D.**, Sino-American Relations in the Middle East: Towards A Complementary Partnership? *Asian Journal of Middle Eastern and Islamic Studies*, 2019, 13, 2, 143-161.

³⁰ **Marketos T. N.**, Op. cit.

³¹ China and Russia: The New Threats to Middle East Security and Stability, United States Department of State, 2019, <https://2017-2021.state.gov/china-and-russia-the-new-threats-to-middle-east-security-and-stability/index.html>, (01.04.2021).

³² **O'Flaherty K.**, Huawei Security Scandal: Everything You Need to Know. *Forbes*, 2019, <https://www.forbes.com/sites/kateoflahertyuk/2019/02/26/huawei-security-scandal-everything-you-need-to-know/#573d889673a5>, (01.04.2021).

The American media has portrayed the coronavirus as a virus deliberately spread by China³³, and the term "China virus" became an integral part of President Trump's rhetoric³⁴. The political situation in Hong Kong and China's actions has been described as a threat to democracy³⁵ and human rights³⁶. Xinjiang Vocational Education and Training Centers have been presented as internment camps, where Uighurs, along with some other minorities, were held against their will and where their rights were being violated³⁷. China's policy toward the Uighurs has also been described by some Western sources as a "Technologically Sophisticated Genocide"³⁸, and the support of Muslim leaders to China has been described as a betrayal, while "the Trump administration has done more for the millions in camps than any Islamic leader³⁹".

Although Beijing tries to be as neutral in regional issues as possible, economic cooperation with the Middle Eastern countries has gradually led to the deepening of political cooperation, and consequently to the increase of China's regional influence. The United States views the latter as a threat to its role in the region. That is why the United States and Western countries

³³ **Wintour P.**, Trump attacks China over Covid "plague" as Xi urges collaboration in virus fight. *The Guardian*, 2020, <https://www.theguardian.com/world/2020/sep/22/trump-china-xi-beijing-united-nations>, (01.04.2021).

³⁴ **Gladstone R.**, Trump Demands U.N. Hold China to Account for Coronavirus Pandemic, *The New York Times*, 2020, <https://www.nytimes.com/2020/09/22/world/americas/UN-Trump-Xi-China-coronavirus.html>, (01.04.2021).

³⁵ **Rasmussen A. F.**, Hong Kong showed China is a threat to democracy. Now Europe must defend Taiwan | Anders Fogh Rasmussen. *The Guardian*. 2019, <https://www.theguardian.com/commentisfree/2019/jul/16/hong-kong-china-democracy-europe-taiwan-beijing-eu>, (01.04.2021).

³⁶ **Watson I. R. W. A. V. C.**, Hong Kong was once a safe haven from China. Now activists are fleeing the city by boat to Taiwan. *CNN*. 2020, <https://edition.cnn.com/2020/09/14/asia/hong-kong-taiwan-boat-dst-intl-hnk/index.html>, (01.04.2021).

³⁷ **Graham-Harrison E.**, China has built 380 internment camps in Xinjiang, study finds. *The Guardian*. 2020, <https://www.theguardian.com/world/2020/sep/24/china-has-built-380-internment-camps-in-xinjiang-study-finds>, (01.04.2021).

³⁸ **Asat R.**, The United States Should Formally Recognize Genocide in Xinjiang. *Foreign Policy*. 2020, <https://foreignpolicy.com/2020/07/15/uighur-genocide-xinjiang-china-surveillance-sterilization/>, (01.04.2021).

³⁹ **Ibrahim A.**, Muslim Leaders Are Betraying the Uighurs. *Foreign Policy*. 2020, <https://foreignpolicy.com/2019/07/08/muslim-leaders-are-betraying-the-uighurs/>, (01.04.2021).

have tried to hinder China's progress in the region through anti-Chinese propaganda. However, the United States and China can reach a beneficial status quo in the region if both countries thoroughly negotiate and develop a joint Middle East policy.

Russia-China relations in this context

At first glance, the deepening of China's energy cooperation with the Middle Eastern countries could be a big blow to Russia-China relations (this mainly refers to their energy cooperation). However, research shows that the aforementioned does not affect Sino-Russian relations. China is an industrial giant, whose energy needs are growing year by year, the development of the latter's economy is directly connected to meeting its energy needs. Beijing tries to ensure its energy security and diversify energy providers to guarantee the sustainable development of the Chinese economy.

Russia is interested in diversifying its sales markets to reduce its dependence on the European energy market. Simultaneously, China is trying to increase natural gas imports to reduce its dependency on coal for electricity generation. Another factor is that Moscow and Beijing faced US opposition in the international area almost at the same time. The latter brought the countries closer. It is no coincidence that Moscow's energy dialogue with Beijing intensified in 2014 when Russia was involved in a political conflict with Ukraine and faced sanctions from Western countries. Even though China is still mainly dependent on other energy providers (in 2018, China bought 69.8% of imported oil and 45.3% of natural gas from foreign partners), Sino-Russian energy cooperation deepens year by year. In 2018, Russia supplied 20% more oil to China than in the previous year. Russia is also the largest supplier of coal to China. It supplies 10% of the coal that is consumed in China. Moscow-Beijing energy cooperation is a stable factor that can determine the regional energy situation in the future⁴⁰.

⁴⁰ **Нежданов В.**, Энергетическое сближение России и Китая: Взгляд из Пекина, *Евразия Эксперт*, 2019, <http://eurasia.expert/energeticheskoe-sblizhenie-rossii-i-kitaya-vzglyad-iz-pekina/>, (30.01.2020).

It is noteworthy that China considers Russian oil to be strategically safer and more cost-effective than the oil supplied from Middle Eastern countries because it has several advantages⁴¹:

- Russia's oil fields are connected to oil refineries in Europe and Asia, and oil companies have long-term contracts with them;
- Trade is in Russian rubles while Middle Eastern countries sell oil in US dollars. Consequently, the price of Russian oil is not directly affected by the fluctuations in the value of the US dollar.

The interests of Russia and China in the Middle East mainly complement each other. China is mainly interested in energy security, investments, and economic cooperation. Russian Middle Eastern policy (along with its economic interests such as energy cooperation, arms sales, etc.), is also relatively politically motivated. Beijing mainly supports Russia's actions aimed at stabilizing the Middle East. Sino-Russian cooperation in the region tends to compete with that of the Western countries. However, Russia and China have encountered a positive response from most regional actors, which have welcomed Chinese investments and engaged with Russian diplomacy⁴². Successful energy cooperation and political support towards each other's policies in the Middle East signify mutual trust and stable relations between the countries. The dynamics of Sino-Russian relations show that regardless of the developments of relations with Middle Eastern countries, Sino-Russian relations will continue to deepen. Although Russian crude oil is strategically safer and more cost-effective for China, it is actively expanding its energy resources to include as many Middle Eastern countries as possible. Consequently, China's energy policy in the region is not only economically, but also geopolitically motivated.

Conclusion

The thorough study of the characteristics of China's energy policy and geopolitical role in the Middle East shows that:

1. Economic cooperation is a priority for China in the Middle East, especially energy cooperation. China is interested in establishing or

⁴¹ **Rasidi Y.**, Here's Why China Prefers Russian Oil, *Inside Over*, <https://www.insideover.com/economy/heres-why-china-prefers-russian-oil.html>, (26.08.2020).

⁴² **Siddi M., Kaczmariski M.**, Russia and China in the Middle East Playing their Best Cards, FIIA Briefing Paper, 2019, pp. 1-8.

improving energy cooperation with as many Middle Eastern countries as possible to ensure its energy security. The sustainable development of China's economy relies on meeting the growing energy demands. Therefore, China's economy may face great challenges if Beijing does not manage to diversify its energy providers and provide alternatives to traditional energy sources.

2. China's geopolitical role in the Middle East increased after the "Arab Spring" which forced Beijing to make amendments to its traditional passive and neutral foreign policy. Consequently, China deepened economic cooperation and strengthened diplomatic ties with the countries of the Middle East. Simultaneously, China's Middle East policy faces several challenges, including the difficulty of maintaining its international reputation as a neutral and peaceful country, resisting criticism from the West, as well as ensuring adherence to the principle of non-interference in each other's internal affairs. The increase of China's geopolitical influence in the region mainly faces Western opposition, especially from the United States. The latter is because China's advancement is mainly seen as a threat to the traditional political status quo in the Middle East.
3. The main characteristic feature of China's energy policy is that it also affects China's geopolitical role in the Middle East. The study has shown that while designing China's Middle East policy, Beijing took into consideration both economic and geopolitical interests. China's energy cooperation with the Middle Eastern countries has had a great impact on building a strong foundation for deepening political cooperation between countries. Due to close economic ties, massive investments, and parallel interests, the countries of the Middle East have been willing to support China regarding various political issues in the international arena.
4. At the same time, the successful cooperation between China and Russia has received a positive response from the Middle Eastern countries. In conclusion, even though the increase of China's influence in the region meets Western opposition, China's geopolitical role in the Middle East will continue to grow as long as the latter continues to make investments and maintains stable economic cooperation with the countries, especially in the energy sector.